

# Neely, Brien, Wilson & Toombs, PLLC

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S. Boyd Neely, Jr.  
Robert C. Brown

December 26, 2018

RECEIVED  
DEC 27 2018  
PUBLIC SERVICE  
COMMISSION

Ms. Gwen R. Pinson  
Executive Director  
Public Service Commission  
211 Sower Blvd  
Frankfort, KY 40601

RE: ARF Application - Water Rates  
Graves County Water District

Dear Ms. Pinson:

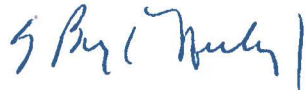
Enclosed for filing are the original and five (5) copies of the Graves County Water District's ARF Application for an adjustment to its retail water rates. The ARF Application is being filed pursuant to 807 KAR 5:076.

The ARF Application uses calendar year 2017 as the Test Year, with appropriate adjustments to normalize expenses.

A copy of the ARF Application has been provided to the Office of Rate Intervention in the Attorney General's Office.

If there are any questions concerning this filing, please call me at (270) 247-9333 or contact me via email at [boyd@nbwtlaw.com](mailto:boyd@nbwtlaw.com). You can also contact Eric Blake with The Prime Group LLC, who worked on the revenue requirement and rate design. You can call him at (502) 241-4405 or contact him via email at [eblake@theprimegroupllc.com](mailto:eblake@theprimegroupllc.com).

Sincerely yours,



S. Boyd Neely, Jr.

Enclosures  
SBNjr/pk

cc: Office of the Attorney General, Rate Intervention



**SUBMIT ORIGINAL AND FIVE ADDITIONAL COPIES, UNLESS FILING ELECTRONICALLY**

**APPLICATION FOR RATE ADJUSTMENT  
BEFORE THE PUBLIC SERVICE COMMISSION**

For Small Utilities Pursuant to 807 KAR 5:076  
(Alternative Rate Filing)

**GRAVES COUNTY WATER DISTRICT**

(Name of Utility)

**PO BOX 329**

(Business Mailing Address - Number and Street, or P.O. Box)

**Mayfield, KY 42066**

(Business Mailing Address - City, State, and Zip)

**(270) 247-4661**

(Telephone Number)

**BASIC INFORMATION**

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

**Kevin Leonard - Water & Wastewater Manager**

(Name)

**301 E. Broadway**

(Address - Number and Street or P.O. Box)

**Mayfield, KY 42066**

(Address - City, State, Zip)

**(270) 247-4661 ext. 123**

(Telephone Number)

**kleonard@mewsbb.com**

(Email Address)

(For each statement below, the Applicant should check either "YES", "NO", or "NOT APPLICABLE" (N/A))

- |   | YES                                 | NO                       | N/A                      |
|---|-------------------------------------|--------------------------|--------------------------|
| 1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. a. Applicant has filed an annual report with the Public Service Commission for the past year.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Applicant has filed an annual report with the Public Service Commission for the two previous years.  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Applicant's records are kept separate from other commonly-owned enterprises.   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
- b. Applicant is a limited liability company that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
- c. Applicant is a limited partnership that is organized under the laws of the state of \_\_\_\_\_, is authorized to operate in, and is in good standing in the state of Kentucky.
- d. Applicant is a sole proprietorship or partnership.
- e. Applicant is a water district organized pursuant to KRS Chapter 74.
- f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. (Attach a copy of customer notice.)
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. (Attach a copy of customer notice.)
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. (Attach a copy of customer notice.)
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." (Attach completed "Reasons for Application" Attachment.)

YES NO N/A

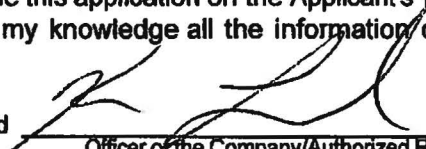
8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." (Attach completed "Current and Proposed Rates" Attachment.)
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2017.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." (Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 303,023 and total revenues from service rates of \$ 1,837,375. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. (Attach a completed "Revenue Requirement Calculation" Attachment.)
12. As of the date of the filing of this application, Applicant had 4,786 customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. (Attach a completed "Billing Analysis" Attachment.)
14. Applicant's depreciation schedule of utility plant in service is attached. (Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

YES NO N/A

- 16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application.     
(Attach a copy of returns.)
- 17. Approximately 0 (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
- 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

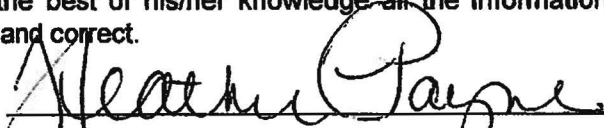
By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed   
 Officer of the Company/Authorized Representative  
 Title Water and Wastewater Operations Manager  
 Date 12/20/18

COMMONWEALTH OF KENTUCKY  
 COUNTY OF Graves

Before me appeared Kevin Leonard - Water & Wastewater Manager, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.

  
 Notary Public  
 My commission expires: 4/19/20

## **LIST OF ATTACHMENTS**

### **Graves County Water District**

1. Customer Notice of Proposed Rate Adjustment
2. Reasons for Application
3. Current and Proposed Rates
4. Statement of Adjusted Operations and Revenue Requirements Calculation with the following attachments:
  - a. References
  - b. Adjustment – Water Loss
  - c. Adjustment – Contractual Services
  - d. Adjustment – Loss Detection and Repair Program
  - e. Adjustment – Interest Expense
  - f. Depreciation Expense Table
5. Current and Proposed Billing Analysis
6. Depreciation Schedule
7. Outstanding Debt Instruments
  - a. KIA Loans
  - b. FNB Loan
8. Amortization Schedules
  - a. KIA Loans
  - b. FNB Loan
9. Statements of Disclosure of Related Party Transactions
10. Board Resolution

# **Attachment 1**

## CUSTOMER NOTICE

Notice is hereby given that the Graves County Water District expects to file an application on or about December 27, 2018 with the Kentucky Public Service Commission seeking approval of a proposed adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates.

### MONTHLY WATER RATES - SOUTH GRAVES, FANCY FARM, CONSUMER, & HARDEMAN

| <u>Meter Size</u> | <u>Minimum Bills Based on Meter Size</u> |                      |                 |                            |                             |
|-------------------|--|----------------------|-----------------|----------------------------|-----------------------------|
|                   | <u>Gals. Incl'd.<br/>in Minimum</u>      | <u>Minimum Bills</u> |                 | <u>Dollar<br/>Increase</u> | <u>Percent<br/>Increase</u> |
|                   |  | <u>Current</u>       | <u>Proposed</u> |                            |                             |
| 5/8 x 3/4 inch    | 2,000                                    | \$ 13.53             | \$ 15.09        | \$ 1.56                    | 11.5%                       |
| 1 inch            | 5,000                                    | 29.37                | 32.75           | 3.38                       | 11.5%                       |
| 2 inch            | 20,000                                   | 103.07               | 114.92          | 11.85                      | 11.5%                       |
| 3 inch            | 50,000                                   | 228.47               | 254.74          | 26.27                      | 11.5%                       |
| Wholesale         | 0  | 0                    | 0               | 0                          | 0.0%                        |

#### Rates for Retail and Wholesale Water Usage in Addition to Minimum

| <u>No. of Gallons per Month:</u> | <u>Charge per 2,000 Gals.</u> |                 | <u>Dollar<br/>Increase</u> | <u>Percent<br/>Increase</u> |
|----------------------------------|-------------------------------|-----------------|----------------------------|-----------------------------|
|                                  | <u>Current</u>                | <u>Proposed</u> |                            |                             |
| First 2,000 Gallons (lump sum)   | \$ 13.53                      | \$ 15.09        | \$ 1.56                    | 11.5%                       |
| Next 8,000 Gallons               | 5.28                          | 5.89            | 0.61                       | 11.6%                       |
| Next 10,000 Gallons              | 4.73                          | 5.27            | 0.54                       | 11.4%                       |
| Next 30,000 Gallons              | 4.18                          | 4.66            | 0.48                       | 11.5%                       |
| Over 50,000 Gallons              | 3.62                          | 4.04            | 0.42                       | 11.6%                       |

If the Public Service Commission approves the proposed rates, then the monthly bill for a residential customer using an average of 4,000 gallons per month will increase from \$24.09 to \$26.87. This is an increase of \$2.78 or 11.5%.

### MONTHLY WATER RATES - HICKORY

| <u>Meter Size</u> | <u>Minimum Bills Based on Meter Size</u> |                      |                 |                            |                             |
|-------------------|--|----------------------|-----------------|----------------------------|-----------------------------|
|                   | <u>Gals. Incl'd.<br/>in Minimum</u>      | <u>Minimum Bills</u> |                 | <u>Dollar<br/>Increase</u> | <u>Percent<br/>Increase</u> |
|                   |  | <u>Current</u>       | <u>Proposed</u> |                            |                             |
| 5/8 x 3/4 inch    | 2,000                                    | \$ 12.31             | \$ 15.09        | \$ 2.78                    | 22.6%                       |
| 1 inch            | 5,000                                    | 28.74                | 32.75           | 4.01                       | 14.0%                       |
| 1 ½ inch          | 7,500                                    | 34.58                | 38.56           | 3.98                       | 11.5%                       |
| 2 inch            | 20,000                                   | 62.30                | 114.92          | 52.62                      | 84.5%                       |
| 3 inch            | 50,000                                   | 266.00               | 254.74          | -11.26                     | -4.5%                       |

#### Rates for Water Usage in Addition to Minimum

| <u>No. of Gallons per Month:</u> | <u>Charge per 2,000 Gals.</u> |                 | <u>Dollar<br/>Increase</u> | <u>Percent<br/>Increase</u> |
|----------------------------------|-------------------------------|-----------------|----------------------------|-----------------------------|
|                                  | <u>Current</u>                | <u>Proposed</u> |                            |                             |
| First 2,000 Gallons (lump sum)   | \$ 12.31                      | \$ 15.09        | \$ 2.78                    | 22.6%                       |
| Next 3,000 Gallons               | 4.18                          | 5.89            | 1.71                       | 40.9%                       |
| Next 5,000 Gallons               | 3.89                          | 5.89            | 2.00                       | 51.4%                       |
| Next 10,000 Gallons              | 3.60                          | 5.27            | 1.67                       | 46.4%                       |
| Next 30,000 Gallons              | 2.59                          | 4.66            | 2.07                       | 79.9%                       |
| Next 50,000 Gallons              | 2.16                          | 4.04            | 1.88                       | 87.0%                       |
| Over 100,000 Gallons             | 1.80                          | 4.04            | 2.24                       | 124.4%                      |



If the Public Service Commission approves the proposed rates, then the monthly bill for a residential customer using an average of 4,000 gallons per month will increase from \$20.67 to \$26.87. This is an increase of \$6.20 or 30.0%.

### MONTHLY WATER RATES - SEDALIA

| <u>Meter Size</u> | <u>Minimum Bills Based on Meter Size</u> |                |                 |                        | <u>Percent Increase</u> |
|-------------------|--|----------------|-----------------|------------------------|-------------------------|
|                   | <u>Gals. Incl'd. in Minimum</u>          | <u>Current</u> | <u>Proposed</u> | <u>Dollar Increase</u> |                         |
| 5/8 x 3/4 inch    | 2,000                                    | \$ 15.18       | \$ 15.09        | -\$ 0.09               | -0.6%                   |

| <u>No. of Gallons per Month:</u> | <u>Rates for Water Usage in Addition to Minimum</u> |                 |                        |       | <u>Percent Increase</u> |
|----------------------------------|---|-----------------|------------------------|-------|-------------------------|
|                                  | <u>Current</u>                                      | <u>Proposed</u> | <u>Dollar Increase</u> |       |                         |
| First 2,000 Gallons (lump sum)   | \$ 15.18  | \$ 15.09        | \$ -0.09               | -0.6% |                         |
| Next 8,000 Gallons               | 3.90  | 5.89            | 1.99                   | 51.0% |                         |
| Next 10,000 Gallons              | 2.87  | 5.27            | 2.40                   | 83.6% |                         |
| Next 30,000 Gallons              | 2.87  | 4.66            | 1.79                   | 62.4% |                         |
| Over 50,000 Gallons              | 2.87  | 4.04            | 1.17                   | 40.8% |                         |

If the Public Service Commission approves the proposed rates, then the monthly bill for a residential customer using an average of 4,000 gallons per month will increase from \$22.98 to \$26.87. This is an increase of \$3.89 or 16.9%.

The rates contained in this notice are the rates proposed by Graves County Water District. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates shown in this notice.

Graves County Water District has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at Mayfield Electric & Water Systems' office located at 301 East Broadway, Mayfield, KY 42066. You may contact the office at 270-247-4661.

A person may also examine the application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, PO Box 615, Frankfort, Kentucky, 40602. You may contact the Public Service Commission at 502-564-3940.

A person may submit a timely written request for intervention to the Public Service Commission, PO Box 615, Frankfort, KY, 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Public Service Commission may take final action on the application.

## **Attachment 2**

# Reasons for Application

Graves County Water District (the "District") is requesting a 20.0 percent rate increase for its retail water customers. The water rate increase will generate an approximate total of \$303,023 in additional annual revenue. It should be noted that the revenue requirement calculation submitted in this filing could support a revenue increase of \$382,543, which would have resulting in a 25.2 percent increase. However, the District is proposing an increase capped at 20 percent, which is less than the full amount that can be supported by the revenue requirement analysis.

Also, the District currently has 3 different rate schedules for its 6 districts and is proposing a uniform set of rates that will apply to all 6 districts.

The District needs this rate increase for the following reasons:

1. To enable the District to pay its annual principal payments on its existing long-term debt from water revenue rather than from depreciation reserves;
2. To enable the District to meet the requirements set forth in its existing debt instruments;
3. To restore the District to a sound financial condition by charging rates that recover its cost of providing service;
4. To enable the District to enhance its financial capacity so it can continue to operate its system in compliance with the federal Safe Drinking Water Act, as amended in 1996, and KRS Chapter 151; and
5. To enable the District to implement a program to reduce the amount of water losses on its system.

## **Attachment 3**

| <b>SOUTH GRAVES, FANCY FARM, CONSUMER AND HARDEMAN - Current Rates</b> |                                 |                      |        |
|--|---------------------------------|----------------------|--------|
| <b>5/8" METERS WITH 13.53 MINIMUM</b>                                  |                                 |                      |        |
|  |                                 | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>                                     |                                 | <b>1,000 Gallons</b> |        |
| MINIMUM  | First 2,000 Gallons (lump sum)  | \$                   | 13.53  |
| 2ND TIER   | Next 8,000 Gallons              | \$                   | 5.28   |
| 3RD TIER   | Next 10,000 Gallons             | \$                   | 4.73   |
| 4TH TIER   | Next 30,000 Gallons             | \$                   | 4.18   |
| 5TH TIER   | Over 50,000 Gallons             | \$                   | 3.62   |
| <b>1" METERS WITH 29.37 MINIMUM</b>                                    |                                 |                      |        |
|  |                                 | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>                                     |                                 | <b>1,000 Gallons</b> |        |
| MINIMUM  | First 5,000 Gallons (lump sum)  | \$                   | 29.37  |
| 2ND TIER   | Next 5,000 Gallons              | \$                   | 5.28   |
| 3RD TIER   | Next 10,000 Gallons             | \$                   | 4.73   |
| 4TH TIER   | Next 30,000 Gallons             | \$                   | 4.18   |
| 5TH TIER   | Over 50,000 Gallons             | \$                   | 3.62   |
| <b>2" METERS WITH 103.07 MINIMUM</b>                                   |                                 |                      |        |
|  |                                 | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>                                     |                                 | <b>1,000 Gallons</b> |        |
| MINIMUM  | First 20,000 Gallons (lump sum) | \$                   | 103.07 |
| 2ND TIER   | Next 30,000 Gallons             | \$                   | 4.18   |
| 3RD TIER   | Over 50,000 Gallons             | \$                   | 3.62   |
| <b>WHOLESALE</b>   |                                 |                      |        |
|  |                                 | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>                                     |                                 | <b>1,000 Gallons</b> |        |
| NO MIN.  | All Customers                   | \$                   | 2.69   |

| <b>SEDALIA - Current Rates</b>       |                                |                      |       |
|--------------------------------------|--------------------------------|----------------------|-------|
| <b>ALL METERS WITH 15.18 MINIMUM</b> |                                |                      |       |
|                                      |                                | <b>Charge per</b>    |       |
| <b>Number of Gallons per Month</b>   |                                | <b>1,000 Gallons</b> |       |
| MINIMUM                              | First 2,000 Gallons (lump sum) | \$                   | 15.18 |
| 2ND TIER                             | Next 8,000 Gallons             | \$                   | 3.90  |
| 3RD TIER                             | Over 10,000 Gallons            | \$                   | 2.87  |
| <b>COMMERCIAL FLAT RATE</b>          |                                |                      |       |
|                                      |                                | <b>Charge per</b>    |       |
| <b>Number of Gallons per Month</b>   |                                | <b>1,000 Gallons</b> |       |
| NO MIN.                              | All Customers (lump sum)       | \$                   | 41.16 |

| <b>HICKORY - Current Rates</b>                |                                  |                      |        |
|---|----------------------------------|----------------------|--------|
| <b>5/8" METERS WITH 12.31 MINIMUM</b>         |                                  |                      |        |
|   |                                  | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>            |                                  | <b>1,000 Gallons</b> |        |
| MINIMUM                                       | First 2,000 Gallons (lump sum)   | \$                   | 12.31  |
| 2ND TIER                                      | Next 3,000 Gallons               | \$                   | 4.18   |
| 3RD TIER                                      | Next 5,000 Gallons               | \$                   | 3.89   |
| 4TH TIER                                      | Next 10,000 Gallons              | \$                   | 3.60   |
| 5TH TIER                                      | Next 30,000 Gallons              | \$                   | 2.59   |
| 6TH TIER                                      | Next 50,000 Gallons              | \$                   | 2.16   |
| 7TH TIER                                      | Over 100,000 Gallons             | \$                   | 1.80   |
| <b>1" METERS WITH 28.74 MINIMUM</b>           |                                  |                      |        |
|   |                                  | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>            |                                  | <b>1,000 Gallons</b> |        |
| MINIMUM                                       | First 6,000 Gallons (lump sum)   | \$                   | 28.74  |
| 2ND TIER                                      | Next 4,000 Gallons               | \$                   | 3.89   |
| 3RD TIER                                      | Next 10,000 Gallons              | \$                   | 3.60   |
| 4TH TIER                                      | Next 30,000 Gallons              | \$                   | 2.59   |
| 5TH TIER                                      | Next 50,000 Gallons              | \$                   | 2.16   |
| 6TH TIER                                      | Over 100,000 Gallons             | \$                   | 1.80   |
| <b>1 1/2" METERS WITH 34.58 MINIMUM</b>       |                                  |                      |        |
|   |                                  | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>            |                                  | <b>1,000 Gallons</b> |        |
| MINIMUM                                       | First 7,500 Gallons (lump sum)   | \$                   | 34.58  |
| 2ND TIER                                      | Next 2,500 Gallons               | \$                   | 3.89   |
| 3RD TIER                                      | Next 10,000 Gallons              | \$                   | 3.60   |
| 4TH TIER                                      | Next 30,000 Gallons              | \$                   | 2.59   |
| 5TH TIER                                      | Next 50,000 Gallons              | \$                   | 2.16   |
| 6TH TIER                                      | Over 100,000 Gallons             | \$                   | 1.80   |
| <b>2" METERS WITH 62.30 MINIMUM</b>           |                                  |                      |        |
|   |                                  | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>            |                                  | <b>1,000 Gallons</b> |        |
| MINIMUM                                       | First 15,000 Gallons (lump sum)  | \$                   | 62.30  |
| 2ND TIER                                      | Next 5,000 Gallons               | \$                   | 3.60   |
| 3RD TIER                                      | Next 30,000 Gallons              | \$                   | 2.59   |
| 4TH TIER                                      | Next 50,000 Gallons              | \$                   | 2.16   |
| 5TH TIER                                      | Over 100,000 Gallons             | \$                   | 1.80   |
| <b>3" &amp; 4" METERS WITH 266.00 MINIMUM</b> |                                  |                      |        |
|   |                                  | <b>Charge per</b>    |        |
| <b>Number of Gallons per Month</b>            |                                  | <b>1,000 Gallons</b> |        |
| MINIMUM                                       | First 100,000 Gallons (lump sum) | \$                   | 266.00 |
| 2ND TIER                                      | Over 100,000 Gallons             | \$                   | 1.80   |

| <b>ALL DISTRICTS - Proposed Rates</b>         |                                 |                                    |                |
|---|---------------------------------|------------------------------------|----------------|
| <b>5/8" METERS WITH 15.09 MINIMUM</b>         |                                 |                                    |                |
|   |                                 | <b>Charge per 1,000</b>            |                |
|   |                                 | <b>Number of Gallons per Month</b> | <b>Gallons</b> |
| MINIMUM                                       | First 2,000 Gallons (lump sum)  | \$                                 | 15.09          |
| 2ND TIER                                      | Next 8,000 Gallons              | \$                                 | 5.89           |
| 3RD TIER                                      | Next 10,000 Gallons             | \$                                 | 5.27           |
| 4TH TIER                                      | Next 30,000 Gallons             | \$                                 | 4.66           |
| 5TH TIER                                      | Over 50,000 Gallons             | \$                                 | 4.04           |
| <b>1" METERS WITH 32.75 MINIMUM</b>           |                                 |                                    |                |
|   |                                 | <b>Charge per 1,000</b>            |                |
|   |                                 | <b>Number of Gallons per Month</b> | <b>Gallons</b> |
| MINIMUM                                       | First 5,000 Gallons (lump sum)  | \$                                 | 32.75          |
| 2ND TIER                                      | Next 5,000 Gallons              | \$                                 | 5.89           |
| 3RD TIER                                      | Next 10,000 Gallons             | \$                                 | 5.27           |
| 4TH TIER                                      | Next 30,000 Gallons             | \$                                 | 4.66           |
| 5TH TIER                                      | Over 50,000 Gallons             | \$                                 | 4.04           |
| <b>1 1/2" METERS WITH 38.56 MINIMUM</b>       |                                 |                                    |                |
|   |                                 | <b>Charge per 1,000</b>            |                |
|   |                                 | <b>Number of Gallons per Month</b> | <b>Gallons</b> |
| MINIMUM                                       | First 7,500 Gallons (lump sum)  | \$                                 | 38.56          |
| 2ND TIER                                      | Next 2,500 Gallons              | \$                                 | 4.34           |
| 3RD TIER                                      | Next 10,000 Gallons             | \$                                 | 4.01           |
| 4TH TIER                                      | Next 30,000 Gallons             | \$                                 | 2.89           |
| 5TH TIER                                      | Next 50,000 Gallons             | \$                                 | 2.41           |
| 6TH TIER                                      | Over 100,000 Gallons            | \$                                 | 2.01           |
| <b>2" METERS WITH 114.92 MINIMUM</b>          |                                 |                                    |                |
|   |                                 | <b>Charge per 1,000</b>            |                |
|   |                                 | <b>Number of Gallons per Month</b> | <b>Gallons</b> |
| MINIMUM                                       | First 20,000 Gallons (lump sum) | \$                                 | 114.92         |
| 2ND TIER                                      | Next 30,000 Gallons             | \$                                 | 4.66           |
| 3RD TIER                                      | Over 50,000 Gallons             | \$                                 | 4.04           |
| <b>3" &amp; 4" METERS WITH 254.74 MINIMUM</b> |                                 |                                    |                |
|   |                                 | <b>Charge per 1,000</b>            |                |
|   |                                 | <b>Number of Gallons per Month</b> | <b>Gallons</b> |
| MINIMUM                                       | First 50,000 Gallons (lump sum) | \$                                 | 254.74         |
| 2ND TIER                                      | Over 50,000 Gallons             | \$                                 | 4.04           |
| <b>WHOLESALE</b>                              |                                 |                                    |                |
|   |                                 | <b>Charge per 1,000</b>            |                |
|   |                                 | <b>Number of Gallons per Month</b> | <b>Gallons</b> |
| NO MIN.                                       | All Customers                   | \$                                 | 3.00           |



## **Attachment 4**

**SCHEDULE OF ADJUSTED OPERATIONS**  
**Graves County Water District**

|  | <u>Test Year</u>           | <u>Adjustments</u> | <u>Ref.</u> | <u>Pro Forma</u>           |
|--|----------------------------|--------------------|-------------|----------------------------|
| <b><u>Operating Revenues</u></b>                   |                            |                    |             |                            |
| Charge for Services                                | \$ 1,515,114               |                    |             | \$ 1,515,114               |
| Other Income                                       | 88,937                     |                    |             | 88,937                     |
| <b>Total Operating Income</b>                      | <b><u>\$ 1,604,051</u></b> |                    |             | <b><u>\$ 1,604,051</u></b> |
| <br><b><u>Operating Expenses</u></b>               |                            |                    |             |                            |
| Advertising  | \$ 1,457                   |                    |             | \$ 1,457                   |
| Commissioners Salaries                             | 23,438                     |                    |             | 23,438                     |
| Purchased Power                                    | 102,850                    | \$ (10,602) a.     |             | 92,248                     |
| Purchased Water                                    | 239,999                    | \$ (24,740) a.     |             | 215,259                    |
| Chemicals  | 71,542                     |                    |             | 71,542                     |
| Materials & Supplies                               | 96,850                     |                    |             | 96,850                     |
| Rental Equipment                                   | 41,037                     |                    |             | 41,037                     |
| Contractual Services                               | 888,722                    | \$ 141,179 b., c.  |             | 1,029,901                  |
| Insurance  | 20,906                     |                    |             | 20,906                     |
| Miscellaneous                                      | 20,822                     |                    |             | 20,822                     |
| Bad Debt   | 9,908                      |                    |             | 9,908                      |
| Depreciation & Amortization                        | 329,397                    |                    |             | 329,397                    |
| Tax & License                                      | 5,450                      |                    |             | 5,450                      |
| <b>Total Operating Expense</b>                     | <b><u>\$ 1,852,378</u></b> |                    |             | <b><u>\$ 1,958,214</u></b> |
| <br><b>Net Utility Operating Income</b>            | <br><b>\$ (248,327)</b>    |                    |             | <br><b>\$ (354,163)</b>    |
| <br><b><u>Nonoperating Revenues (Expenses)</u></b> |                            |                    |             |                            |
| Interest Income                                    | \$ 1,542                   |                    |             | \$ 1,542                   |
| Interest Expense                                   | (23,326)                   | \$ (6,980) d.      |             | (30,306)                   |
| Investment Income                                  | 2,134                      |                    |             | 2,134                      |
| Nonutility Income                                  | (1,750)                    |                    |             | (1,750)                    |
| <b>Total Nonoperating Revenues (Expenses)</b>      | <b><u>\$ (21,400)</u></b>  |                    |             | <b><u>\$ (28,380)</u></b>  |
| <br><b>Total Utility Operating Income</b>          | <br><b>\$ (269,727)</b>    |                    |             | <br><b>\$ (382,543)</b>    |

**REVENUE REQUIREMENTS**

|  |                            |
|--|----------------------------|
| <b>Pro Forma Operating Expenses</b>  | <b>\$ 1,958,214</b>        |
| <b>Overall Revenue Requirement</b>   | <b>\$ 1,958,214</b>        |
| Other Income   | 88,937                     |
| Nonoperating Revenues & Expense  | (28,380)                   |
| <b>Revenue Requirement From Sales</b>  | <b><u>\$ 1,897,657</u></b> |
| <br><b>Less: Revenue From Sales at Present Rates</b>                           | <br><b>1,515,114</b>       |
| <br><b>Required Revenue Increase</b>   | <br><b>\$ 382,543</b>      |
| <br><b>Percent Increase that could be supported by the Revenue Requirement</b> | <br><b>25.2%</b>           |
| <br><b>Proposed Revenue at 20% Increase</b>                                    | <br><b>\$ 1,818,137</b>    |
| <br><b>Proposed Revenue Increase</b>   | <br><b>\$ 303,023</b>      |
| <br><b>Proposed Revenue Increase</b>   | <br><b>20%</b>             |

## **Attachment 4a**

## REFERENCES

- a. District's test year water loss was 25.31 percent. The PSC's maximum allowable loss for rate-making purposes is 15.0 percent. Therefore, the expenses for Purchased Water and Purchased Power related to water purchased and pumped above the 15 percent limit must be deducted.
- b. An adjustment was made to the Contractual Services expense to reflect an increase in the monthly charge per customer per month that Mayfield Electric and Water Systems bills Graves County Water District to cover the following costs: administrative fees, meter reading, statement billing, collection and postage.
- c. An adjustment was made to the Contractual Services expense to reflect the additional expenses for a leak detection and repair program over a three-year period. This leak detection and repair program is necessary to address the high level of losses on the District's distribution system.
- d. An adjustment was made to Interest Expense to reflect the additional expense from a newly-acquired line of credit from Community Financial Services Bank. The line of credit is \$200,000 with term of two years.

## **Attachment 4b**

|                        | <b>Water Sales</b> | <b>Annual<br/>Loss</b> | <b>Weighted<br/>Loss</b> |
|------------------------|--------------------|------------------------|--------------------------|
| <b>South Graves</b> \$ | 193,035.08         | 58.29%                 | 7.36%                    |
| <b>Fancy Farm</b> \$   | 172,545.06         | 11.37%                 | 1.28%                    |
| <b>Consumer</b> \$     | 557,618.53         | 16.42%                 | 5.99%                    |
| <b>Hardeman</b> \$     | 130,712.99         | 23.03%                 | 1.97%                    |
| <b>Hickory</b> \$      | 433,494.88         | 29.31%                 | 8.31%                    |
| <b>Sedalia</b> \$      | 41,557.98          | 14.67%                 | 0.40%                    |
| <b>Total</b> \$        | 1,528,964.52       |                        | 25.31%                   |

**Weighted Annual Water Loss** 25.31%

**Allowable Water Loss** 15.00%

**Water Loss Adjustment Factor** -10.31%

**Purchased Power (Test Year)** \$ 102,850.00

**Purchased Power Adjustment** \$ (10,602.20)

**Purchased Water (Test Year)** \$ 239,999.00

**Purchased Water Adjustment** \$ (24,740.08)



## **Attachment 4c**

|                                   | Hickory      | Sedalia     | Fancy Farm  | Sth Graves  | Hardeman    | Consumer     |
|-----------------------------------|--------------|-------------|-------------|-------------|-------------|--------------|
| <b>Current Avg Customers 2018</b> | <b>1402</b>  | <b>137</b>  | <b>419</b>  | <b>620</b>  | <b>398</b>  | <b>1805</b>  |
| <b>Avg 2016</b>                   | <b>1399</b>  | <b>137</b>  | <b>420</b>  | <b>618</b>  | <b>397</b>  | <b>1765</b>  |
| Jan-17                            | 1401         | 138         | 419         | 622         | 398         | 1767         |
| Feb-17                            | 1411         | 138         | 422         | 625         | 391         | 1790         |
| Mar-17                            | 1400         | 138         | 416         | 620         | 396         | 1770         |
| Apr-17                            | 1394         | 137         | 420         | 622         | 393         | 1776         |
| May-17                            | 1403         | 138         | 417         | 622         | 393         | 1772         |
| Jun-17                            | 1401         | 137         | 419         | 622         | 396         | 1781         |
| Jul-17                            | 1407         | 136         | 418         | 625         | 397         | 1783         |
| Aug-17                            | 1407         | 138         | 419         | 627         | 398         | 1796         |
| Sep-17                            | 1411         | 138         | 418         | 625         | 398         | 1775         |
| Oct-17                            | 1405         | 136         | 418         | 631         | 396         | 1799         |
| Nov-17                            | 1420         | 138         | 419         | 620         | 397         | 1795         |
| Dec-17                            | 1404         | 137         | 419         | 622         | 398         | 1785         |
| <b>Total</b>                      | <b>16864</b> | <b>1649</b> | <b>5024</b> | <b>7483</b> | <b>4751</b> | <b>21389</b> |

|                            | <b>Total</b>       |             | <b>Total</b>   |
|----------------------------|--------------------|-------------|----------------|
|                            | <b>Cust-Months</b> | <b>Rate</b> | <b>Charges</b> |
| <b>2017</b>                | 57160 \$           | 3.70 \$     | 211,492.00     |
| <b>2018</b>                | 57372 \$           | 3.76 \$     | 215,718.72     |
| <b>Increase (Decrease)</b> | 212                |             | \$ 4,226.72    |

## **Attachment 4d**

**Graves County Water District**  
**Pro-forma Adjustment for Loss Detection and Repair Program**

|   |  | Year 1     | Year 2     | Year 3     | 3-Year Average |
|---|--|------------|------------|------------|----------------|
| <b><u>Loss Detection Cost Estimate</u></b>                          |  |            |            |            |                |
| Labor   | 2-person Crew at \$40/Hour fully loaded - half day inspections | \$ 83,200  | \$ 83,200  | \$ 83,200  |                |
| Transportation  | 50 miles per day @54.5 cents                                   | 7,085      | 7,085      | 7,085      |                |
| Sub-Total Loss Detection  |  | \$ 90,285  | \$ 90,285  | \$ 90,285  |                |
| <b><u>Loss Repair Cost Estimate</u></b>                             |  |            |            |            |                |
| Estimated Number of Leaks Repaired per Year                         |  | 200        | 100        | 50         |                |
| Cost of Repair (Materials & Labor)                                  |  | \$ 400     | \$ 400     | \$ 400     |                |
| Sub-Total Leak Repair   |  | \$ 80,000  | \$ 40,000  | \$ 20,000  |                |
| Total Additional O&M Expenses for Leak Detection and Repair Program |  | \$ 170,285 | \$ 130,285 | \$ 110,285 | \$ 136,952     |

## **Attachment 4e**

**Community Financial Services Bank**  
**Loan # 4504529907**

**CFSB Line of Credit** \$ 200,000.00

**Interest Rate** 3.49%

**Interest Expense Adjustment** \$ 6,980.00



## **Attachment 4f**

**Table A  
DEPRECIATION EXPENSE TABLE**

| <u>Asset</u>                               | <u>Date in Service</u> | <u>Original Cost</u> | <u>Reported</u> |                   | <u>Proforma</u> |                   | <u>Depreciation Expense Adjustment</u> | <u>Range From NARUC Table</u> |
|--|------------------------|----------------------|-----------------|-------------------|-----------------|-------------------|--|-------------------------------|
|  |                        |                      | <u>Life</u>     | <u>Depr. Exp.</u> | <u>Life</u>     | <u>Depr. Exp.</u> |  |                               |
| <b>Water</b>                               |                        |                      |                 |                   |                 |                   |  |                               |
| <b>Source of Supply</b>                    |                        |                      |                 |                   |                 |                   |  |                               |
| Collecting & Impounding Reservoirs         | 12/31/2008             | \$ 54,620            | 65              | \$ 840            | 65              | \$ 840            | \$ -                                   | 50-75                         |
| Wells & Springs                            | Various                | \$ 78,723            | 30              | \$ 2,623          | 30              | \$ 2,623          | \$ -                                   | 25-35                         |
| <b>Pumping Plant</b>                       |                        |                      |                 |                   |                 |                   |  |                               |
| Pumping Equipment                          | Various                | \$ 121,154           | 20              | \$ 5,843          | 20              | \$ 5,843          | \$ -                                   | 20                            |
| Pumping Equip. - PUMP 10HP CENTRI          | 12/31/2008             | \$ 2,621             | 30              | \$ 87             | 20              | \$ 131            | \$ 44                                  | 20                            |
| Pumping Equipment - Various                | Various                | \$ 1,595             | 7               | \$ 228            | 20              | \$ 80             | \$ (148)                               | 20                            |
| <b>Water Treatment Plant</b>               |                        |                      |                 |                   |                 |                   |  |                               |
| Structures & Improvements                  | Various                | \$ 1,571,060         | 40              | \$ 38,981         | 40              | \$ 38,981         | \$ -                                   | 35-40                         |
| Structures & Improvements - Other          | Various                | \$ 2,618             | 10              | \$ 262            | 40              | \$ 65             | \$ (197)                               | 35-40                         |
| Water Treatment Equipment                  | Various                | \$ 483,461           | 30              | \$ 16,114         | 30              | \$ 16,114         | \$ -                                   | 20-35                         |
| <b>Transmission and Distribution Plant</b> |                        |                      |                 |                   |                 |                   |  |                               |
| Distribution Reservoirs                    | Various                | \$ 2,047,369         | 45              | \$ 45,492         | 45              | \$ 45,492         | \$ -                                   | 30-60                         |
| Transmission & Distribution Mains          | Various                | \$ 8,328,887         | 65              | \$ 127,522        | 65              | \$ 127,522        | \$ -                                   | 50-75                         |
| Service Lines                              | Various                | \$ 5,874             | 40              | \$ 148            | 40              | \$ 148            | \$ -                                   | 30-50                         |
| Services                                   | 12/31/2008             | \$ 214,456           | 40              | \$ 5,361          | 40              | \$ 5,361          | \$ -                                   | 30-50                         |
| Meters                                     | Various                | \$ 1,172,416         | 40              | \$ 29,307         | 40              | \$ 29,307         | \$ -                                   | 35-45                         |
| Meters - AMI                               | Various                | \$ 985,155           | 20              | \$ 48,090         | 20              | \$ 48,090         | \$ -                                   | Not Published                 |
| Hydrants                                   | Various                | \$ 17,953            | 50              | \$ 350            | 50              | \$ 350            | \$ -                                   | 40-60                         |
| <b>General Plant</b>                       |                        |                      |                 |                   |                 |                   |  |                               |
| Furniture & Equipment                      | 1/1/2008               | \$ 6,489             | 20              | \$ 325            | 20              | \$ 325            | \$ -                                   | 20-25                         |
| Tools, Shop, & Garage Equipment            | 12/31/2008             | \$ 2,158             | 15              | \$ 79             | 15              | \$ 79             | \$ -                                   | 15-20                         |
| Transportation Equipment Storage           | 12/31/2008             | \$ 10,750            | 20              | \$ 538            | 20              | \$ 538            | \$ -                                   | 20                            |
| Power Operated Equipment                   | Various                | \$ 29,802            | 15              | \$ 1,988          | 15              | \$ 1,988          | \$ -                                   | 10-15                         |
| <b>Other</b>                               |                        |                      |                 |                   |                 |                   |  |                               |
| Franchises                                 | 12/31/2008             | \$ 7,921             | 50              | \$ 158            | 50              | \$ 158            | \$ -                                   | Not Published                 |
| Land & Land Rights                         | 12/31/2008             | \$ 28,329            | 20              | \$ 1,416          | 20              | \$ 1,416          | \$ -                                   | Not Published                 |
| Misc. - TreeLand Dr Proj                   | 10/22/2014             | \$ 6,311             | 65              | \$ 97             | 65              | \$ 97             | \$ -                                   | Not Published                 |
| Miscellaneous Equipment                    | 12/31/2009             | \$ 145               | 15              | \$ 10             | 15              | \$ 10             | \$ -                                   | Not Published                 |
| Organization Item 1                        | 12/31/2008             | \$ 66,736            | 45              | \$ 1,483          | 45              | \$ 1,483          | \$ -                                   | Not Published                 |
| Organization Item 2                        | 1/1/1992               | \$ 18,944            | 50              | \$ 366            | 50              | \$ 366            | \$ -                                   | Not Published                 |
| Other Plant & Misc. Equipment              | Various                | \$ 46,641            | 30              | \$ 1,556          | 30              | \$ 1,556          | \$ -                                   | Not Published                 |
| Other Tangible Equipment                   | 12/31/2008             | \$ 4,000             | 30              | \$ 133            | 30              | \$ 133            | \$ -                                   | Not Published                 |
| <b>Total Water</b>                         |                        | <b>\$ 15,316,188</b> |                 | <b>\$ 329,397</b> |                 | <b>\$ 329,096</b> | <b>\$ (301)</b>                        |                               |

## **Attachment 5**

| SOUTH GRAVES, FANCY FARM, CONSUMER AND HARDEMAN - Current Rates |               |        |              |            |
|---|---------------|--------|--------------|------------|
| 5/8" METERS WITH 13.53 MINIMUM                                  |               |        |              |            |
|   | RANGE         | RATE   | CONSUMPTION  | REVENUE    |
| MINIMUM   | 0-20          | 0.6765 | 656,829 \$   | 520,472.04 |
| 2ND TIER  | 21-100        | 0.528  | 745,333 \$   | 393,491.31 |
| 3RD TIER  | 101-200       | 0.473  | 68,867 \$    | 32,391.99  |
| 4TH TIER  | 201-500       | 0.418  | 23,298 \$    | 9,737.32   |
| 5TH TIER  | 501-999999999 | 0.362  | 8,634 \$     | 3,192.92   |
|   |               |        | 1,502,961 \$ | 959,285.58 |
| 1" METERS WITH 29.37 MINIMUM                                    |               |        |              |            |
|   | RANGE         | RATE   | CONSUMPTION  | REVENUE    |
| MINIMUM   | 0-50          | 0.5874 | 19,149 \$    | 21,645.69  |
| 2ND TIER  | 51-100        | 0.528  | 5,189 \$     | 2,738.62   |
| 3RD TIER  | 101-200       | 0.473  | 4,570 \$     | 2,162.84   |
| 4TH TIER  | 201-500       | 0.418  | 6,039 \$     | 2,524.57   |
| 5TH TIER  | 501-999999999 | 0.362  | 3,274 \$     | 1,185.25   |
|   |               |        | 38,221 \$    | 30,256.97  |
| 2" & 3" METERS WITH 103.07 MINIMUM                              |               |        |              |            |
|   | RANGE         | RATE   | CONSUMPTION  | REVENUE    |
| MINIMUM   | 0-200         | 0.5154 | 24,500 \$    | 18,861.81  |
| 2ND TIER  | 201-500       | 0.418  | 17,331 \$    | 7,242.98   |
| 3RD TIER  | 501-999999999 | 0.362  | 32,569 \$    | 11,790.06  |
|   |               |        | 74,400 \$    | 37,894.85  |
| WHOLESALE   |               |        |              |            |
|   | RANGE         | RATE   | CONSUMPTION  | REVENUE    |
| NO MIN.   | 0-99999999999 | 0.269  | 98,421 \$    | 26,474.26  |

| SEDALIA - Current Rates       |                 |          |             |           |
|-------------------------------|-----------------|----------|-------------|-----------|
| ALL METERS WITH 15.18 MINIMUM |                 |          |             |           |
|                               | RANGE           | RATE     | CONSUMPTION | REVENUE   |
| MINIMUM                       | 0-20            | 0.759    | 26,543 \$   | 25,092.54 |
| 2ND TIER                      | 21-100          | 0.390    | 31,826 \$   | 12,408.86 |
| 3RD TIER                      | 101-99999999999 | 0.287    | 14,136 \$   | 4,056.58  |
|                               |                 |          | 72,505 \$   | 41,557.98 |
| COMMERCIAL FLAT RATE          |                 |          |             |           |
|                               | RANGE           | RATE     | CONSUMPTION | REVENUE   |
| NO MIN.                       |                 | \$ 41.16 | - \$        | -         |

| HICKORY - Current Rates            |                  |        |             |            |
|------------------------------------|------------------|--------|-------------|------------|
| 5/8" METERS WITH 12.31 MINIMUM     |                  |        |             |            |
|                                    | RANGE            | RATE   | CONSUMPTION | REVENUE    |
| MINIMUM                            | 0-20             | 0.6155 | 270,415 \$  | 198,227.93 |
| 2ND TIER                           | 21-50            | 0.418  | 313,392 \$  | 129,462.66 |
| 3RD TIER                           | 51-100           | 0.389  | 44,131 \$   | 15,358.30  |
| 4TH TIER                           | 101-200          | 0.360  | 20,122 \$   | 5,406.06   |
| 5TH TIER                           | 201-500          | 0.259  | 21,527 \$   | 3,127.89   |
| 6TH TIER                           | 501-1000         | 0.216  | - \$        | -          |
| 7TH TIER                           | 1001-9999999999  | 0.180  | - \$        | -          |
|                                    |                  |        | 669,587 \$  | 351,582.84 |
| 1" METERS WITH 28.74 MINIMUM       |                  |        |             |            |
|                                    | RANGE            | RATE   | CONSUMPTION | REVENUE    |
| MINIMUM                            | 0-60             | 0.479  | 10,321 \$   | 7,860.30   |
| 2ND TIER                           | 61-100           | 0.389  | 2,881 \$    | 1,163.15   |
| 3RD TIER                           | 101-200          | 0.360  | 3,327 \$    | 1,198.48   |
| 4TH TIER                           | 201-500          | 0.259  | 3,172 \$    | 821.27     |
| 5TH TIER                           | 501-1000         | 0.216  | 3,048 \$    | 658.30     |
| 6TH TIER                           | 1001-99999999999 | 0.180  | 5,313 \$    | 956.28     |
|                                    |                  |        | 28,062 \$   | 12,657.78  |
| 1 1/2" METERS WITH 34.58 MINIMUM   |                  |        |             |            |
|                                    | RANGE            | RATE   | CONSUMPTION | REVENUE    |
| MINIMUM                            | 0-75             | 0.461  | 6,476 \$    | 3,734.64   |
| 2ND TIER                           | 76-100           | 0.389  | 1,413 \$    | 549.93     |
| 3RD TIER                           | 101-200          | 0.360  | 4,295 \$    | 1,546.34   |
| 4TH TIER                           | 201-500          | 0.259  | 7,197 \$    | 1,864.70   |
| 5TH TIER                           | 501-1000         | 0.216  | 4,044 \$    | 873.74     |
| 6TH TIER                           | 1001-99999999999 | 0.180  | 6,121 \$    | 1,101.70   |
|                                    |                  |        | 29,546 \$   | 9,671.05   |
| 2" METERS WITH 62.30 MINIMUM       |                  |        |             |            |
|                                    | RANGE            | RATE   | CONSUMPTION | REVENUE    |
| MINIMUM                            | 0-150            | 0.415  | 32,039 \$   | 22,391.00  |
| 2ND TIER                           | 151-200          | 0.360  | 7,512 \$    | 2,415.56   |
| 3RD TIER                           | 201-500          | 0.259  | 38,107 \$   | 9,132.75   |
| 4TH TIER                           | 501-1000         | 0.216  | 38,930 \$   | 9,902.36   |
| 5TH TIER                           | 1001-99999999999 | 0.180  | 60,871 \$   | 10,953.56  |
|                                    |                  |        | 177,459 \$  | 54,795.23  |
| 3" & 4" METERS WITH 266.00 MINIMUM |                  |        |             |            |
|                                    | RANGE            | RATE   | CONSUMPTION | REVENUE    |
| MINIMUM                            | 0-1000           | 0.266  | 2,603 \$    | 4,788.00   |
| 2ND TIER                           | 1001-99999999999 | 0.180  | - \$        | -          |
|                                    |                  |        | 2,603 \$    | 4,788.00   |

Total Revenue

\$ 1,528,964.54

| <b>ALL DISTRICTS - Proposed Rates</b>         |                |             |                    |                 |
|---|----------------|-------------|--------------------|-----------------|
| <b>5/8" METERS WITH 15.09 MINIMUM</b>         |                |             |                    |                 |
|   | <b>RANGE</b>   | <b>RATE</b> | <b>CONSUMPTION</b> | <b>REVENUE</b>  |
| MINIMUM                                       | 0-20           | 15.09       | 953,787            | \$ 848,420.16   |
| 2ND TIER                                      | 21-100         | 0.589       | 1,134,682          | \$ 668,327.70   |
| 3RD TIER                                      | 101-200        | 0.527       | 95,714             | \$ 50,441.28    |
| 4TH TIER                                      | 201-500        | 0.466       | 50,634             | \$ 23,595.44    |
| 5TH TIER                                      | 501-999999999  | 0.404       | 10,236             | \$ 4,135.34     |
|   | No. of Bills   | 56,224      | 2,245,053          | \$ 1,594,919.92 |
| <b>1" METERS WITH 32.75 MINIMUM</b>           |                |             |                    |                 |
|   | <b>RANGE</b>   | <b>RATE</b> | <b>CONSUMPTION</b> | <b>REVENUE</b>  |
| MINIMUM                                       | 0-50           | 32.75       | 28,449             | \$ 33,093.88    |
| 2ND TIER                                      | 51-100         | 0.589       | 9,091              | \$ 5,354.60     |
| 3RD TIER                                      | 101-200        | 0.527       | 7,897              | \$ 4,161.72     |
| 4TH TIER                                      | 201-500        | 0.466       | 9,211              | \$ 4,292.33     |
| 5TH TIER                                      | 501-999999999  | 0.404       | 11,635             | \$ 4,700.54     |
|   | No. of Bills   | 1,011       | 66,283             | \$ 51,603.06    |
| <b>1 1/2" METERS WITH 38.56 MINIMUM</b>       |                |             |                    |                 |
|   | <b>RANGE</b>   | <b>RATE</b> | <b>CONSUMPTION</b> | <b>REVENUE</b>  |
| MINIMUM                                       | 0-75           | 38.56       | 6,476              | \$ 4,164.48     |
| 2ND TIER                                      | 76-100         | 0.434       | 1,413              | \$ 613.24       |
| 3RD TIER                                      | 101-200        | 0.401       | 4,295              | \$ 1,722.30     |
| 4TH TIER                                      | 201-500        | 0.289       | 7,197              | \$ 2,079.93     |
| 5TH TIER                                      | 501-1000       | 0.241       | 4,044              | \$ 974.60       |
| 6TH TIER                                      | 1001-999999999 | 0.201       | 6,121              | \$ 1,230.32     |
|   | No. of Bills   | 108         | 29,546             | \$ 10,784.88    |
| <b>2" METERS WITH 114.92 MINIMUM</b>          |                |             |                    |                 |
|   | <b>RANGE</b>   | <b>RATE</b> | <b>CONSUMPTION</b> | <b>REVENUE</b>  |
| MINIMUM                                       | 0-200          | 114.92      | 64,051             | \$ 62,333.76    |
| 2ND TIER                                      | 201-500        | 0.466       | 55,438             | \$ 25,834.11    |
| 3RD TIER                                      | 501-999999999  | 0.404       | 132,370            | \$ 53,477.48    |
|   | No. of Bills   | 542         | 251,859            | \$ 141,645.35   |
| <b>3" &amp; 4" METERS WITH 254.74 MINIMUM</b> |                |             |                    |                 |
|   | <b>RANGE</b>   | <b>RATE</b> | <b>CONSUMPTION</b> | <b>REVENUE</b>  |
| MINIMUM                                       | 0-500          | 254.74      | 2,511              | \$ 4,585.32     |
| 2ND TIER                                      | 501-999999999  | 0.404       | 92                 | \$ 37.17        |
|   | No. of Bills   | 18          | 2,603              | \$ 4,622.49     |
| <b>WHOLESALE</b>                              |                |             |                    |                 |
|   | <b>RANGE</b>   | <b>RATE</b> | <b>CONSUMPTION</b> | <b>REVENUE</b>  |
| NO MIN.                                       | 0-99999999999  | 0.3         | 98,421             | \$ 29,526.30    |

**Total Revenue** **\$ 1,833,101.99**  
**Increase** **\$ 304,137.45**  
**Percent Increase** **19.9%**

## **Attachment 6**

Client 122222

graves county water district

3/14/18

07:58AM

| No.                                | Description               | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr. | Method | Life | Current<br>Depr. |
|------------------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| Form 1120                          |                           |               |           |                |              |                    |                                |        |      |                  |
| Collecting & Impounding Reservoirs |                           |               |           |                |              |                    |                                |        |      |                  |
| 5                                  | Collecting & Impounding R | 12/31/08      |           | 54,620         |              |                    | 6,931                          | S/L HY | 65   | 840              |
| Total Collecting & Impounding Rese |                           |               |           | 54,620         |              | 0                  | 6,931                          |        |      | 840              |
| DISTRIBUTION RESERVOIRS            |                           |               |           |                |              |                    |                                |        |      |                  |
| 11                                 | Distribution Reservoirs & | 12/31/08      |           | 939,102        |              |                    | 532,798                        | S/L HY | 45   | 20,867           |
| 51                                 | Distribution Reservoirs   | 3/01/67       |           | 127,158        |              |                    | 127,158                        | S/L HY | 45   | 0                |
| 52                                 | Final Engineering         | 3/01/67       |           | 269            |              |                    | 269                            | S/L HY | 45   | 0                |
| 53                                 | 2 Electric Heaters & Inst | 1/01/79       |           | 1,305          |              |                    | 1,305                          | S/L HY | 45   | 0                |
| 54                                 | Painting & Cleaning 2 Tow | 1/01/79       |           | 21,544         |              |                    | 21,544                         | S/L HY | 45   | 0                |
| 55                                 | Lightning Damage          | 1/01/84       |           | -1,389         |              |                    | -1,389                         | S/L HY | 45   | 0                |
| 56                                 | New Tower,Engineering,LEG | 1/01/84       |           | 145,645        |              |                    | 145,645                        | S/L HY | 45   | 0                |
| 57                                 | Painting-Lowes Water Tank | 1/20/78       |           | 53,075         |              |                    | 35,307                         | S/L HY | 45   | 1,179            |
| 58                                 | Engineering Services,REPA | 10/14/97      |           | 4,460          |              |                    | 3,663                          | S/L HY | 45   | 99               |
| 59                                 | Water Tank Industrial Par | 9/01/01       |           | 979,628        |              |                    | 565,262                        | S/L HY | 45   | 21,767           |
| 60                                 | New Transducer on Tank In | 8/06/02       |           | 1,554          |              |                    | 920                            | S/L HY | 45   | 35               |
| 61                                 | Tank - Painting & Inspect | 1/01/04       |           | 65,000         |              |                    | 33,220                         | S/L HY | 45   | 1,444            |
| 62                                 | Tank-Pressure Washing     | 1/01/08       |           | 4,550          |              |                    | 2,098                          | S/L HY | 45   | 101              |
| 265                                | DIST. RESV. & STANDS      | 1/01/90       |           | 49,397         |              |                    | 49,397                         | S/L HY | 20   | 0                |
| 266                                | WATER TOWER               | 1/01/07       |           | 94,957         |              |                    | 94,957                         | S/L MQ | 7    | 0                |
| Total DISTRIBUTION RESERVOIRS      |                           |               |           | 2,486,255      |              | 0                  | 1,612,154                      |        |      | 45,492           |
| FIREMAINS/HYDRANTS                 |                           |               |           |                |              |                    |                                |        |      |                  |
| 15                                 | Hydrants                  | 12/31/08      |           | 44,770         |              |                    | 44,770                         | S/L HY | 50   | 0                |
| 34                                 | Hydrants                  | 1/31/12       |           | 1,265          |              |                    | 113                            | S/L HY | 50   | 25               |
| 63                                 | Firemains                 | 1/01/67       |           | 64,375         |              |                    | 64,375                         | S/L HY | 50   | 0                |
| 64                                 | Fire Hydrant              | 9/07/99       |           | 750            |              |                    | 350                            | S/L HY | 50   | 15               |
| 65                                 | Fire Hydrants (2)         | 3/05/99       |           | 1,415          |              |                    | 606                            | S/L HY | 50   | 20               |
| 66                                 | Fire Hydrant Installation | 3/05/99       |           | 950            |              |                    | 456                            | S/L HY | 50   | 19               |
| 67                                 | Fire Hydrant              | 1/01/00       |           | 475            |              |                    | 220                            | S/L HY | 50   | 10               |
| 68                                 | Fire Hydrant              | 11/01/00      |           | 70             |              |                    | 30                             | S/L HY | 50   | 1                |
| 69                                 | Fire Hydrant              | 7/01/01       |           | 4,043          |              |                    | 1,286                          | S/L HY | 50   | 81               |
| 70                                 | Fire Hydrant              | 12/03/02      |           | 6              |              |                    | 1                              | S/L HY | 50   | 0                |
| 71                                 | Fire Hydrant              | 8/08/08       |           | 2,106          |              |                    | 462                            | S/L HY | 50   | 42               |
| 246                                | Hydrant                   | 3/31/13       |           | 2,656          |              |                    | 186                            | S/L HY | 50   | 53               |

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graves county water district

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| No.                               | Description                | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr. | Method | Life | Current<br>Depr. |
|-----------------------------------|----------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 247                               | Fire Hydrant Parts         | 4/22/13       |           | 3,063          |              |                    | 214                            | S/L HY | 50   | 61               |
| 256                               | Fire Hydrant               | 10/31/14      |           | 1,160          |              |                    | 58                             | S/L HY | 50   | 23               |
| Total FIREMAINS/HYDRANTS          |                            |               |           | 127,104        |              | 0                  | 113,127                        |        |      | 350              |
| Franchise                         |                            |               |           |                |              |                    |                                |        |      |                  |
| 2                                 | Franchises                 | 12/31/08      |           | 7,921          |              |                    | 790                            | S/L HY | 50   | 158              |
| Total Franchise                   |                            |               |           | 7,921          |              | 0                  | 790                            |        |      | 158              |
| Furniture and Fixtures            |                            |               |           |                |              |                    |                                |        |      |                  |
| 17                                | Office Furniture & Equip   | 12/31/08      |           | 54,729         |              |                    | 54,729                         | S/L HY | 20   | 0                |
| 72                                | Furniture/Fixtures Prior   | 1/01/70       |           | 3,283          |              |                    | 3,283                          | S/L HY | 20   | 0                |
| 73                                | Carpeting                  | 1/01/96       |           | 1,313          |              |                    | 1,313                          | S/L HY | 20   | 0                |
| 74                                | Victor Calculator          | 10/06/99      |           | 169            |              |                    | 169                            | S/L HY | 20   | 0                |
| 75                                | Filing Cabinet             | 8/03/00       |           | 105            |              |                    | 105                            | S/L HY | 20   | 0                |
| 76                                | Filing Cabinet             | 6/06/01       |           | 90             |              |                    | 90                             | S/L HY | 20   | 0                |
| 77                                | A/C Unit for Office        | 10/03/02      |           | 1,750          |              |                    | 1,750                          | S/L HY | 20   | 0                |
| 78                                | Handheld Units for Meter   | 1/01/08       |           | 3,495          |              |                    | 3,495                          | S/L HY | 20   | 0                |
| 79                                | Software for New Billing   | 1/01/08       |           | 5,694          |              |                    | 3,701                          | S/L HY | 20   | 285              |
| 80                                | Copier                     | 1/01/08       |           | 795            |              |                    | 677                            | S/L HY | 20   | 40               |
| 267                               | OFFICE FURNITURE AND EQUIP | 1/01/01       |           | 292            |              |                    | 524                            | S/L HY | 7    | 0                |
| 268                               | COMPUTER                   | 1/01/07       |           | 400            |              |                    | 400                            | S/L HY | 5    | 0                |
| Total Furniture and Fixtures      |                            |               |           | 72,115         |              | 0                  | 70,236                         |        |      | 325              |
| Lake, River & Other Intakes       |                            |               |           |                |              |                    |                                |        |      |                  |
| 6                                 | Lake, River & Other Intak  | 12/31/08      |           | 88,226         |              |                    | 88,226                         | S/L HY | 20   | 0                |
| Total Lake, River & Other Intakes |                            |               |           | 88,226         |              | 0                  | 88,226                         |        |      | 0                |
| Land                              |                            |               |           |                |              |                    |                                |        |      |                  |
| 108                               | Land & Rights              | 1/01/78       |           | 15,898         |              |                    |                                |        |      | 0                |
| 109                               | Land & Rights-Treatment P  | 1/01/78       |           | 1,011          |              |                    |                                |        |      | 0                |
| 110                               | Land -General Plant        | 1/01/78       |           | 4,507          |              |                    |                                |        |      | 0                |
| Total Land                        |                            |               |           | 21,416         |              | 0                  | 0                              |        |      | 0                |
| Land & Land Rights                |                            |               |           |                |              |                    |                                |        |      |                  |



Client 1222222

graves county water district

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| No.                      | Description               | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr | Method | Life | Current<br>Depr. |
|--------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|-------------------------------|--------|------|------------------|
| 3                        | Land & Land Rights        | 12/31/08      |           | 28,329         |              |                    | 7,080                         | S/L HY | 20   | 1,416            |
| 269                      | LAND & LAND RIGHTS        | 1/01/14       |           | 440            |              |                    |                               |        |      | 0                |
| Total Land & Land Rights |                           |               |           | 28,769         |              | 0                  | 7,080                         |        |      | 1,416            |
| METERS & INSTALLATIONS   |                           |               |           |                |              |                    |                               |        |      |                  |
| 14                       | Meters & Meter Installati | 12/31/08      |           | 494,867        |              |                    | 395,930                       | S/L HY | 40   | 12,372           |
| 23                       | AMI Meters                | 12/31/09      |           | 54,905         |              |                    | 16,470                        | S/L HY | 20   | 2,745            |
| 24                       | AMI Meters                | 12/31/10      |           | 157,414        |              |                    | 47,226                        | S/L HY | 20   | 7,871            |
| 27                       | Meters & Meter Installiat | 12/31/09      |           | 6,416          |              |                    | 1,120                         | S/L HY | 40   | 160              |
| 39                       | AMI Meters                | 3/15/12       |           | 119,556        |              |                    | 26,901                        | S/L HY | 20   | 5,978            |
| 40                       | AMI Meters                | 3/15/12       |           | 359,894        |              |                    | 80,977                        | S/L HY | 20   | 17,995           |
| 41                       | AMI Meters                | 4/30/12       |           | 3,159          |              |                    | 711                           | S/L HY | 20   | 158              |
| 42                       | AMI Meters                | 6/07/12       |           | 16,455         |              |                    | 3,703                         | S/L HY | 20   | 823              |
| 44                       | AMI Meters                | 7/03/12       |           | 5,424          |              |                    | 1,220                         | S/L HY | 20   | 271              |
| 45                       | Meters & Meter Installi   | 7/23/12       |           | 1,700          |              |                    | 193                           | S/L HY | 40   | 43               |
| 46                       | AMI Meters                | 8/27/12       |           | 8,084          |              |                    | 1,818                         | S/L HY | 20   | 404              |
| 47                       | AMI Meters                | 10/01/12      |           | 3,830          |              |                    | 864                           | S/L HY | 20   | 192              |
| 49                       | AMI Meters                | 10/22/12      |           | 170,000        |              |                    | 38,250                        | S/L HY | 20   | 8,500            |
| 81                       | Meters & Installations    | 1/01/67       |           | 223,200        |              |                    | 134,017                       | S/L HY | 40   | 0                |
| 82                       | Meters & Instal Change Co | 1/01/99       |           | 26,732         |              |                    | 11,715                        | S/L HY | 40   | 668              |
| 83                       | Meters & Installations    | 1/01/98       |           | 16,597         |              |                    | 7,866                         | S/L HY | 40   | 415              |
| 84                       | Meters & Installations    | 1/01/00       |           | 15,813         |              |                    | 6,322                         | S/L HY | 40   | 395              |
| 85                       | Meters & Installations    | 1/01/01       |           | 10,205         |              |                    | 4,081                         | S/L HY | 40   | 255              |
| 86                       | Meters & Installations    | 12/31/00      |           | 2,601          |              |                    | 975                           | S/L HY | 40   | 65               |
| 87                       | Meters & Installations    | 1/01/02       |           | 8,234          |              |                    | 3,089                         | S/L HY | 40   | 206              |
| 88                       | Meters & Installations    | 1/01/03       |           | 9,246          |              |                    | 3,235                         | S/L HY | 40   | 231              |
| 89                       | Meters & Installations    | 1/01/04       |           | 8,548          |              |                    | 2,781                         | S/L HY | 40   | 214              |
| 90                       | Meters & Installations    | 1/01/05       |           | 16,221         |              |                    | 4,871                         | S/L HY | 40   | 406              |
| 91                       | Meters & Installations    | 1/01/06       |           | 4,376          |              |                    | 1,200                         | S/L HY | 40   | 109              |
| 92                       | Meters & Installatrons    | 1/01/07       |           | 10,384         |              |                    | 2,600                         | S/L HY | 40   | 260              |
| 93                       | Meters & Installations    | 1/01/08       |           | 13,314         |              |                    | 3,034                         | S/L HY | 40   | 333              |
| 94                       | Meters                    | 5/31/09       |           | 1,534          |              |                    | 290                           | S/L HY | 40   | 38               |
| 95                       | AMI Meters                | 3/10/11       |           | 9,298          |              |                    | 2,519                         | S/L HY | 20   | 465              |
| 96                       | AMI Meters                | 4/13/11       |           | 2,431          |              |                    | 656                           | S/L HY | 20   | 122              |
| 97                       | AMI Meters                | 5/31/11       |           | 7,642          |              |                    | 2,021                         | S/L HY | 20   | 382              |
| 98                       | AMI Meters                | 6/30/11       |           | 2,032          |              |                    | 535                           | S/L HY | 20   | 102              |
| 99                       | AMI Meters                | 8/31/11       |           | 2,727          |              |                    | 703                           | S/L HY | 20   | 136              |
| 100                      | Meters & Meter Install    | 7/31/12       |           | 1,932          |              |                    | 216                           | S/L HY | 40   | 48               |

Client 1222222

graves county water district

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| No.                         | Description               | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr. | Method  | Life | Current<br>Depr. |
|-----------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|---------|------|------------------|
| 101                         | Meters & Meter Install    | 11/30/12      |           | 2,436          |              |                    | 274                            | S/L HY  | 40   | 61               |
| 102                         | Meters & Meter Install    | 12/31/12      |           | 1,935          |              |                    | 216                            | S/L HY  | 40   | 48               |
| 223                         | 1&1/2" MT & 2" Mt w/Trans | 1/31/13       |           | 1,839          |              |                    | 161                            | S/L HY  | 40   | 46               |
| 224                         | Meter                     | 1/31/13       |           | 81             |              |                    | 7                              | S/L HY  | 40   | 2                |
| 225                         | 2000 Mtrs,2000trans, 1-4" | 2/20/13       |           | 448,586        |              |                    | 39,252                         | S/L HY  | 40   | 11,215           |
| 226                         | 400 Mtr Lids              | 2/28/13       |           | 4,113          |              |                    | 360                            | S/L HY  | 40   | 103              |
| 227                         | 5/8 Meter                 | 2/28/13       |           | 204            |              |                    | 18                             | S/L HY  | 40   | 5                |
| 228                         | 4 Mtrs & Transmitters     | 3/31/13       |           | 816            |              |                    | 70                             | S/L HY  | 40   | 20               |
| 229                         | 600 Mt Lids Split FF      | 3/31/13       |           | 1,652          |              |                    | 144                            | S/L HY  | 40   | 41               |
| 230                         | 600 Mt Lids Split SG      | 3/31/13       |           | 1,652          |              |                    | 144                            | S/L HY  | 40   | 41               |
| 231                         | 600 Mt Lids Split HW      | 3/31/13       |           | 1,652          |              |                    | 144                            | S/L HY  | 40   | 41               |
| 232                         | CW                        | 3/31/13       |           | 1,652          |              |                    | 144                            | S/L HY  | 40   | 41               |
| 233                         | Meter Lids (235)          | 4/22/13       |           | 6,397          |              |                    | 560                            | S/L HY  | 40   | 160              |
| 234                         | Meter Lids 100            | 4/22/13       |           | 2,987          |              |                    | 262                            | S/L HY  | 40   | 75               |
| 235                         | 2" Mt for His House       | 4/30/13       |           | 764            |              |                    | 67                             | S/L HY  | 40   | 19               |
| 236                         | 1" Mts,Trtrs25 Lids1000   | 5/31/13       |           | 20,392         |              |                    | 1,785                          | S/L HY  | 40   | 510              |
| 237                         | Meter Lids (50)           | 5/31/13       |           | 2,995          |              |                    | 262                            | S/L HY  | 40   | 75               |
| 238                         | 25 1" Meters              | 7/22/13       |           | 1,056          |              |                    | 91                             | S/L HY  | 40   | 26               |
| 239                         | 25 1" Meters              | 7/22/13       |           | 1,056          |              |                    | 91                             | S/L HY  | 40   | 26               |
| 240                         | 25 1" Meters              | 7/22/13       |           | 1,056          |              |                    | 91                             | S/L HY  | 40   | 26               |
| 241                         | 25 1" Meters              | 7/22/13       |           | 1,056          |              |                    | 91                             | S/L HY  | 40   | 26               |
| 242                         | 50 Meter Lids             | 8/31/13       |           | 2,716          |              |                    | 238                            | S/L HY  | 40   | 68               |
| 243                         | 5 2" Meters & Tranm       | 11/25/13      |           | 4,855          |              |                    | 424                            | S/L HY  | 40   | 121              |
| 244                         | 39 Meter Lids             | 11/25/13      |           | 458            |              |                    | 39                             | S/L HY  | 40   | 11               |
| 245                         | 961 Meter Lids            | 12/04/13      |           | 11,290         |              |                    | 987                            | S/L HY  | 40   | 282              |
| 254                         | Meters & Lids-Ami         | 4/21/14       |           | 22,676         |              |                    | 2,835                          | S/L HY  | 20   | 1,134            |
| 255                         | 100 transmitters-Ami      | 4/21/14       |           | 12,900         |              |                    | 1,613                          | S/L HY  | 20   | 645              |
| 270                         | METER & METER INSTAL      | 1/01/01       |           | 28,933         |              |                    | 28,933                         | S/L HY  | 10   | 0                |
| 299                         | Meters & meter Instal     | 12/31/17      |           | 26,728         |              |                    |                                | S/L MQ  | 20   | 167              |
| Total METERS & INSTALLATINS |                           |               |           | 2,409,704      |              |                    | 0                              | 887,412 |      | 77,397           |
| METERS & INSTALLATINS PRIOR |                           |               |           |                |              |                    |                                |         |      |                  |
| 103                         | Meters & Meter Install    | 1/01/67       |           | 69,279         |              |                    | 51,738                         | S/L HY  | 40   | 0                |
| Total METERS & INSTALLATINS |                           |               |           | 69,279         |              |                    | 0                              | 51,738  |      | 0                |
| Miscellaneous               |                           |               |           |                |              |                    |                                |         |      |                  |

Client 1222222

graves county water district

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| No.                            | Description                      | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr. | Method | Life | Current<br>Depr. |
|--------------------------------|----------------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 250                            | TreeLand Dr Proj                 | 10/22/14      |           | 6,311          |              |                    | 243                            | S/L HY | 65   | 97               |
|                                | Total Miscellaneous              |               |           | 6,311          |              | 0                  | 243                            |        |      | 97               |
| Miscellaneous Equipment        |                                  |               |           |                |              |                    |                                |        |      |                  |
| 21                             | Miscellaneous Equipment          | 12/31/09      |           | 145            |              |                    | 50                             | S/L HY | 15   | 10               |
|                                | Total Miscellaneous Equipment    |               |           | 145            |              | 0                  | 50                             |        |      | 10               |
| Organization                   |                                  |               |           |                |              |                    |                                |        |      |                  |
| 1                              | Organization                     | 12/31/08      |           | 66,736         |              |                    | 41,042                         | S/L HY | 45   | 1,483            |
| 271                            | ORGANIZATION                     | 1/01/92       |           | 18,944         |              |                    | 9,067                          | S/L MM | 50   | 366              |
|                                | Total Organization               |               |           | 85,680         |              | 0                  | 50,109                         |        |      | 1,849            |
| OTHER PLANT & MISCELLANEOUS EQ |                                  |               |           |                |              |                    |                                |        |      |                  |
| 16                             | Other Plant & Misc. Equip        | 12/31/08      |           | 17,090         |              |                    | 4,950                          | S/L HY | 30   | 570              |
| 104                            | Radio Eq                         | 12/31/00      |           | 15,386         |              |                    | 7,949                          | S/L HY | 30   | 513              |
| 105                            | Radio Eq                         | 8/07/07       |           | 4,724          |              |                    | 1,965                          | S/L HY | 30   | 157              |
| 106                            | Light Sign                       | 4/13/11       |           | 2,721          |              |                    | 557                            | S/L HY | 30   | 91               |
| 107                            | Locator                          | 7/31/11       |           | 3,203          |              |                    | 602                            | S/L HY | 30   | 107              |
| 297                            | MICROLOGIX 1100 PROCESSOR        | 7/21/16       |           | 709            |              |                    | 9                              | S/L MQ | 30   | 24               |
| 298                            | SKADA SYSTEM                     | 11/21/16      |           | 2,808          |              |                    | 12                             | S/L MQ | 30   | 94               |
|                                | Total OTHER PLANT & MISCELLA     |               |           | 46,641         |              | 0                  | 16,044                         |        |      | 1,556            |
| Other Tangible Equipment       |                                  |               |           |                |              |                    |                                |        |      |                  |
| 22                             | Other Tangible Equipment         | 12/31/08      |           | 4,000          |              |                    | 665                            | S/L HY | 30   | 133              |
|                                | Total Other Tangible Equipment   |               |           | 4,000          |              | 0                  | 665                            |        |      | 133              |
| Pool Equipment                 |                                  |               |           |                |              |                    |                                |        |      |                  |
| 308                            | Baldor Motor                     | 1/31/17       |           | 1,407          |              |                    |                                |        | 15   | 0                |
|                                | Total Pool Equipment             |               |           | 1,407          |              | 0                  | 0                              |        |      | 0                |
| Power Generation Equipment     |                                  |               |           |                |              |                    |                                |        |      |                  |
| 8                              | Power Generation Equip           | 12/31/08      |           | 17,141         |              |                    | 17,141                         | S/L HY | 20   | 0                |
|                                | Total Power Generation Equipment |               |           | 17,141         |              | 0                  | 17,141                         |        |      | 0                |

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|--------------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| Power Operated Equipment       |                           |               |           |                |              |                    |                                |        |      |                  |
| 20                             | Power Operated Equipment  | 12/31/09      |           | 7,172          |              |                    | 2,390                          | S/L HY | 15   | 478              |
| 38                             | Power Operated Equip      | 3/12/12       |           | 19,965         |              |                    | 5,993                          | S/L HY | 15   | 1,332            |
| 48                             | Power Operated Equip      | 10/01/12      |           | 2,665          |              |                    | 801                            | S/L HY | 15   | 178              |
| Total Power Operated Equipment |                           |               |           | 29,802         |              | 0                  | 9,184                          |        |      | 1,988            |
| PUMPING EQ                     |                           |               |           |                |              |                    |                                |        |      |                  |
| 9                              | Pumping Equipment         | 12/31/08      |           | 130,623        |              |                    | 168,789                        | S/L HY | 20   | 0                |
| 32                             | Pumping Equipment         | 12/31/10      |           | 40,047         |              |                    | 12,012                         | S/L HY | 20   | 2,002            |
| 33                             | Pumping Equipment         | 12/31/11      |           | 2,410          |              |                    | 605                            | S/L HY | 20   | 121              |
| 43                             | Pumping Equip             | 6/25/12       |           | 375            |              |                    | 85                             | S/L HY | 20   | 19               |
| 111                            | Pumping Eq                | 11/09/89      |           | 6,673          |              |                    | 6,673                          | S/L HY | 20   | 0                |
| 112                            | New Pump                  | 1/31/90       |           | 2,000          |              |                    | 2,000                          | S/L HY | 20   | 0                |
| 113                            | New Pump Parts            | 12/31/90      |           | 142            |              |                    | 142                            | S/L HY | 20   | 0                |
| 114                            | Pump                      | 2/28/93       |           | 425            |              |                    | 425                            | S/L HY | 20   | 0                |
| 115                            | Pump F/Chlorination Syste | 4/30/93       |           | 1,888          |              |                    | 1,888                          | S/L HY | 20   | 0                |
| 116                            | Pump Parts                | 2/01/94       |           | 120            |              |                    | 120                            | S/L HY | 20   | 0                |
| 117                            | Chemical Pump             | 4/01/96       |           | 764            |              |                    | 764                            | S/L HY | 20   | 0                |
| 118                            | Pumping Eq                | 5/01/97       |           | 604            |              |                    | 600                            | S/L HY | 20   | 4                |
| 119                            | Pumping Eq                | 3/04/98       |           | 1,747          |              |                    | 1,642                          | S/L HY | 20   | 87               |
| 120                            | Pump Repair               | 5/07/02       |           | 3,242          |              |                    | 2,323                          | S/L HY | 20   | 162              |
| 121                            | Pump Repair -Well #3      | 8/06/02       |           | 14,968         |              |                    | 10,910                         | S/L HY | 20   | 748              |
| 215                            | 7.5 HP Motor              | 5/22/13       |           | 1,083          |              |                    | 189                            | S/L HY | 20   | 54               |
| 216                            | 40 hp Hitachi Motor       | 7/22/13       |           | 4,749          |              |                    | 830                            | S/L HY | 20   | 237              |
| 217                            | 4 Stage American March Pu | 7/22/13       |           | 3,984          |              |                    | 697                            | S/L HY | 20   | 199              |
| 218                            | Wire & Piping             | 7/22/13       |           | 1,918          |              |                    | 336                            | S/L HY | 20   | 96               |
| 251                            | Grinder Pump              | 3/06/14       |           | 1,800          |              |                    | 225                            | S/L HY | 20   | 90               |
| 252                            | Techtop Motor Pump        | 7/28/14       |           | 872            |              |                    | 110                            | S/L HY | 20   | 44               |
| 253                            | Motor & Pump              | 7/28/14       |           | 8,733          |              |                    | 1,092                          | S/L HY | 20   | 437              |
| 257                            | Well Pump 30HP            | 2/04/15       |           | 475            |              |                    | 36                             | S/L HY | 20   | 24               |
| 258                            | 2000 Core Grinder Pump    | 3/31/15       |           | 1,819          |              |                    | 136                            | S/L HY | 20   | 91               |
| 259                            | Grinder Pump              | 8/06/15       |           | 1,844          |              |                    | 138                            | S/L HY | 20   | 92               |
| 260                            | Grinder Pump              | 10/26/15      |           | 1,844          |              |                    | 138                            | S/L HY | 20   | 92               |
| 261                            | TechTop Motor             | 11/06/15      |           | 516            |              |                    | 39                             | S/L HY | 20   | 26               |
| 262                            | 30Hp Motor & Shaft        | 11/23/15      |           | 725            |              |                    | 54                             | S/L HY | 20   | 36               |
| 272                            | PUMP 10HP CENTRI          | 2/17/14       |           | 2,621          |              |                    | 218                            | S/L HY | 30   | 87               |
| 273                            | 2 STENNER 85 PUMPS        | 3/03/15       |           | 824            |              |                    | 177                            | S/L HY | 7    | 118              |

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|---------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 274                       | 3" CHECK VALVE            | 7/31/15       |           | 771            |              |                    | 165                            | S/L HY | 7    | 110              |
| 281                       | HOMA HANDLING PUMP (2)    | 1/25/16       |           | 6,774          |              |                    | 296                            | S/L MQ | 20   | 339              |
| 282                       | E/ONE 2000 GRINDER PUMP 2 | 4/25/16       |           | 3,596          |              |                    | 112                            | S/L MQ | 20   | 180              |
| 283                       | 3" SOLIDS SUBMER. PUMP    | 5/23/16       |           | 5,350          |              |                    | 167                            | S/L MQ | 20   | 268              |
| 284                       | 30 HP MOTOR               | 7/31/16       |           | 3,200          |              |                    | 60                             | S/L MQ | 20   | 160              |
| 285                       | ROTATING ASSEMBLY         | 11/04/16      |           | 2,446          |              |                    | 15                             | S/L MQ | 20   | 122              |
| 286                       | AIR VALVE                 | 11/04/16      |           | 596            |              |                    | 4                              | S/L MQ | 20   | 30               |
| 287                       | PULSAFEEDER PUMP          | 12/20/16      |           | 1,120          |              |                    | 7                              | S/L MQ | 20   | 56               |
| 307                       | Pumps                     | 12/31/17      |           | 4,317          |              |                    |                                | S/L MQ | 20   | 27               |
| Total PUMPING EQ          |                           |               |           | 268,005        |              | 0                  | 214,219                        |        |      | 6,158            |
| SERVICE LINES             |                           |               |           |                |              |                    |                                |        |      |                  |
| 122                       | Service Lines             | 9/01/67       |           | 92,336         |              |                    | 92,336                         | S/L HY | 40   | 0                |
| 123                       | Replace Lines             | 1/03/00       |           | 143            |              |                    | 105                            | S/L HY | 40   | 4                |
| 124                       | Replace Lines             | 8/01/00       |           | 760            |              |                    | 529                            | S/L HY | 40   | 19               |
| 125                       | Replace Lines             | 9/01/00       |           | 438            |              |                    | 303                            | S/L HY | 40   | 11               |
| 126                       | Replace Lines             | 10/01/00      |           | 760            |              |                    | 523                            | S/L HY | 40   | 19               |
| 127                       | Replace Lines             | 4/02/01       |           | 3,188          |              |                    | 2,112                          | S/L HY | 40   | 80               |
| 128                       | Replace Lines             | 11/08/02      |           | 585            |              |                    | 362                            | S/L HY | 40   | 15               |
| Total SERVICE LINES       |                           |               |           | 98,210         |              | 0                  | 96,270                         |        |      | 148              |
| Services                  |                           |               |           |                |              |                    |                                |        |      |                  |
| 13                        | Services                  | 12/31/08      |           | 214,456        |              |                    | 200,527                        | S/L HY | 40   | 5,361            |
| 275                       | SERVICES                  | 1/01/01       |           | 7,035          |              |                    | 7,035                          | S/L HY | 10   | 0                |
| Total Services            |                           |               |           | 221,491        |              | 0                  | 207,562                        |        |      | 5,361            |
| STRUCTURES & IMPROVEMENTS |                           |               |           |                |              |                    |                                |        |      |                  |
| 4                         | Structures & Improvements | 12/31/08      |           | 1,459,700      |              |                    | 523,956                        | S/L HY | 40   | 36,493           |
| 25                        | Structures & Improvements | 12/31/09      |           | 4,682          |              |                    | 819                            | S/L HY | 40   | 117              |
| 26                        | Structures & Improvements | 12/31/11      |           | 659            |              |                    | 80                             | S/L HY | 40   | 16               |
| 129                       | Office Bldg               | 3/01/67       |           | 19,211         |              |                    | 19,211                         | S/L HY | 40   | 0                |
| 130                       | Final Engineering         | 3/01/67       |           | 55             |              |                    | 55                             | S/L HY | 40   | 0                |
| 131                       | Remodeling                | 1/01/77       |           | 11,531         |              |                    | 11,242                         | S/L HY | 40   | 144              |
| 132                       | Water Treatment Plant     | 11/01/94      |           | 65,620         |              |                    | 55,799                         | S/L HY | 40   | 1,641            |
| 133                       | Water Treatment Plant -Ad | 1/01/95       |           | 9,712          |              |                    | 8,182                          | S/L HY | 40   | 243              |
| 134                       | New Roof- Office Bldg     | 3/06/97       |           | 989            |              |                    | 857                            | S/L HY | 40   | 25               |
| 135                       | Engineering               | 1/10/97       |           | 6,969          |              |                    | 6,095                          | S/L HY | 40   | 174              |

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|---------------------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 136                                   | Garage Door               | 1/10/97       |           | 873            |              |                    | 330                            | S/L HY | 40   | 22               |
| 276                                   | STRUCTURE & IMPROVEMENTS  | 1/01/90       |           | 5,440          |              |                    | 5,444                          | S/L HY | 25   | 0                |
| 277                                   | RECEPTICALS FOR HEATER    | 2/23/15       |           | 1,018          |              |                    | 153                            | S/L HY | 10   | 102              |
| 280                                   | 80000 BTU FURNACE         | 1/25/16       |           | 1,600          |              |                    | 140                            | S/L MQ | 10   | 160              |
| 300                                   | 100 Amp Service           | 6/26/17       |           | 1,525          |              |                    |                                | S/L MQ | 40   | 24               |
| 301                                   | Fence-Fancy Farm          | 9/25/17       |           | 8,800          |              |                    |                                | S/L MQ | 40   | 82               |
| Total STRUCTURES & IMPROVEM           |                           |               |           | 1,598,384      |              | 0                  | 632,363                        |        |      | 39,243           |
| Tools, Shop & Garage Equipment        |                           |               |           |                |              |                    |                                |        |      |                  |
| 19                                    | Tools,Shop & Garage Equip | 12/31/08      |           | 2,158          |              |                    | 2,079                          | S/L HY | 15   | 79               |
| Total Tools, Shop & Garage Equip      |                           |               |           | 2,158          |              | 0                  | 2,079                          |        |      | 79               |
| Tranportation Equipment Stores Equipm |                           |               |           |                |              |                    |                                |        |      |                  |
| 18                                    | Transportation Equip &Sto | 12/31/08      |           | 10,750         |              |                    | 3,770                          | S/L HY | 20   | 538              |
| Total Tranportation Equipment Stor    |                           |               |           | 10,750         |              | 0                  | 3,770                          |        |      | 538              |
| TRNASMISSION & DISTRIBUTION MAI       |                           |               |           |                |              |                    |                                |        |      |                  |
| 12                                    | Transmission & Distributi | 12/31/08      |           | 3,934,173      |              |                    | 2,347,600                      | S/L HY | 65   | 60,508           |
| 28                                    | Transmission & Distributi | 12/31/09      |           | 355,593        |              |                    | 38,283                         | S/L HY | 65   | 5,469            |
| 29                                    | Transmission & Distributi | 12/31/10      |           | 308,681        |              |                    | 28,488                         | S/L HY | 65   | 4,748            |
| 30                                    | Transmission & Distributi | 12/31/11      |           | 652,708        |              |                    | 50,195                         | S/L HY | 65   | 10,039           |
| 35                                    | Transmission & Distributi | 2/27/12       |           | 8,749          |              |                    | 607                            | S/L HY | 65   | 135              |
| 36                                    | Transmission & Distributi | 2/27/12       |           | 1,705          |              |                    | 117                            | S/L HY | 65   | 26               |
| 37                                    | Transmission & Distributi | 2/27/12       |           | 65,700         |              |                    | 4,545                          | S/L HY | 65   | 1,010            |
| 50                                    | Transmission & Distributi | 12/19/12      |           | 30,610         |              |                    | 2,119                          | S/L HY | 65   | 471              |
| 137                                   | Transportation & Distribu | 1/01/67       |           | 635,992        |              |                    | 619,161                        | S/L HY | 65   | 9,782            |
| 138                                   | Trans&Distrib Main Add    | 1/01/68       |           | 203,437        |              |                    | 155,415                        | S/L HY | 65   | 3,129            |
| 139                                   | Lowes Construction        | 1/01/84       |           | 383,365        |              |                    | 244,131                        | S/L HY | 65   | 5,896            |
| 140                                   | Graves Co High School     | 1/01/85       |           | 16,956         |              |                    | 10,341                         | S/L HY | 65   | 261              |
| 141                                   | Addtl Trans&Distrib       | 1/01/90       |           | 2,243          |              |                    | 1,113                          | S/L HY | 65   | 34               |
| 142                                   | 8" Main Relocation Hwy408 | 9/30/93       |           | 14,167         |              |                    | 6,260                          | S/L HY | 65   | 218              |
| 143                                   | Whispering Oaks Subdiv    | 1/01/94       |           | 24,953         |              |                    | 10,969                         | S/L HY | 65   | 384              |
| 144                                   | Whispering Oaks Subdiv    | 4/01/94       |           | 2,620          |              |                    | 1,129                          | S/L HY | 65   | 40               |
| 145                                   | Whispering Oaks Subdiv    | 6/01/94       |           | 458            |              |                    | 195                            | S/L HY | 65   | 7                |
| 146                                   | Damages                   | 10/01/95      |           | -723           |              |                    | -210                           | S/L HY | 65   | 0                |
| 147                                   | 8" Main GC Middle School  | 3/29/96       |           | 5,080          |              |                    | 1,992                          | S/L HY | 65   | 78               |
| 148                                   | 8" Main Keystone Park     | 4/11/96       |           | 18,990         |              |                    | 7,427                          | S/L HY | 65   | 292              |

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|-----|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 149 | Eng for Keystone Park     | 5/11/96       |           | 2,100          |              |                    | 816                            | S/L HY | 65   | 32               |
| 150 | 8" Main Crouch Business   | 5/01/96       |           | 6,100          |              |                    | 2,381                          | S/L HY | 65   | 94               |
| 151 | Eng Services Crouch Busin | 5/11/96       |           | 1,500          |              |                    | 584                            | S/L HY | 65   | 23               |
| 152 | Eng Services for Whisper  | 5/01/96       |           | 113            |              |                    | 44                             | S/L HY | 65   | 2                |
| 153 | Main Ext GC Industrial Pa | 7/30/96       |           | 107,398        |              |                    | 41,374                         | S/L HY | 65   | 1,652            |
| 154 | Main Ext GC Industrial Pa | 9/12/96       |           | 16,298         |              |                    | 6,240                          | S/L HY | 65   | 251              |
| 155 | Main Ext GC Industrial Pa | 2/12/97       |           | 6,459          |              |                    | 2,421                          | S/L HY | 65   | 99               |
| 156 | Damages Main Ext          | 7/01/97       |           | -1,476         |              |                    | -325                           | S/L HY | 65   | 0                |
| 157 | Eng Services Hwy 121 Truc | 11/01/98      |           | 5,500          |              |                    | 1,869                          | S/L HY | 65   | 85               |
| 158 | Relocation Main Hwy 121   | 11/01/98      |           | 25,064         |              |                    | 8,524                          | S/L HY | 65   | 385              |
| 159 | Eng Services TVA          | 12/24/98      |           | 1,599          |              |                    | 541                            | S/L HY | 65   | 25               |
| 160 | Ky DOT Project Eng & Cons | 12/31/98      |           | 31,426         |              |                    | 10,587                         | S/L HY | 65   | 483              |
| 161 | Relocation of Hickory Fol | 3/12/99       |           | 4,081          |              |                    | 1,361                          | S/L HY | 65   | 63               |
| 162 | Lost Trail Subdivision    | 4/12/99       |           | 18,100         |              |                    | 5,990                          | S/L HY | 65   | 278              |
| 163 | N.Sholatr Subdivision     | 12/01/99      |           | 1,833          |              |                    | 584                            | S/L HY | 65   | 28               |
| 164 | Replace Main              | 6/05/00       |           | 730            |              |                    | 226                            | S/L HY | 65   | 11               |
| 165 | Replace Main              | 8/01/00       |           | 548            |              |                    | 165                            | S/L HY | 65   | 8                |
| 166 | Ky DOT Truck Route Hwy 12 | 3/30/01       |           | 82,548         |              |                    | 24,098                         | S/L HY | 65   | 1,270            |
| 167 | Ky DOT Hwy 121            | 4/25/02       |           | 5,044          |              |                    | 1,324                          | S/L HY | 65   | 78               |
| 168 | Sholar Subdivision        | 3/07/07       |           | 35,150         |              |                    | 6,220                          | S/L HY | 65   | 541              |
| 169 | Dale Harris Subdivision   | 4/11/07       |           | 29,245         |              |                    | 5,174                          | S/L HY | 65   | 450              |
| 170 | Ky DOT Jimtown Rd         | 11/20/07      |           | 327,650        |              |                    | 57,960                         | S/L HY | 65   | 5,039            |
| 171 | Other Projects            | 8/24/07       |           | 12,766         |              |                    | 2,255                          | S/L HY | 65   | 196              |
| 172 | 4" Water Main             | 9/01/08       |           | 4,839          |              |                    | 1,049                          | S/L HY | 65   | 74               |
| 173 | 2" Meter                  | 9/01/08       |           | 480            |              |                    | 102                            | S/L HY | 65   | 7                |
| 174 | Water Pressure Pipe       | 9/01/08       |           | 1,632          |              |                    | 353                            | S/L HY | 65   | 25               |
| 175 | Replace Mains             | 12/31/10      |           | 305,125        |              |                    | 29,818                         | S/L HY | 65   | 4,693            |
| 176 | Interconnect              | 1/31/11       |           | 18,061         |              |                    | 1,721                          | S/L HY | 65   | 278              |
| 177 | Interconnect              | 10/17/11      |           | 13,764         |              |                    | 1,106                          | S/L HY | 65   | 212              |
| 178 | T&D Mains Hwy 45          | 4/24/12       |           | 17,790         |              |                    | 1,233                          | S/L HY | 65   | 274              |
| 179 | T&D Mains Hwy 45          | 6/22/12       |           | 8,260          |              |                    | 572                            | S/L HY | 65   | 127              |
| 180 | T&D Mains Hwy 45          | 8/16/12       |           | 95,683         |              |                    | 6,624                          | S/L HY | 65   | 1,472            |
| 181 | T&D Mains Hwy 45          | 8/16/12       |           | 7,015          |              |                    | 486                            | S/L HY | 65   | 108              |
| 182 | T&D Mains Hwy 45          | 8/27/12       |           | 2,000          |              |                    | 139                            | S/L HY | 65   | 31               |
| 183 | T&D Mains Hwy 45          | 10/15/12      |           | 6,887          |              |                    | 477                            | S/L HY | 65   | 106              |
| 184 | T&D Mains Hwy 45          | 10/15/12      |           | 70,960         |              |                    | 4,910                          | S/L HY | 65   | 1,091            |
| 219 | Hwy 45 Hickory            | 1/08/13       |           | 59,257         |              |                    | 3,189                          | S/L HY | 65   | 911              |
| 220 | Hwy 45                    | 1/24/13       |           | 3,750          |              |                    | 203                            | S/L HY | 65   | 58               |
| 221 | Hwy 45 Project            | 9/23/13       |           | 3,332          |              |                    | 179                            | S/L HY | 65   | 51               |

Client 1222222

graves county water district

3/14/18

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| No.                          | Description               | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr. | Method | Life | Current<br>Depr. |
|------------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 222                          | Hwy 45 Project            | 9/23/13       |           | 5,830          |              |                    | 315                            | S/L HY | 65   | 90               |
| 248                          | Hwy 945 -Project          | 6/06/14       |           | 44,617         |              |                    | 1,715                          | S/L HY | 65   | 686              |
| 249                          | Makenzie Cir              | 10/02/14      |           | 15,474         |              |                    | 595                            | S/L HY | 65   | 238              |
| 263                          | 5 Services-Meadows        | 3/24/15       |           | 4,458          |              |                    | 103                            | S/L HY | 65   | 69               |
| 264                          | Relocate Fancy Farm       | 7/27/15       |           | 10,590         |              |                    | 244                            | S/L HY | 65   | 163              |
| 278                          | TRANSMISSION & DIST MAINS | 1/01/82       |           | 65,148         |              |                    | 65,148                         | S/L MM | 39   | 0                |
| 289                          | 1-1/2" PRESSURE REGULATOR | 1/31/16       |           | 1,187          |              |                    | 16                             | S/L MQ | 65   | 18               |
| 290                          | REPLACE ST. JEROME MAIN   | 8/22/16       |           | 16,785         |              |                    | 97                             | S/L MQ | 65   | 258              |
| 291                          | PIPING                    | 2/29/16       |           | 3,970          |              |                    | 53                             | S/L MQ | 65   | 61               |
| 292                          | CRACKER BARRELL PROJECT   | 4/06/16       |           | 892            |              |                    | 9                              | S/L MQ | 65   | 14               |
| 293                          | MAIN EXT PROJECT          | 6/27/16       |           | 6,380          |              |                    | 61                             | S/L MQ | 65   | 98               |
| 294                          | PHASE III MEADOWS         | 10/26/16      |           | 892            |              |                    | 2                              | S/L MQ | 65   | 14               |
| 295                          | HWY 1213 REPLACEMENT      | 11/04/16      |           | 68,160         |              |                    | 131                            | S/L MQ | 65   | 1,048            |
| 296                          | HWY 1213 REPLACEMENT      | 12/27/16      |           | 69,860         |              |                    | 134                            | S/L MQ | 65   | 1,074            |
| 302                          | Harris Sub Div            | 2/09/17       |           | 7,064          |              |                    |                                | S/L MQ | 65   | 95               |
| 303                          | 1213 Project              | 6/26/17       |           | 41,476         |              |                    |                                | S/L MQ | 65   | 399              |
| 304                          | Makenzie II               | 12/31/17      |           | 18,707         |              |                    |                                | S/L MQ | 65   | 36               |
| 305                          | Meadows Phase III         | 8/21/17       |           | 2,921          |              |                    |                                | S/L MQ | 65   | 17               |
| 306                          | Other projects            | 12/31/17      |           | 3,357          |              |                    |                                | S/L MQ | 65   | 6                |
| Total TRNASMISSION & DISTRIB |                           |               |           | 8,391,836      |              | 0                  | 3,831,074                      |        |      | 127,522          |
| WATER TREATMENT EQ           |                           |               |           |                |              |                    |                                |        |      |                  |
| 10                           | Water Treatment Equip     | 12/31/08      |           | 460,686        |              |                    | 377,809                        | S/L HY | 30   | 15,355           |
| 31                           | Water Treatment Equip     | 12/31/09      |           | 16,425         |              |                    | 3,829                          | S/L HY | 30   | 547              |
| 185                          | Water Treatment Eq        | 3/01/67       |           | 6,071          |              |                    | 6,070                          | S/L HY | 30   | 0                |
| 186                          | Water Treatment Eq        | 9/11/81       |           | 1,800          |              |                    | 1,800                          | S/L HY | 30   | 0                |
| 187                          | #60 Well Pump             | 8/01/88       |           | 3,952          |              |                    | 3,952                          | S/L HY | 30   | 0                |
| 188                          | Chloronation System       | 6/01/93       |           | 5,098          |              |                    | 5,098                          | S/L HY | 30   | 0                |
| 189                          | Line Feeder & Motor       | 12/01/93      |           | 5,392          |              |                    | 5,392                          | S/L HY | 30   | 0                |
| 190                          | Damages                   | 12/30/93      |           | -200           |              |                    | -150                           | S/L HY | 30   | 0                |
| 191                          | Scales,Pump,Solenoid,Stra | 8/01/94       |           | 3,942          |              |                    | 3,942                          | S/L HY | 30   | 0                |
| 192                          | Electrical Materials      | 9/01/94       |           | 11,554         |              |                    | 11,554                         | S/L HY | 30   | 0                |
| 193                          | Air Pallet Truck          | 10/01/94      |           | 603            |              |                    | 603                            | S/L HY | 30   | 0                |
| 194                          | 2 Line Feeders            | 2/21/95       |           | 550            |              |                    | 550                            | S/L HY | 30   | 0                |
| 195                          | Pump Parts                | 3/14/95       |           | 1,611          |              |                    | 1,611                          | S/L HY | 30   | 0                |
| 196                          | Timer                     | 9/11/95       |           | 204            |              |                    | 204                            | S/L HY | 30   | 0                |
| 197                          | Equipment                 | 1/01/96       |           | 78             |              |                    | 78                             | S/L HY | 30   | 0                |
| 198                          | Aquaking Colorimeter      | 1/03/00       |           | 759            |              |                    | 580                            | S/L HY | 30   | 25               |



Client 1222222

graves county water district

3/14/18

07:58AM

| No.                      | Description               | Date Acquired | Date Sold | Cost/<br>Basis | Bus.<br>Pct. | Cur<br>179/<br>SDA | Prior<br>179/<br>SDA/<br>Depr. | Method | Life | Current<br>Depr. |
|--------------------------|---------------------------|---------------|-----------|----------------|--------------|--------------------|--------------------------------|--------|------|------------------|
| 199                      | Equipment                 | 12/31/02      |           | 527            |              |                    | 326                            | S/L HY | 30   | 18               |
| 200                      | Equipment                 | 5/02/03       |           | 412            |              |                    | 256                            | S/L HY | 30   | 14               |
| 201                      | Equipment                 | 12/31/00      |           | 1,553          |              |                    | 805                            | S/L HY | 30   | 52               |
| 288                      | 30 HP MOTOR               | 5/23/16       |           | 3,099          |              |                    | 65                             | S/L MQ | 30   | 103              |
| Total WATER TREATMENT EQ |                           |               |           | 524,116        |              | 0                  | 424,374                        |        |      | 16,114           |
| WELLS & SPRINGS          |                           |               |           |                |              |                    |                                |        |      |                  |
| 7                        | Wells & Springs           | 12/31/08      |           | 314,737        |              |                    | 314,737                        | S/L HY | 30   | 0                |
| 202                      | Wells & Spring            | 3/01/67       |           | 39,642         |              |                    | 39,642                         | S/L HY | 30   | 0                |
| 203                      | New Pump                  | 3/01/85       |           | 6,984          |              |                    | 6,984                          | S/L HY | 30   | 0                |
| 204                      | Well #3                   | 1/01/87       |           | 79,472         |              |                    | 79,472                         | S/L HY | 30   | 0                |
| 205                      | Repair West Well          | 10/01/94      |           | 12,211         |              |                    | 12,211                         | S/L HY | 30   | 0                |
| 206                      | repair #3                 | 12/30/97      |           | 10,000         |              |                    | 8,665                          | S/L HY | 30   | 333              |
| 207                      | Repair #3                 | 1/09/98       |           | 3,445          |              |                    | 2,986                          | S/L HY | 30   | 115              |
| 208                      | Cleaning of Well #3       | 12/30/97      |           | 2,886          |              |                    | 2,499                          | S/L HY | 30   | 96               |
| 209                      | Repair/Maintenance Well # | 7/07/99       |           | 3,310          |              |                    | 2,621                          | S/L HY | 30   | 110              |
| 210                      | Pump/West Well Repair     | 2/21/00       |           | 17,936         |              |                    | 13,603                         | S/L HY | 30   | 598              |
| 211                      | Replace Motor in Well     | 6/02/02       |           | 1,410          |              |                    | 901                            | S/L HY | 30   | 47               |
| 212                      | Pump 60hp                 | 6/30/09       |           | 7,359          |              |                    | 4,905                          | S/L HY | 30   | 245              |
| 213                      | 30 hp Motor Wells         | 11/30/11      |           | 17,855         |              |                    | 3,049                          | S/L HY | 30   | 595              |
| 214                      | Repair Hickory East Well  | 2/25/13       |           | 14,522         |              |                    | 1,694                          | S/L HY | 30   | 484              |
| 279                      | WELLS & SPRINGS           | 1/01/90       |           | 16,956         |              |                    | 16,956                         | S/L HY | 20   | 0                |
| Total WELLS & SPRINGS    |                           |               |           | 548,725        |              | 0                  | 510,925                        |        |      | 2,623            |
| Total Depreciation       |                           |               |           | 17,220,211     |              | 0                  | 8,853,766                      |        |      | 329,397          |
| Grand Total Depreciation |                           |               |           | 17,220,211     |              | 0                  | 8,853,766                      |        |      | 329,397          |

## **Attachment 7a**

**PROJECTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**FUND B, INFRASTRUCTURE REVOLVING FUND**

Reviewer: Sandy Williams  
 Date: 10/2/2008  
 KIA Loan Numbers: B07-03  
 B05-04  
 B05-05

**POWER:** **GRAVES COUNTY WATER DISTRICT**  
 Graves County

**DESCRIPTION:** The Graves County Water District (GCWD) is requesting to assume the outstanding KIA debt of the Fancy Farm Water District (B05-04 and B05-05) as a result of a recent merger / consolidation. Additionally, the GCWD also requests to reapply for a Fund B loan under the same terms and conditions that were approved by the KIA Board on May 10, 2007, in the name of South Graves Water District in the amount of \$849,154. This Fund B loan will be used to retire the Authority's Fund C loan (C92-07) to the now dissolved South Graves Water District (SGWD).

| <b>PROJECT FINANCING:</b> |                     | <b>PROJECT BUDGET</b>           |                  |
|---------------------------|---------------------|---------------------------------|------------------|
| Fund B07-03               | \$ 849,154          | Retire Fund C92-07 Loan to SGWD | \$ 849,154       |
| Fund B05-04               | \$ 539,641          | Assume Debt of Fancy Farm       | \$ 539,641       |
| Fund B05-05               | \$ 131,810          | Assume Debt of Fancy Farm       | \$ 131,810       |
| <b>TOTAL</b>              | <b>\$ 1,520,605</b> | <b>TOTAL</b>                    | <b>1,520,605</b> |

**PAYMENT**  
 Rate See Attached Est. Annual Payment \$96,966  
 Term See Attached 1st Payment 6 Mo. after first draw

**PROFESSIONAL SERVICES**  
 Engineer  
 Bond Counsel Peck, Shafer, & Williams

**PROJECT SCHEDULE**  
 PSC Approval of Merger May 21, 2008  
 Merger Finalized September 8, 2008

**OUTSTANDING DEBT** See Attached

**FOR STATE-FUNDED PROJECTS LAST 5 YRS** See Attached

**MONTHLY RATES**

|                                       | <u>Avg. Bill</u>            |
|---------------------------------------|-----------------------------|
| South Graves Water District Customers | \$27.99 (for 4,000 gallons) |
| Consumers Water District              | \$13.12 (for 4,000 gallons) |
| Hardeman Water District               | \$26.84 (for 4,000 gallons) |
| Fancy Farm Water District             | \$19.80 (for 4,000 gallons) |

**REGIONAL COORDINATION** This project is consistent with regional planning recommendations.

| <b>CASH FLOW</b> | <b>Cash Available for</b> |                     | <b>Income after Debt</b> | <b>Coverage Ratio</b> |
|------------------|---------------------------|---------------------|--------------------------|-----------------------|
|                  | <b>Debt Service</b>       | <b>Debt Service</b> | <b>Service</b>           |                       |
| Projected 2009   | 158,190                   | 96,966              | 61,224                   | 1.63                  |
| Projected 2010   | 129,930                   | 96,966              | 32,965                   | 1.34                  |
| Projected 2011   | 125,532                   | 96,966              | 28,567                   | 1.29                  |
| Projected 2012   | 125,532                   | 96,966              | 28,567                   | 1.29                  |

Reviewer: Sandy Williams  
Date: October 2, 2008  
Loan Numbers: B07-03  
B05-04  
B05-05

**KENTUCKY INFRASTRUCTURE AUTHORITY  
INFRASTRUCTURE REVOLVING FUND (FUND B)  
GRAVES COUNTY WATER DISTRICT  
GRAVES COUNTY  
CREDIT ANALYSIS**

**PROJECT DESCRIPTION**

The Graves County Water District (GCWD) is requesting to assume the outstanding KIA debt of the Fancy Farm Water District (B05-04 and B05-05) as a result of a recent merger / consolidation. Additionally, the GCWD also requests to reapply for a Fund B loan under the same terms and conditions that were approved by the KIA Board on May 10, 2007, in the name of South Graves Water District in the amount of \$849,154. This Fund B loan will be used to retire the Authority's Fund C loan (C92-07) to the now dissolved South Graves Water District (SGWD). The original commitment on the Fund B loan expired May 12, 2008. A one time extension of up to six months could have been requested advancing the commitment to November 12, 2008 and allowing SGWD to retain the 0.4% interest rate originally offered with this loan commitment. Due to the evolving nature of this merger, the extension was not requested timely. However, the ability to retain this 0.4% interest rate is in the best interest of the newly formed water district's financial health.

Favorable Fund B terms were offered as incentive for the SGWD to participate in the consolidation and to reduce the interest rate on the outstanding Fund C loan therefore relieving some of the financial burden on the system. As additional incentive, a \$500,000 2020 grant to the Graves County Fiscal Court was also approved by the KIA Board on May 10, 2007 to be used to reduce outstanding debt of the systems to be merged.

The merger, approved by the Public Service Commission under Case Number 2007-00496 on May 21, 2008, consolidated the operations, assets and liabilities of Consumers Water District, Fancy Farm Water District, Hardeman Water District, and South Graves Water District under the newly created Graves County Water District. The merger was finalized on September 8, 2008.

The General Assembly, in KRS 74.361(1), has determined the "reduction of the number of operating water districts in the Commonwealth...[is] in the public interest, in that mergers of such districts will tend to eliminate wasteful duplication

of costs and efforts, result in a sounder and more businesslike degree of management, and ultimately result in greater economies, less cost, and a higher degree of service to the general public, and that the public policy favors the merger of water districts wherever feasible.

As a result of this merger, GCWD will specifically be able to provide services to a larger area of residents, which should provide economies of scale and offset potential rate increases. The operational benefits that result from this larger utility are: better buying power for goods and services, better utilization of operations personnel, centralized district management, replacement of old lines and equipment, purchase of large equipment and tools, service expansion to presently unserved areas, economic development, future development of sewer service, and the financial ability to handle emergencies. The benefit to the public is access to a larger, more economical district with the potential for expanded services.

### PROJECT BUDGET

|                            | KIA Fund<br>B07-03 | KIA Fund<br>B05-04 | KIA Fund<br>B05-05 | Total               |
|----------------------------|--------------------|--------------------|--------------------|---------------------|
| Retire C92-07 Loan to SGWD | 849,154.00         |                    |                    | 849,154.00          |
| Assume Debt of Fancy Farm  |                    | 539,640.59         |                    | 539,640.59          |
| Assume Debt of Fancy Farm  |                    |                    | 131,810.26         | 131,810.26          |
| <b>Total</b>               | <b>849,154.00</b>  | <b>539,640.59</b>  | <b>131,810.26</b>  | <b>1,520,604.85</b> |

### PROJECT FUNDING

|                 | Amount           | %           |
|-----------------|------------------|-------------|
| KIA Fund B07-03 | 849,154          | 56%         |
| KIA Fund B05-04 | 539,641          | 35%         |
| KIA Fund B05-05 | 131,810          | 9%          |
| <b>Total</b>    | <b>1,520,605</b> | <b>100%</b> |

### KIA DEBT SERVICE

|  | KIA Fund<br>B07-03 | KIA Fund<br>B05-04 | KIA Fund<br>B05-05 |
|--|--------------------|--------------------|--------------------|
| <b>KIA Debt Service</b>                    |                    |                    |                    |
| Loan Amount                                | \$ 849,154         | 539,641            | 131,810            |
| Interest Rate                              | 0.40%              | 0.48%              | 0.48%              |
| Loan Term (Years)                          | 17                 | 18                 | 12.5               |
| Estimated Annual Debt Service              | \$ 51,718          | \$ 31,330          | \$ 10,877          |
| Administrative Fee (0.20%)                 | 1,698              | 1,079              | 264                |
| <b>Total Estimated Annual Debt Service</b> | <b>\$ 53,416</b>   | <b>\$ 32,409</b>   | <b>\$ 11,141</b>   |

Combined annual debt service payment will be \$96,966 for all outstanding debt.

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**FUND B, INFRASTRUCTURE**  
**REVOLVING LOAN FUND**

Reviewer: Kasi White  
 Date: February 3, 2011  
 KIA Loan Number: B11-02  
 WRIS Number: WX21083030

**BORROWER:** GRAVES COUNTY WATER DISTRICT  
 GRAVES COUNTY

**BRIEF DESCRIPTION:** The Graves County Water District is requesting a Fund B loan in the amount of \$1,000,000 for the Fancy Farm / Mayfield Interconnect and Automated Meter Infrastructure (AMI) Upgrades. This is Phase III of the interconnect project that will link the Mayfield and Fancy Farm water systems. The project consists of the extension of approximately 8,500 linear feet of eight or twelve inch SDR 21 PVC water main with related appurtenances and a new pre-engineered duplex booster pump station, master meter, and radio telemetry improvements. This project will improve redundancy between systems and potentially open the door for regional water treatment service for this portion of Graves County. The loan will also fund the purchase of radio read water meters to upgrade the districts existing meters which will help mitigate revenues loss from erroneous meter readings. The district was invited to apply for Fund B monies due to ranking 3rd on the Purchase Area Development District Area Water Management Council list completed in the fall of 2009. The loan will be offered with principal forgiveness at the lower of (1) \$220,000 or (2) 80% of the total disbursed under the loan.

| PROJECT FINANCING:                                    |                     | PROJECT BUDGET          |                     |
|---|---------------------|-------------------------|---------------------|
| Fund B Loan   | \$ 1,000,000        | Administrative Expenses | \$ 2,500            |
| HB267 - CPBOC 6/20/06<br>(\$111,266 bal of \$495,000) | 111,266             | Engineering Fees        | 7,500               |
|   | 0                   | Construction            | 358,766             |
|   | 0                   | Equipment               | 632,500             |
|   | 0                   | Contingency             | 110,000             |
| <b>TOTAL</b>  | <b>\$ 1,111,266</b> | <b>TOTAL</b>            | <b>\$ 1,111,266</b> |

| REPAYMENT |          | Est. Annual |                        |
|-----------|----------|-------------|------------------------|
| Rate      | 2.00%    | Payment     | \$ 49,071              |
| Term      | 20 years | 1st Payment | 6 Mo. after first draw |

| PROFESSIONAL SERVICES |                           |
|-----------------------|---------------------------|
| Engineer              | Florence and Hutcheson    |
| Bond Counsel          | Peck, Shaffer, & Williams |

| PROJECT SCHEDULE    |                 |
|---------------------|-----------------|
| Bid Opening:        | February, 2011  |
| Construction Start: | February, 2011  |
| Construction Stop:  | September, 2011 |

| DEBT PER CUSTOMER |        |
|-------------------|--------|
| Existing:         | \$ 350 |
| Proposed:         | \$ 574 |

**OTHER DEBT** See Attached

**OTHER STATE-FUNDED PROJECTS LAST 5 YRS** See Attached

| RESIDENTIAL RATES         | Users | Avg. Bill                   |
|---------------------------|-------|-----------------------------|
| Fancy Farm Water District | 438   | \$19.80 (for 4,000 gallons) |

**REGIONAL COORDINATION** This project is consistent with regional planning recommendations.

| CASHFLOW  | Cash Available for |              | Income after Debt |                |
|-----------|--------------------|--------------|-------------------|----------------|
|           | Debt Service       | Debt Service | Service           | Coverage Ratio |
| Audited   | 102,155            | 325,863      | (223,708)         | 0.31           |
| Compiled  | 132,603            | 74,922       | 57,681            | 1.77           |
| Projected | 137,691            | 90,387       | 47,304            | 1.52           |
| Projected | 130,820            | 123,721      | 6,899             | 1.06           |
| Projected | 126,687            | 123,585      | 3,102             | 1.03           |



Reviewer: Kasi White  
Date: February 3, 2011  
Loan Number: B11-02

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
GRAVES COUNTY WATER DISTRICT, GRAVES COUNTY**

**PROJECT REVIEW  
WX21083030**

**I. PROJECT DESCRIPTION**

The Graves County Water District is requesting a Fund B loan in the amount of \$1,000,000 for the Fancy Farm / Mayfield Interconnect and Automated Meter Infrastructure (AMI) Upgrades. This is Phase III of the interconnect project that will link the Mayfield and Fancy Farm water systems. The project consists of the extension of approximately 8,500 linear feet of eight or twelve inch SDR 21 PVC water main with related appurtenances and a new pre-engineered duplex booster pump station. The loan will also fund the purchase of radio read water meters to upgrade the existing meters for the existing Fancy Farm and Mayfield customers which will help mitigate revenues loss with more accurate meter readings.

This project will improve redundancy between systems and potentially open the door for regional water treatment service for this portion of Graves County. The district was invited to apply for Fund B monies due to ranking 3rd on the Purchase Area Development District Area Water Management Council list completed in the fall of 2009. The loan will be offered with principal forgiveness at the lower of (1) \$220,000 or (2) 80% of the total disbursed under the loan.

Mayfield Electric and Water Systems provides contracted operation, maintenance and management of the District's systems.

The District was created in 2008 by the merger of four water districts formerly known as Consumers, Fancy Farm, South Graves and Hardeman under Chapter 14 of the Kentucky Revised Statutes. The Public Service Commission approved the merger on May 21, 2008 and it was finalized on September 8, 2008. The General Assembly, in KRS 74.361(1), has determined the "reduction of the number of operating water districts in the Commonwealth...[is] in the public interest, in that mergers of such districts will tend to eliminate wasteful duplication of costs and efforts, result in a sounder and more businesslike degree of management, and ultimately result in greater economies, less cost, and a higher degree of service to the general public; and that the public policy favors the merger of water districts wherever feasible."

Reviewer: Kasi White  
Date: February 3, 2011  
Loan Number: B11-02

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND "A")  
GRAVES COUNTY WATER DISTRICT, GRAVES COUNTY**

**PROJECT REVIEW  
WX21083030**

**I. PROJECT DESCRIPTION**

The Graves County Water District is requesting a Fund B loan in the amount of \$1,000,000 for the Fancy Farm / Mayfield Interconnect and Automated Meter Infrastructure (AMI) Upgrades. This is Phase III of the interconnect project that will link the Mayfield and Fancy Farm water systems. The project consists of the extension of approximately 8,500 linear feet of eight or twelve inch SDR 21 PVC water main with related appurtenances and a new pre-engineered duplex booster pump station. The loan will also fund the purchase of radio read water meters to upgrade the existing meters for the existing Fancy Farm and Mayfield customers which will help mitigate revenues loss with more accurate meter readings.

This project will improve redundancy between systems and potentially open the door for regional water treatment service for this portion of Graves County. The district was invited to apply for Fund B monies due to ranking 3rd on the Purchase Area Development District Area Water Management Council list completed in the fall of 2009. The loan will be offered with principal forgiveness at the lower of (1) \$220,000 or (2) 80% of the total disbursed under the loan.

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**II. PROJECT BUDGET**

|                         | <u>Total</u>        |
|-------------------------|---------------------|
| Administrative Expenses | \$ 2,500            |
| Engineering Fees        | 7,500               |
| Construction            | 358,766             |
| Equipment               | 632,500             |
| Contingency             | 110,000             |
| <b>Total</b>            | <b>\$ 1,111,266</b> |

**III. PROJECT FUNDING**

|                                | <u>Amount</u>       | <u>%</u>    |
|--------------------------------|---------------------|-------------|
| Fund B Loan                    | \$ 1,000,000        | 90%         |
| HB267 Grant (bal of \$495,000) | 111,266             | 10%         |
| <b>Total</b>                   | <b>\$ 1,111,266</b> | <b>100%</b> |

**IV. KIA DEBT SERVICE**

|   |                  |
|---|------------------|
| Construction Loan   | \$ 1,000,000     |
| Less: Principal Forgiveness<br>(lesser of 80% disbursed or \$220,000) | 220,000          |
| Amortized Loan Amount   | \$ 780,000       |
| Interest Rate   | 2.00%            |
| Loan Term (Years)   | 20               |
| Estimated Annual Debt Service   | \$ 47,511        |
| Administrative Fee (0.20%)  | 1,560            |
| <b>Total Estimated Annual Debt Service</b>                            | <b>\$ 49,071</b> |

**V. PROJECT SCHEDULE**

|                     |                |
|---------------------|----------------|
| Bid Opening:        | February, 2011 |
| Construction Start: | February, 2011 |
| Construction Stop:  | August, 2011   |

**VI. RATE STRUCTURE**

**A. Customers**

Fancy Farm currently has 438 customers. This represents approximately 14% of Graves County total customers (approximately 3,178).

The District is in negotiations to consolidate with the Hickory Water District. If the merger is completed, an additional 1,350 additional customers will be added to the Graves County customer base.

|  |  |   |  |
|--|--|---|--|
| <b>EXECUTIVE SUMMARY</b><br>KENTUCKY INFRASTRUCTURE AUTHORITY<br>FUND B, INFRASTRUCTURE<br>REVOLVING LOAN FUND   |  | Reviewer<br>Date<br>KIA Loan Number           | John LeFevre<br>April 4, 2013<br>B96-04<br>Assumption                          |
| BORROWER   |  | GRAVES COUNTY WATER DISTRICT<br>GRAVES COUNTY |  |
| BRIEF DESCRIPTION  |  |   |  |
| The Graves County Water District (District) seeks to assume \$247,667.58 in outstanding infrastructure debt (B96-04) of the Hickory Water District (Hickory) as a result of the merger of Hickory with the District. The merger was effective January 1, 2013. The original assistance agreement dated June 1, 1999 in the amount of \$528,000 was utilized to construct a 500,000 gallon water storage tank on an industrial park property. |  |   |  |
| PROJECT FINANCING  |  | PROJECT BUDGET                                | RD Fee % Actual %  |
| B96-04 Assumption (as of 1/1/13)   | \$247,667.58   | Assumed Debt from Hickory Water District      | \$247,667.58   |
| TOTAL  | \$247,667.58   | TOTAL   | \$247,667.58   |
| REPAYMENT  | Rate<br>Term   | 1.80%<br>20 Years                             | Est. Annual Payment<br>\$32,610  |
| PROFESSIONAL SERVICES  |  |   |  |
| Bond Counsel   |  | Peck, Shaffer, & Williams                     |  |
| PROJECT SCHEDULE   |  |   |  |
| Acquisition Agreement dated: August 24, 2011   |  |   |  |
| DEBT PER CUSTOMER  | Existing<br>Proposed   | \$341<br>\$419                                |  |
| OTHER DEBT   | See Attached   |   |  |
| OTHER STATE-FUNDED PROJECTS LAST 5 YRS   | See Attached   |   |  |
| RESIDENTIAL RATES  | Current<br>Additional  | <u>Users</u><br>4,555<br>n/a                  | <u>Avg. Bill</u><br>\$22.76 (for 4,000 gallons)<br>\$22.76 (for 4,000 gallons) |
| REGIONAL COORDINATION  | This project is consistent with regional planning recommendations. |   |  |
| CASHFLOW   | Cash Flow Before<br>Debt Service                                   | Debt Service                                  | Cash Flow After Debt Service Coverage Ratio                                    |
| Pro Forma 2010   | 146,783  | 108,617                                       | 38,166 1.4   |
| Pro Forma 2011   | 105,272  | 106,291                                       | (1,019) 1.0  |
| Projected 2012   | 96,898   | 104,140                                       | (7,242) 0.9  |
| Projected 2013   | 172,135  | 104,150                                       | 67,985 1.7   |
| Projected 2014   | 210,476  | 153,222                                       | 57,254 1.4   |
| Projected 2015   | 180,892  | 153,220                                       | 27,672 1.2   |
| Projected 2016   | 150,395  | 153,223                                       | (2,828) 1.0  |

Reviewer: John LeFevre  
 Date: April 4, 2013  
 Loan Number: B96-04  
 (Loan Assumption)

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND "B")  
 GRAVES COUNTY WATER DISTRICT, GRAVES COUNTY  
 PROJECT REVIEW**

**ASSUMPTION OF B96-04 FROM HICKORY WATER DISTRICT**

**I. PROJECT DESCRIPTION**

The Graves County Water District (District) seeks to assume \$247,667.58 in outstanding infrastructure debt (B96-04) of the Hickory Water District (Hickory) as a result of the merger of Hickory with the District. The merger was effective January 1, 2013. The original assistance agreement dated June 1, 1999 in the amount of \$528,000 was utilized to construct a 500,000 gallon water storage tank on an industrial park property.

The District was created in 2008 by the merger of four water districts formerly known as Consumers, Fancy Farm, South Graves and Hardeman under Chapter 74 of the Kentucky Revised Statutes. The Public Service Commission approved the merger on May 21, 2008 and it was finalized on September 8, 2008. The General Assembly, in KRS 74.361(1), has determined the "reduction of the number of operating water districts in the Commonwealth...[is] in the public interest, in that mergers of such districts will tend to eliminate wasteful duplication of costs and efforts, result in a sounder and more businesslike degree of management, and ultimately result in greater economies, less cost, and a higher degree of service to the general public; and that the public policy favors the merger of water districts wherever feasible."

**II. PROJECT BUDGET**

|  |                      |
|--|----------------------|
|  | <u>Total</u>         |
| Assumed Debt from Hickory Water District | <u>\$ 247,667.58</u> |
| <b>Total</b>                             | <b>\$ 247,667.58</b> |

**III. PROJECT FUNDING**

|                                  |                      |             |
|----------------------------------|----------------------|-------------|
|                                  | <u>Amount</u>        | <u>%</u>    |
| B96-04 Assumption (as of 1/1/13) | <u>\$ 247,667.58</u> | <u>100%</u> |
| <b>Total</b>                     | <b>\$ 247,667.58</b> | <b>100%</b> |

#### **IV. KIA DEBT SERVICE**

|  |           |               |
|--|-----------|---------------|
| Original Construction Loan Amount          | \$        | 528,000       |
| Interest Rate                              |           | 1.80%         |
| Loan Term (Years)                          |           | 20            |
| Estimated Annual Debt Service              | \$        | 31,554        |
| Administrative Fee (0.20%)                 |           | 1,056         |
| <b>Total Estimated Annual Debt Service</b> | <b>\$</b> | <b>32,610</b> |

#### **V. PROJECT SCHEDULE**

Merger Agreement Date: August 24, 2011  
Merger Effective Date: January 1, 2013

#### **VI. RATE STRUCTURE**

##### **A. Customers**

| <u>Customers</u> | <u>Graves</u> | <u>Hickory</u> | <u>Total</u> |
|------------------|---------------|----------------|--------------|
| Residential      | 2,868         | 1,175          | 4,043        |
| Commercial       | 311           | 201            | 512          |
| Total            | 3,179         | 1,376          | 4,555        |

##### **B. Rates**

| <u>Graves County Water District</u> | <u>Current</u> | <u>Approved</u> |
|-------------------------------------|----------------|-----------------|
| Date of Last Rate Increase          | 09/05/12       | 01/01/14        |
| First 2,000 Gallons (Minimum)       | \$13.30        | \$13.53         |
| Next 8,000 Gallons                  | 4.73           | 5.28            |
| Next 10,000 Gallons                 | 4.26           | 4.73            |
| Next 30,000 Gallons                 | 3.78           | 4.18            |
| Over 50,000 Gallons                 | 3.30           | 3.62            |
| Cost for 4,000 gallons              | \$22.76        | \$24.09         |
| Percent Increase                    | 16.1%          | 5.8%            |
| Affordability Index (Rate/MHI)      | 0.8%           | 0.8%            |

| Hickory Water District         | Current  | Prior   |
|--------------------------------|----------|---------|
| Date of Last Rate Increase     | 06/30/10 |         |
| First 2,000 Gallons            | \$12.31  | \$10.26 |
| Next 3,000 Gallons             | 4.18     | 3.48    |
| Next 5,000 Gallons             | 3.89     | 3.24    |
| Next 10,000 Gallons            | 3.60     | 3.00    |
| Next 30,000 Gallons            | 2.59     | 2.16    |
| Next 50,000 Gallons            | 2.16     | 1.80    |
| Over 100,000 Gallons           | 1.80     | 1.50    |
| Monthly 4,000 gallon rate      | \$20.67  | \$17.22 |
| Percent Increase               | 20.0%    |         |
| Affordability Index (Rate/MHI) | 0.7%     | 0.6%    |

Prior to September 2012, separate rates were charged for each of the four legacy districts that were merged to create the Graves County Water District. Two rate increases were approved in September 2012. The first increase was 16.12% over the test-period revenues that were submitted. The second increase will be effective January 1, 2014 to coincide with the anticipated completion of a project funded by KIA loan #B11-02 for radio read meters and other infrastructure. The aggregate of the two increases is 23.86% over the test period revenues.

Rates for the legacy Hickory Water District customers will remain the same as they were prior to the merger.

## **VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2006-2010, the County's population was 36,958 with a Median Household Income (MHI) of \$35,277. The median household income for the Commonwealth is \$41,576. The assumption will retain the original 1.8% loan interest rate.

## **VIII. FINANCIAL ANALYSIS (See Exhibit 1)**

Financial information was obtained from the audited financial statements for the years ended December 31, 2010 and 2011 for the Graves County Water District. Audited financial statements for the Hickory Water District were used for the year ended December 31, 2010 and financial information that was filed with the Public Service Commission was used for the year ended December 31, 2011. Amounts for 2012 are estimated for both entities.

## PRO FORMA HISTORY

Revenues increased 3.6% from \$1,492,668 in 2010 to \$1,546,202 in 2012 while operating expenses increased 7.2% from \$1,359,057 to \$1,456,804 during the same period.

Cash available for debt service decreased from \$146,783 in 2010 to \$96,898 in 2012 while required debt service averaged \$106,000 each year. The debt coverage ratio was 1.4 in 2010, 1.0 in 2011 and .9 in 2012.

The balance sheet reflects a current ratio of 2.1 and a debt to equity ratio of .2. The number of months of operating expenses in unrestricted cash and investments is 5.0.

## PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 9.5% in 2013 due to rate increases that were passed in September 2012.
- 2) Revenues will increase 5.8% in 2014 due to a rate increase that will become effective January 1, 2014.
- 3) Revenues will increase .5% each year for growth
- 4) Expenses will increase 2.5% per year for growth and inflation
- 5) Debt service coverage is 1.7 in 2013 and will decline to 1.4 in 2014 when repayment on KIA loan # B11-02 begins.

Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

## IX. DEBT OBLIGATIONS

|                              | <u>Outstanding</u>  | <u>Maturity</u> |
|------------------------------|---------------------|-----------------|
| KIA (B05-04)                 | \$ 272,604          | 2026            |
| KIA (B07-03)                 | 703,464             | 2026            |
| KIA (B11-02 i/a/o \$780,000) | 331,087             | TBD             |
| KIA (B96-04)                 | 247,668             | 2021            |
| <b>Total</b>                 | <b>\$ 1,554,823</b> |                 |

## X. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

| <u>Project Title</u>                        | <u>Funding Source</u> | <u>Amount</u> | <u>Type</u> |
|---|-----------------------|---------------|-------------|
| Cuba Loop (Graves Co FC)                    | HB380                 | \$ 870,674    | Grant       |
| MEWS / Hickory Interconnect (Graves Co FC)  | HB380                 | \$ 95,000     | Grant       |
| Hardeman / MEWS Interconnect (Graves Co FC) | HB608                 | \$ 400,000    | Grant       |
| MEWS 1 Mil Gal Storage Tank (Mayfield)      | HB608                 | \$ 1,050,000  | Grant       |

|                                |       |    |        |       |
|--------------------------------|-------|----|--------|-------|
| Flyover (Mayfield)             | HB608 | \$ | 75,000 | Grant |
| Consumer Merger (Graves Co FC) | HB608 | \$ | 55,000 | Grant |

**XI. CONTACTS**

|                        |                                    |
|------------------------|------------------------------------|
| <b>Legal Applicant</b> |                                    |
| Name                   | Graves County Water District       |
| Address                | P.O. Box 329<br>Mayfield, KY 42066 |
| County                 | Graves                             |
| Authorized Official    | Johnny Dowdy (Chairman)            |
| Phone                  | (270) 247-4661                     |
| Email                  | jdowdy@bellsouth.net               |

**XII. RECOMMENDATIONS**

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

## **Attachment 7b**





Think Bank!

PROMISSORY NOTE

| Principal    | Loan Date  | Maturity   | Loan No | Coll. Coll | Account | Officer<br>S&M | Initials |
|--------------|------------|------------|---------|------------|---------|----------------|----------|
| \$100,000.00 | 10-17-2016 | 10-17-2026 |         |            |         |                |          |

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** Graves County Water District (TIN: 26-2993243)  
301 E Broadway St  
Mayfield, KY 42066

**Lender:** FNB BANK, INC.  
Mayfield Banking Center  
101 East Broadway  
P.O.Box 369  
MAYFIELD, KY 42066  
(270) 247-1758

Principal Amount: \$100,000.00

Date of Note: October 17, 2016

**PROMISE TO PAY.** Graves County Water District ("Borrower") promises to pay to FNB BANK, INC. ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Thousand & 00/100 Dollars (\$100,000.00), together with interest on the unpaid principal balance from October 17, 2016, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 3.000% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 20 payments of \$5,836.87 each payment. Borrower's first payment is due April 17, 2017, and all subsequent payments are due on the same day of each half-year after that. Borrower's final payment will be due on October 17, 2026, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT; MINIMUM INTEREST CHARGE.** In any event, even upon full prepayment of this Note, Borrower understands that Lender is entitled to a minimum interest charge of \$10.00. Other than Borrower's obligation to pay any minimum interest charge, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: FNB BANK, INC., Attention: Loan Operations, P.O. Box 369 Mayfield, KY 42066.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$25.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by 2.000 percentage points. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. This Note has been accepted by Lender in the Commonwealth of Kentucky.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of GRAVES County, Commonwealth of Kentucky.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender of \$30.00 if Borrower makes a payment on Borrower's loan and the check or

**PROMISSORY NOTE  
(Continued)**

preauthorized charge with which Borrower pays is later dishonored.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the debt against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** This loan is unsecured.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: FNB BANK, INC. Attention: Loan Operations P.O. Box 369 Mayfield, KY 42068.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

**GRAVES COUNTY WATER DISTRICT**

By: COPY  
Johnny Dowdy, Chairman of Graves County Water District

By: COPY  
Todd Hayden, Vice Chairman of Graves County Water District

By: COPY  
Joey Morrow, Secretary/Treasurer of Graves County Water District

## AMORTIZATION SCHEDULE

| Principal    | Loan Date  | Maturity   | Loan No. | Cat / Coll. | Account | Officer | Initials |
|--------------|------------|------------|----------|-------------|---------|---------|----------|
| \$100,000.00 | 10-17-2016 | 10-17-2026 |          |             |         | SEM     |          |

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**Borrower:** Graves County Water District (TIN: 26-2993243)  
301 E Broadway St  
Mayfield, KY 42066

**Lender:** FNB BANK, INC.  
Mayfield Banking Center  
101 East Broadway  
P.O. Box 368  
MAYFIELD, KY 42066  
(270) 247-1758

Disbursement Date: October 17, 2016  
Interest Rate: 3.000

Repayment Schedule: Installment  
Calculation Method: 365/360 U.S. Rule

| Payment Number      | Payment Date | Payment Amount    | Interest Paid    | Principal Paid    | Remaining Balance |
|---------------------|--------------|-------------------|------------------|-------------------|-------------------|
| 1                   | 04-17-2017   | 5,836.87          | 1,516.67         | 4,320.20          | 95,679.80         |
| 2                   | 10-17-2017   | 5,836.87          | 1,459.12         | 4,377.75          | 91,302.05         |
| <b>2017 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,975.79</b>  | <b>8,697.95</b>   |                   |
| 3                   | 04-17-2018   | 5,836.87          | 1,384.75         | 4,452.12          | 86,849.93         |
| 4                   | 10-17-2018   | 5,836.87          | 1,324.48         | 4,512.41          | 82,337.52         |
| <b>2018 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,709.21</b>  | <b>8,964.53</b>   |                   |
| 5                   | 04-17-2019   | 5,836.87          | 1,248.79         | 4,588.08          | 77,749.44         |
| 6                   | 10-17-2019   | 5,836.87          | 1,185.68         | 4,651.19          | 73,098.25         |
| <b>2019 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,434.47</b>  | <b>9,239.27</b>   |                   |
| 7                   | 04-17-2020   | 5,836.87          | 1,114.75         | 4,722.12          | 68,376.13         |
| 8                   | 10-17-2020   | 5,836.87          | 1,042.74         | 4,794.13          | 63,582.00         |
| <b>2020 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,157.49</b>  | <b>9,516.25</b>   |                   |
| 9                   | 04-17-2021   | 5,836.87          | 964.33           | 4,872.54          | 58,709.46         |
| 10                  | 10-17-2021   | 5,836.87          | 895.32           | 4,941.55          | 53,767.91         |
| <b>2021 TOTALS:</b> |              | <b>11,673.74</b>  | <b>1,859.65</b>  | <b>9,814.09</b>   |                   |
| 11                  | 04-17-2022   | 5,836.87          | 815.48           | 5,021.39          | 48,746.52         |
| 12                  | 10-17-2022   | 5,836.87          | 743.38           | 5,093.49          | 43,653.03         |
| <b>2022 TOTALS:</b> |              | <b>11,673.74</b>  | <b>1,558.86</b>  | <b>10,114.88</b>  |                   |
| 13                  | 04-17-2023   | 5,836.87          | 662.07           | 5,174.80          | 38,478.23         |
| 14                  | 10-17-2023   | 5,836.87          | 586.79           | 5,250.08          | 33,228.15         |
| <b>2023 TOTALS:</b> |              | <b>11,673.74</b>  | <b>1,248.86</b>  | <b>10,424.88</b>  |                   |
| 15                  | 04-17-2024   | 5,836.87          | 506.73           | 5,330.14          | 27,898.01         |
| 16                  | 10-17-2024   | 5,836.87          | 425.44           | 5,411.43          | 22,486.58         |
| <b>2024 TOTALS:</b> |              | <b>11,673.74</b>  | <b>932.17</b>    | <b>10,741.57</b>  |                   |
| 17                  | 04-17-2025   | 5,836.87          | 341.05           | 5,495.82          | 16,990.76         |
| 18                  | 10-17-2025   | 5,836.87          | 259.11           | 5,577.76          | 11,413.00         |
| <b>2025 TOTALS:</b> |              | <b>11,673.74</b>  | <b>600.16</b>    | <b>11,073.58</b>  |                   |
| 19                  | 04-17-2026   | 5,836.87          | 173.10           | 5,663.77          | 5,749.23          |
| 20                  | 10-17-2026   | 5,836.87          | 87.64            | 5,749.23          | 0.00              |
| <b>2026 TOTALS:</b> |              | <b>11,673.74</b>  | <b>260.74</b>    | <b>11,413.00</b>  |                   |
| <b>TOTALS:</b>      |              | <b>116,737.40</b> | <b>16,737.40</b> | <b>100,000.00</b> |                   |

**NOTICE:** This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.



### DISBURSEMENT REQUEST AND AUTHORIZATION

| Principal    | Loan Date  | Maturity   | Loan No. | City/State | Account | Officer | Initials |
|--------------|------------|------------|----------|------------|---------|---------|----------|
| \$100,000.00 | 10-17-2016 | 10-17-2026 |          |            |         |         |          |

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** Graves County Water District (TIN: 26-2993243)  
301 E Broadway St  
Mayfield, KY 42066

**Lender:** FNB BANK, INC.  
Mayfield Banking Center  
101 East Broadway  
P.O. Box 369  
MAYFIELD, KY 42068  
(270) 247-1768

**LOAN TYPE.** This is a Fixed Rate (3.000%) Nondisclosable Loan to a Government Entity for \$100,000.00 due on October 17, 2026.

**PRIMARY PURPOSE OF LOAN.** The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business (Including Real Estate Investment).

**SPECIFIC PURPOSE.** The specific purpose of this loan is: Funds to replace a section of water main in Fancy Farm.

**DISBURSEMENT INSTRUCTIONS.** Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$100,000.00 as follows:

|                                     |                     |
|-------------------------------------|---------------------|
| Amount paid to Borrower directly:   | \$100,000.00        |
| \$100,000.00 Deposited to Account # |                     |
| <b>Note Principal:</b>              | <b>\$100,000.00</b> |

**CHARGES PAID IN CASH.** Borrower has paid or will pay in cash as agreed the following charges:

|                                       |                 |
|---------------------------------------|-----------------|
| Prepaid Finance Charges Paid in Cash: | \$0.00          |
| Other Charges Paid in Cash:           | \$250.00        |
| \$260.00 DOCUMENTATION FEE            |                 |
| <b>Total Charges Paid in Cash:</b>    | <b>\$250.00</b> |

**FINANCIAL CONDITION.** BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED OCTOBER 17, 2016.

**BORROWER:**

**GRAVES COUNTY WATER DISTRICT**

By: COPY  
Johnny Dowdy, Chairman of Graves County Water District

By: COPY  
Todd Hayden, Vice Chairman of Graves County Water District

By: COPY  
Joey Morrow, Secretary/Treasurer of Graves County Water District

August 23, 2016

## GRAVES COUNTY WATER DISTRICT

The Graves County Water District Board met this day in the office of Mayfield Electric and Water Systems. Chairman, Johnny Dowdy called the meeting to order with the following Members present: Vice-Chairman Todd Hayden, Secretary-Treasurer, Joey Morrow, Steve Mason, Howel Carr, Sam Davis, and Bill Sears. Also present were Water/Wastewater Manager, Kevin Leonard, Belva Wilkerson, Heather Payne, Eli Towery and Krista Romaine of Romaine and Associates.

Mr. Dowdy asked if all Members had reviewed the Agenda and if anything needed to be added and 104 Lamb Drive fire hydrant was added to the Agenda.

Mr. Dowdy asked if all Members had reviewed the Minutes of the July 26, 2016 meeting. Motion to approve the minutes made by Mr. Morrow seconded by Mr. Davis. All voting aye.

Ms. Romaine presented the balance sheet as of 08-22-16 and financials for both GCWD and Sedalia Water District. Motion to accept the financials as presented was made by Mr. Mason seconded by Mr. Carr. All voted aye.

Mr. Dowdy asked if all Members had reviewed the Operational Reports for July. Motion to accept the Operational Reports made by Mr. Davis seconded by Mr. Morrow. All voting aye.

Mr. Leonard updated us on the Ken Tex project and stated that we are still waiting on approval and it was submitted August 4, 2016. However, we will hold off on project until the crops are out of the field then resume with the project. When the project resumes the project involves the installation of approximately 1,390 linear feet of 6-inch water main located along Kentex Drive across and east of Highway 45 North to serve one new customer. This water main extension will also replace an old existing 2" water line and provide fire protection.

Mr. Leonard stated that Sedalia Fire Rating has changed. David Miller, CFPS, Fire Protection Analyst stated that Sedalia has had an increase in water points. Previously (February 1996) there was a grading of 14.59 and now the most recent evaluation is a 16.94.

Mr. Leonard stated that a bill from Hunter Martin Associates, Inc. has been paid in the amount of \$9,300.00. This is for the engineering for Highway 1213 project.

Mr. Leonard stated there was a bid opening held August 15, 2016 at 4:00 here at Mayfield Electric and Water Systems. He has presented the tabulation sheet for the Highway 1213 Water Main Replacement. The bidders are as follows:

- Burgess Contracting in the amount of \$195,775.00
- United Pipeline in the amount of \$248,990.00
- Twin States Utilities and Excavating, Inc. in the amount of \$283,385.00
- Murtco in the amount of \$343,760.00

A Notice of Award will go to the lowest bidder, Burgess Contracting in the amount of \$195,775.00. Work on the project can start in 25 days.

Mr. Dowdy opened the floor for discussion for the Highway 1213 funding. After much discussion the Board decided to utilize \$100,000 in cash on hand and finance \$95,000. Ms. Wilkerson will check local interest rates and report back in the next month meeting. Motion to use on hand cash of \$100,000 and finance \$95,000 made by Mr. Hayden seconded by Mr. Morrow. All voting aye.

Mr. Leonard stated that he got a call from Michael Harris about a meter pay back. He stated that about 9 years ago his dad put in a subdivision on Kenneth Drive in the Hickory water district and stated that the meter payback is only good for 10 years and he needed to get compensated for the meter sets. Mr. Leonard stated that we have no record of the contract that was drawn up. However, Robert Harrell was over the district at the time. Mr. Davis to call Robert Harrell to see if such contract was drew up between Hickory Water District and Dale Harris and report back next month.

Mr. Leonard spoke to the Board about a dead tree on the property of Donal Jones on Highway 1890. He stated that the tree died due to a water leak. Mr. Leonard to call Jason Looper and look into the right-of-way.

Mr. Leonard stated that he got a call from Curtsinger Winery in Fancy Farm regarding a grease trap issue. An inspector has been out and inspected the winery and concluded that he cannot open until there is a grease trap installed. However, Mr. Curtsinger has written a variance letter asking to waive the grease trap issue.

Mr. Leonard informed the Board that the Kentucky League of Cities Insurance policy has been signed and we are going to add an additional \$1 Million coverage at a cost of \$400.

Mr. Leonard spoke to the Board about a hydrant that has been removed from 104 Lamb Drive. Mr. Leonard made it aware that we did not remove that hydrant. Mr. Leonard will send his crew out there to access the issue and he will report back next month.

Mr. Leonard has scheduled a workshop for September 12, 2016 at 8:00 here at Mayfield Electric and Water Systems.

There being no other business before the Board, motion to adjourn made by Mr. Carr seconded by Mr. Hayden.



Chairman



Secretary-Treasurer



September 27, 2016

## GRAVES COUNTY WATER DISTRICT

The Graves County Water District met this day in the office of Mayfield Electric and Water Systems. Chairman, Johnny Dowdy called the meeting to order with the following Members present: Vice-Chairman, Todd Hayden, Secretary-Treasurer, Joey Morrow, Howel Carr, Steve Mason, and Bill Sears. Member absent was Sam Davis. Also present were Kevin Leonard, Water/Wastewater Manager, Belva Wilkerson, Heather Payne, and Eli Towery of Romaine and Associates.

Mr. Dowdy asked if all Members had reviewed the Agenda and if anything needed to be added. There being none, we proceeded with the Minutes.

Mr. Dowdy asked if all Members had reviewed the Minutes of the August 2, 2016 meeting. Motion to approve made by Mr. Morrow seconded by Mr. Sears. All voting aye.

Mr. Towery presented the Financials for August 31, 2016. We now have clarification from the PSC to merge Sedalia with GCWD. Motion to accept the financial as presented made by Mr. Hayden seconded by Mr. Mason. All voting aye.

Ms. Wilkerson stated there is currently \$89,957.86 in the GCWD checking account and \$3,487.91 in the Sedalia checking account.

Mr. Leonard presented the Operational Report for August 2016. Motion to accept the Operational Reports made by Mr. Hayden seconded by Mr. Mason. All voting aye. Mr. Leonard reported to the Board the cost of main breaks. He stated that in 2013 there was a cost of \$110,000.00, 2014 there was a cost of \$63,000, 2015 there was a cost of \$84,000, and 2016 there was a cost of \$45,000.

Mr. Leonard stated that we are in the process of sending a bill to St. Jerome Church for the Water Main Relocation. The cost incurred for the project was a total of \$25,128.11 and it was agreed upon that St. Jerome would pay half of the cost.

Mr. Leonard updated the Board on the Michael Harris meter payback and stated that no official decision has been made yet.

Mr. Leonard opened the floor for discussion in regards to West Kentucky Rural Telephone and Mid-Continent College. Per Mr. Carr and Mr. Hayden, they are not ready to discuss the issue.

Mr. Leonard stated that there is a 60 hp well down at Hickory. He has received a cost estimate of approximately \$9,000.00. After much discussion from the Board they decided to run a camera down the well then make a decision.



Mr. Leonard updated the Board about the progress on Highway 1213. Mr. Leonard has received an email stating that most of the material has been ordered but has not received a delivery date, they are trying to scope out a spot to put the materials, and work should start the first week of October.

Ms. Wilkerson notified the Board of an advisory from the PSC stating that we have to report when there is a vacancy on our Board and if the vacancy is not filled within 90 day the PSC will appoint someone.

Ms. Wilkerson spoke to the Board about GCWD Board of Commissioners appointment. Kentucky Public Service Commission order (Case 2015-00296) appointing the merger of Sedalia Water District with GCWD dated January 28, 2016. The order states that the current (7) member board shall remain in effect until one year after approval of the merger by the Commission which would be January 28, 2017. Thereafter, KRS 74.363 requires that 1/3 of the commissioners shall be appointed for a term of 2 years, 1/3 for 3 years, and the remaining 1/3 for 4 years. GCWD is also required to provide documentation of compliance with this statute before January 28, 2017.

Ms. Wilkerson presented commercial loan rates from local banks for the Highway 1213 project and they are as follows:

**Independence Bank**

3.50%- 5 year rate with 10 year amortization

**FNB Bank**

2.65%- 5 year rate with 10 year amortization (tax exempt, no certification)

3.00%- 10 year fixed rate (tax exempt, no certification)

**First Kentucky Bank**

4.99%- 10 year fixed rate (booked as a taxable loan)

3.19%- 10 year fixed rate (taxed exempt loan certified by Bond Council. This would cost the district approximately \$2,000 additional.)

After much discussion the Board approved FNB Bank with a 3.00% 10 year fixed rate for \$100,000. Motion made by Mr. Sears seconded by Mr. Morrow. All voted over.

Mr. Leonard stated that GCWD does not currently have a fire protection rate. However, Mr. Leonard stated that GCWD might want to think about fire protection in the future.

The Board had decided to hold a workshop for October 17, 2016 in place of a regular meeting. The monthly regular meeting is scheduled for November 22, 2016.

There being no other business before the Board, motion to adjourn made by Mr. Carr seconded by Mr. Hayden. All voting aye.

  
Chairman

  
Secretary-Treasurer

## **Attachment 8a**

AUG-24-2009 07:22AM FROM-ROMAINE & ASSOCIATES PLLC +1270 247 7749 T-706 P.002/002 F-957

**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**REPAYMENT SCHEDULE**  
**LOAN #B07-03**

Graves County Water District *Seath Graves*  
 ESTIMATE

**0.40% Rate**  
**\$25,858.85 P & I Calculation**

| Payment Date  | Principal Due       | Interest Due       | Interest Rate | Principal & Interest | Servicing Fee      | Credit Due    | Total Payment       | Principal Balance | R & M Reserve | Total Reserve |
|---------------|---------------------|--------------------|---------------|----------------------|--------------------|---------------|---------------------|-------------------|---------------|---------------|
|               |                     |                    |               |                      |                    |               |                     | \$849,154.00      |               |               |
| 12/01/09      | \$24,160.54         | \$1,898.31         | 0.40%         | \$25,858.85          | \$849.16           | \$0.00        | \$26,708.01         | \$824,993.46      | \$            | \$            |
| 06/01/10      | \$24,208.86         | \$1,849.99         | 0.40%         | \$25,858.85          | \$824.99           | \$0.00        | \$26,683.85         | \$800,784.60      | \$            | \$            |
| 12/01/10      | \$24,257.28         | \$1,801.57         | 0.40%         | \$25,858.85          | \$800.78           | \$0.00        | \$26,559.64         | \$778,527.31      | \$            | \$            |
| 06/01/11      | \$24,305.80         | \$1,583.06         | 0.40%         | \$25,858.85          | \$776.53           | \$0.00        | \$26,535.38         | \$752,221.51      | \$            | \$            |
| 12/01/11      | \$24,354.41         | \$1,504.44         | 0.40%         | \$25,858.85          | \$752.27           | \$0.00        | \$26,511.07         | \$727,867.10      | \$            | \$            |
| 06/01/12      | \$24,403.12         | \$1,455.73         | 0.40%         | \$25,858.85          | \$727.87           | \$0.00        | \$26,586.72         | \$703,463.98      | \$            | \$            |
| 12/01/12      | \$24,451.92         | \$1,406.93         | 0.40%         | \$25,858.85          | \$703.48           | \$0.00        | \$26,562.32         | \$679,012.08      | \$            | \$            |
| 06/01/13      | \$24,500.83         | \$1,358.02         | 0.40%         | \$25,858.85          | \$679.01           | \$0.00        | \$26,537.86         | \$654,511.23      | \$            | \$            |
| 12/01/13      | \$24,549.83         | \$1,309.02         | 0.40%         | \$25,858.85          | \$654.51           | \$0.00        | \$26,513.36         | \$629,961.39      | \$            | \$            |
| 06/01/14      | \$24,598.93         | \$1,259.92         | 0.40%         | \$25,858.85          | \$629.96           | \$0.00        | \$26,488.81         | \$605,362.48      | \$            | \$            |
| 12/01/14      | \$24,648.13         | \$1,210.72         | 0.40%         | \$25,858.85          | \$605.36           | \$0.00        | \$26,464.21         | \$580,714.33      | \$            | \$            |
| 06/01/15      | \$24,697.42         | \$1,161.43         | 0.40%         | \$25,858.85          | \$580.71           | \$0.00        | \$26,439.57         | \$556,016.91      | \$            | \$            |
| 12/01/15      | \$24,746.82         | \$1,112.03         | 0.40%         | \$25,858.85          | \$556.02           | \$0.00        | \$26,414.87         | \$531,270.09      | \$            | \$            |
| 06/01/16      | \$24,796.31         | \$1,062.54         | 0.40%         | \$25,858.85          | \$531.27           | \$0.00        | \$26,390.12         | \$506,473.77      | \$            | \$            |
| 12/01/16      | \$24,845.90         | \$1,012.95         | 0.40%         | \$25,858.85          | \$506.47           | \$0.00        | \$26,365.33         | \$481,627.87      | \$            | \$            |
| 06/01/17      | \$24,895.69         | \$963.26           | 0.40%         | \$25,858.85          | \$481.63           | \$0.00        | \$26,340.48         | \$456,732.28      | \$            | \$            |
| 12/01/17      | \$24,945.39         | \$913.46           | 0.40%         | \$25,858.85          | \$456.73           | \$0.00        | \$26,315.58         | \$431,786.89      | \$            | \$            |
| 06/01/18      | \$24,995.26         | \$863.57           | 0.40%         | \$25,858.85          | \$431.79           | \$0.00        | \$26,290.64         | \$406,791.61      | \$            | \$            |
| 12/01/18      | \$25,045.27         | \$813.58           | 0.40%         | \$25,858.85          | \$406.79           | \$0.00        | \$26,265.64         | \$381,746.33      | \$            | \$            |
| 06/01/19      | \$25,095.36         | \$763.49           | 0.40%         | \$25,858.85          | \$381.75           | \$0.00        | \$26,240.60         | \$356,550.97      | \$            | \$            |
| 12/01/19      | \$25,145.55         | \$713.30           | 0.40%         | \$25,858.85          | \$356.65           | \$0.00        | \$26,215.50         | \$331,305.42      | \$            | \$            |
| 06/01/20      | \$25,195.84         | \$663.01           | 0.40%         | \$25,858.85          | \$331.51           | \$0.00        | \$26,190.38         | \$306,009.56      | \$            | \$            |
| 12/01/20      | \$25,246.23         | \$612.62           | 0.40%         | \$25,858.85          | \$306.31           | \$0.00        | \$26,165.16         | \$280,683.35      | \$            | \$            |
| 06/01/21      | \$25,296.72         | \$562.13           | 0.40%         | \$25,858.85          | \$281.06           | \$0.00        | \$26,139.92         | \$255,286.63      | \$            | \$            |
| 12/01/21      | \$25,347.32         | \$511.53           | 0.40%         | \$25,858.85          | \$255.77           | \$0.00        | \$26,114.62         | \$230,419.30      | \$            | \$            |
| 06/01/22      | \$25,398.01         | \$460.84           | 0.40%         | \$25,858.85          | \$230.42           | \$0.00        | \$26,089.27         | \$205,021.29      | \$            | \$            |
| 12/01/22      | \$25,448.81         | \$410.04           | 0.40%         | \$25,858.85          | \$205.02           | \$0.00        | \$26,063.87         | \$179,572.48      | \$            | \$            |
| 06/01/23      | \$25,499.71         | \$359.14           | 0.40%         | \$25,858.85          | \$179.57           | \$0.00        | \$26,038.42         | \$154,072.77      | \$            | \$            |
| 12/01/23      | \$25,550.70         | \$308.16           | 0.40%         | \$25,858.85          | \$154.07           | \$0.00        | \$26,012.92         | \$128,522.07      | \$            | \$            |
| 06/01/24      | \$25,601.81         | \$257.04           | 0.40%         | \$25,858.85          | \$128.52           | \$0.00        | \$25,987.37         | \$102,920.25      | \$            | \$            |
| 12/01/24      | \$25,653.01         | \$205.84           | 0.40%         | \$25,858.85          | \$102.92           | \$0.00        | \$25,961.77         | \$77,267.24       | \$            | \$            |
| 06/01/25      | \$25,704.32         | \$154.53           | 0.40%         | \$25,858.85          | \$77.27            | \$0.00        | \$25,936.12         | \$51,582.92       | \$            | \$            |
| 12/01/25      | \$25,755.72         | \$103.13           | 0.40%         | \$25,858.85          | \$51.56            | \$0.00        | \$25,910.41         | \$25,807.20       | \$            | \$            |
| 06/01/26      | \$25,807.20         | \$51.61            | 0.40%         | \$25,858.85          | \$25.61            | \$0.00        | \$25,884.66         | (\$0.00)          | \$            | \$            |
| <b>Totals</b> | <b>\$849,154.00</b> | <b>\$30,048.92</b> |               | <b>\$879,202.96</b>  | <b>\$35,023.48</b> | <b>\$0.00</b> | <b>\$894,224.44</b> |                   | <b>\$0.00</b> |               |

Created by KIA on 8/21/2009

*balance is off by 1 6 mth period*  
*Maturity Date = 12/1/2026*

Reserve = 5% of original loan  
 \$ 29,838.81

KENTUCKY INFRASTRUCTURE AUTHORITY  
 REPAYMENT SCHEDULE  
 LOAN #B05-04  
 Fancy Farm Water District  
 Final - After Pay Down

0.48% Rate  
 \$10,439.20 P & I Calculation

| Payment Date  | Principal Due       | Interest Due       | Interest Rate | Principal & Interest | Servicing Fee     | Credit Due    | Total Payment       | Principal Balance |
|---------------|---------------------|--------------------|---------------|----------------------|-------------------|---------------|---------------------|-------------------|
|               |                     |                    |               |                      |                   |               |                     | \$596,776.35      |
| 12/01/06      | \$14,232.82         | \$1,432.26         | 0.48%         | \$15,664.88          | \$596.78          | \$0.00        | \$16,261.68         | \$582,543.73      |
| 06/01/07      | \$14,266.78         | \$1,398.10         | 0.48%         | \$15,664.88          | \$582.54          | \$0.00        | \$16,247.42         | \$568,276.95      |
| 12/01/07      | \$14,301.02         | \$1,363.86         | 0.48%         | \$15,664.88          | \$568.28          | \$0.00        | \$16,233.16         | \$553,975.93      |
| 06/01/08      | \$14,335.34         | \$1,329.54         | 0.48%         | \$15,664.88          | \$553.98          | \$0.00        | \$16,218.88         | \$539,640.59      |
| 12/01/08      | \$14,369.74         | \$1,295.14         | 0.48%         | \$15,664.88          | \$539.64          | \$0.00        | \$16,204.52         | \$525,270.85      |
| 06/01/09      | \$14,404.23         | \$1,260.65         | 0.48%         | \$15,664.88          | \$525.27          | \$0.00        | \$16,190.15         | \$510,869.83      |
| 06/31/09      | \$170,421.00        | \$0.00             | 0.00%         | \$170,421.00         | \$0.00            | \$0.00        | \$170,421.00        | \$340,448.63      |
| 12/01/09      | \$9,822.13          | \$1,021.01         | 0.48%         | \$10,843.15          | \$610.87          | \$0.00        | \$11,454.01         | \$330,823.49      |
| 06/01/10      | \$9,845.22          | \$793.98           | 0.48%         | \$10,439.20          | \$330.82          | \$0.00        | \$10,770.02         | \$321,178.27      |
| 12/01/10      | \$9,868.37          | \$770.93           | 0.48%         | \$10,439.20          | \$321.18          | \$0.00        | \$10,760.38         | \$311,509.90      |
| 06/01/11      | \$9,891.58          | \$747.82           | 0.48%         | \$10,439.20          | \$311.51          | \$0.00        | \$10,750.71         | \$301,818.32      |
| 12/01/11      | \$9,914.84          | \$724.38           | 0.48%         | \$10,439.20          | \$301.82          | \$0.00        | \$10,741.02         | \$292,103.48      |
| 06/01/12      | \$9,938.15          | \$701.03           | 0.48%         | \$10,439.20          | \$292.10          | \$0.00        | \$10,731.30         | \$282,365.33      |
| 12/01/12      | \$9,961.52          | \$677.68           | 0.48%         | \$10,439.20          | \$282.37          | \$0.00        | \$10,721.57         | \$272,603.81      |
| 06/01/13      | \$9,984.95          | \$654.25           | 0.48%         | \$10,439.20          | \$272.60          | \$0.00        | \$10,711.80         | \$262,818.86      |
| 12/01/13      | \$9,808.43          | \$630.77           | 0.48%         | \$10,439.20          | \$262.82          | \$0.00        | \$10,702.02         | \$253,010.43      |
| 06/01/14      | \$9,831.97          | \$607.23           | 0.48%         | \$10,439.20          | \$253.01          | \$0.00        | \$10,692.21         | \$243,178.45      |
| 12/01/14      | \$9,855.87          | \$583.63           | 0.48%         | \$10,439.20          | \$243.18          | \$0.00        | \$10,682.38         | \$233,322.88      |
| 06/01/15      | \$9,879.23          | \$559.97           | 0.48%         | \$10,439.20          | \$233.32          | \$0.00        | \$10,672.52         | \$223,443.65      |
| 12/01/15      | \$9,902.94          | \$536.26           | 0.48%         | \$10,439.20          | \$223.44          | \$0.00        | \$10,662.64         | \$213,540.71      |
| 06/01/16      | \$9,926.70          | \$512.60           | 0.48%         | \$10,439.20          | \$213.54          | \$0.00        | \$10,652.74         | \$203,614.01      |
| 12/01/16      | \$9,950.53          | \$488.87           | 0.48%         | \$10,439.20          | \$203.61          | \$0.00        | \$10,642.82         | \$193,663.46      |
| 06/01/17      | \$9,974.41          | \$464.79           | 0.48%         | \$10,439.20          | \$193.66          | \$0.00        | \$10,632.88         | \$183,689.07      |
| 12/01/17      | \$9,998.35          | \$440.85           | 0.48%         | \$10,439.20          | \$183.69          | \$0.00        | \$10,622.89         | \$173,690.72      |
| 06/01/18      | \$10,022.34         | \$416.88           | 0.48%         | \$10,439.20          | \$173.69          | \$0.00        | \$10,612.89         | \$163,668.38      |
| 12/01/18      | \$10,046.40         | \$392.80           | 0.48%         | \$10,439.20          | \$163.67          | \$0.00        | \$10,602.87         | \$153,621.97      |
| 06/01/19      | \$10,070.51         | \$368.69           | 0.48%         | \$10,439.20          | \$153.62          | \$0.00        | \$10,592.82         | \$143,551.46      |
| 12/01/19      | \$10,094.68         | \$344.52           | 0.48%         | \$10,439.20          | \$143.55          | \$0.00        | \$10,582.75         | \$133,456.78      |
| 06/01/20      | \$10,118.80         | \$320.30           | 0.48%         | \$10,439.20          | \$133.46          | \$0.00        | \$10,572.66         | \$123,337.88      |
| 12/01/20      | \$10,143.19         | \$296.01           | 0.48%         | \$10,439.20          | \$123.34          | \$0.00        | \$10,562.54         | \$113,194.69      |
| 06/01/21      | \$10,167.53         | \$271.87           | 0.48%         | \$10,439.20          | \$113.19          | \$0.00        | \$10,552.40         | \$103,027.16      |
| 12/01/21      | \$10,191.93         | \$247.27           | 0.48%         | \$10,439.20          | \$103.03          | \$0.00        | \$10,542.23         | \$92,835.23       |
| 06/01/22      | \$10,216.40         | \$222.80           | 0.48%         | \$10,439.20          | \$92.84           | \$0.00        | \$10,532.04         | \$82,618.83       |
| 12/01/22      | \$10,240.91         | \$198.29           | 0.48%         | \$10,439.20          | \$82.62           | \$0.00        | \$10,521.82         | \$72,377.92       |
| 06/01/23      | \$10,265.49         | \$173.71           | 0.48%         | \$10,439.20          | \$72.38           | \$0.00        | \$10,511.59         | \$62,112.42       |
| 12/01/23      | \$10,290.13         | \$149.07           | 0.48%         | \$10,439.20          | \$62.11           | \$0.00        | \$10,501.31         | \$51,822.29       |
| 06/01/24      | \$10,314.83         | \$124.37           | 0.48%         | \$10,439.20          | \$51.82           | \$0.00        | \$10,491.02         | \$41,507.46       |
| 12/01/24      | \$10,339.58         | \$99.62            | 0.48%         | \$10,439.20          | \$41.51           | \$0.00        | \$10,480.71         | \$31,167.88       |
| 06/01/25      | \$10,364.40         | \$74.80            | 0.48%         | \$10,439.20          | \$31.17           | \$0.00        | \$10,470.37         | \$20,803.48       |
| 12/01/25      | \$10,389.27         | \$49.93            | 0.48%         | \$10,439.20          | \$20.80           | \$0.00        | \$10,460.00         | \$10,414.21       |
| 06/01/26      | \$10,414.21         | \$24.99            | 0.48%         | \$10,439.20          | \$10.41           | \$0.00        | \$10,449.62         | (\$0.00)          |
| <b>Totals</b> | <b>\$596,776.35</b> | <b>\$22,770.70</b> |               | <b>\$619,547.06</b>  | <b>\$9,673.24</b> | <b>\$0.00</b> | <b>\$629,120.30</b> |                   |

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FROM-ROMAINE & ASSOCIATES PLLC

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KENTUCKY INFRASTRUCTURE AUTHORITY  
 REPAYMENT SCHEDULE  
 LOAN #B96-04  
 HICKORY WATER DISTRICT  
 FINAL

RESERVE FULLY FUNDED

1.80% Rate  
 \$15,776.93 P & I Calculation

\$26,400.00

| Payment Date  | Principal Due       | Interest Due        | Interest Rate | Principal & Interest | Servicing Fee      | Credit Due    | Total Payment       | Principal Balance | R & M Reserve      | Total Reserve |
|---------------|---------------------|---------------------|---------------|----------------------|--------------------|---------------|---------------------|-------------------|--------------------|---------------|
|               |                     |                     |               |                      |                    |               |                     | \$528,000.00      |                    |               |
| 12/01/01      | \$11,024.98         | \$4,458.09          | 1.8000%       | \$15,483.07          | \$528.00           | \$0.00        | \$16,011.07         | \$516,975.02      | \$1,548.31         | \$1,548.31    |
| 06/01/02      | \$11,124.15         | \$4,652.78          | 1.8000%       | \$15,776.93          | \$516.98           | \$0.00        | \$16,293.91         | \$505,850.87      | \$1,577.69         | \$3,126.00    |
| 12/01/02      | \$11,224.27         | \$4,552.66          | 1.8000%       | \$15,776.93          | \$505.85           | \$0.00        | \$16,282.78         | \$494,626.60      | \$1,577.69         | \$4,703.69    |
| 06/01/03      | \$11,325.29         | \$4,451.84          | 1.8000%       | \$15,776.93          | \$494.83           | \$0.00        | \$16,271.56         | \$483,301.31      | \$1,577.69         | \$6,281.39    |
| 12/01/03      | \$11,427.22         | \$4,349.71          | 1.8000%       | \$15,776.93          | \$483.30           | \$0.00        | \$16,260.23         | \$471,874.09      | \$1,577.69         | \$7,859.08    |
| 06/01/04      | \$11,530.06         | \$4,246.87          | 1.8000%       | \$15,776.93          | \$471.87           | \$0.00        | \$16,248.80         | \$460,344.03      | \$1,577.69         | \$9,436.77    |
| 12/01/04      | \$11,633.83         | \$4,143.10          | 1.8000%       | \$15,776.93          | \$460.34           | \$0.00        | \$16,237.27         | \$448,710.20      | \$1,577.69         | \$11,014.47   |
| 06/01/05      | \$11,738.54         | \$4,038.39          | 1.8000%       | \$15,776.93          | \$448.71           | \$0.00        | \$16,225.64         | \$436,971.66      | \$1,577.69         | \$12,592.16   |
| 12/01/05      | \$11,844.18         | \$3,932.74          | 1.8000%       | \$15,776.93          | \$436.97           | \$0.00        | \$16,213.80         | \$425,127.47      | \$1,577.69         | \$14,169.85   |
| 06/01/06      | \$11,950.78         | \$3,826.15          | 1.8000%       | \$15,776.93          | \$425.13           | \$0.00        | \$16,202.08         | \$413,176.89      | \$1,577.69         | \$15,747.54   |
| 12/01/06      | \$12,058.34         | \$3,718.59          | 1.8000%       | \$15,776.93          | \$413.18           | \$0.00        | \$16,190.11         | \$401,118.35      | \$1,577.69         | \$17,325.24   |
| 06/01/07      | \$12,166.86         | \$3,610.07          | 1.8000%       | \$15,776.93          | \$401.12           | \$0.00        | \$16,178.05         | \$388,951.49      | \$1,577.69         | \$18,902.93   |
| 12/01/07      | \$12,276.37         | \$3,500.58          | 1.8000%       | \$15,776.93          | \$388.95           | \$0.00        | \$16,165.88         | \$376,875.12      | \$1,577.69         | \$20,480.62   |
| 06/01/08      | \$12,386.85         | \$3,390.08          | 1.8000%       | \$15,776.93          | \$376.88           | \$0.00        | \$16,153.61         | \$364,288.27      | \$1,577.69         | \$22,058.32   |
| 12/01/08      | \$12,498.34         | \$3,278.59          | 1.8000%       | \$15,776.93          | \$364.29           | \$0.00        | \$16,141.22         | \$351,789.93      | \$1,577.69         | \$23,636.01   |
| 06/01/09      | \$12,610.82         | \$3,166.11          | 1.8000%       | \$15,776.93          | \$351.79           | \$0.00        | \$16,128.72         | \$339,179.11      | \$1,577.69         | \$25,213.70   |
| 12/01/09      | \$12,724.32         | \$3,052.61          | 1.8000%       | \$15,776.93          | \$339.18           | \$0.00        | \$16,116.11         | \$326,454.79      | \$1,188.30         | \$26,400.00   |
| 06/01/10      | \$12,838.84         | \$2,938.09          | 1.8000%       | \$15,776.93          | \$326.45           | \$0.00        | \$16,103.38         | \$313,815.95      | \$0.00             | \$26,400.00   |
| 12/01/10      | \$12,954.39         | \$2,822.54          | 1.8000%       | \$15,776.93          | \$313.82           | \$0.00        | \$16,090.55         | \$300,661.56      | \$0.00             | \$26,400.00   |
| 06/01/11      | \$13,070.98         | \$2,705.95          | 1.8000%       | \$15,776.93          | \$300.68           | \$0.00        | \$16,077.59         | \$287,590.58      | \$0.00             | \$26,400.00   |
| 12/01/11      | \$13,188.61         | \$2,588.32          | 1.8000%       | \$15,776.93          | \$287.59           | \$0.00        | \$16,064.52         | \$274,401.97      | \$0.00             | \$26,400.00   |
| 06/01/12      | \$13,307.31         | \$2,469.62          | 1.8000%       | \$15,776.93          | \$274.40           | \$0.00        | \$16,051.33         | \$261,094.66      | \$0.00             | \$26,400.00   |
| 12/01/12      | \$13,427.08         | \$2,349.85          | 1.8000%       | \$15,776.93          | \$261.09           | \$0.00        | \$16,038.02         | \$247,667.58      | \$0.00             | \$26,400.00   |
| 06/01/13      | \$13,547.92         | \$2,229.01          | 1.8000%       | \$15,776.93          | \$247.67           | \$0.00        | \$16,024.60         | \$234,119.66      | \$0.00             | \$26,400.00   |
| 12/01/13      | \$13,669.85         | \$2,107.08          | 1.8000%       | \$15,776.93          | \$234.12           | \$0.00        | \$16,011.05         | \$220,449.81      | \$0.00             | \$26,400.00   |
| 06/01/14      | \$13,792.88         | \$1,984.05          | 1.8000%       | \$15,776.93          | \$220.45           | \$0.00        | \$15,997.38         | \$206,656.93      | \$0.00             | \$26,400.00   |
| 12/01/14      | \$13,917.02         | \$1,859.91          | 1.8000%       | \$15,776.93          | \$206.86           | \$0.00        | \$15,983.59         | \$192,739.91      | \$0.00             | \$26,400.00   |
| 06/01/15      | \$14,042.27         | \$1,734.68          | 1.8000%       | \$15,776.93          | \$192.74           | \$0.00        | \$15,969.67         | \$178,697.64      | \$0.00             | \$26,400.00   |
| 12/01/15      | \$14,168.65         | \$1,608.28          | 1.8000%       | \$15,776.93          | \$178.70           | \$0.00        | \$15,955.63         | \$164,528.99      | \$0.00             | \$26,400.00   |
| 06/01/16      | \$14,296.17         | \$1,480.76          | 1.8000%       | \$15,776.93          | \$164.53           | \$0.00        | \$15,941.46         | \$150,232.82      | \$0.00             | \$26,400.00   |
| 12/01/16      | \$14,424.83         | \$1,352.10          | 1.8000%       | \$15,776.93          | \$150.23           | \$0.00        | \$15,927.16         | \$135,807.99      | \$0.00             | \$26,400.00   |
| 06/01/17      | \$14,554.66         | \$1,222.27          | 1.8000%       | \$15,776.93          | \$135.81           | \$0.00        | \$15,912.74         | \$121,253.33      | \$0.00             | \$26,400.00   |
| 12/01/17      | \$14,685.65         | \$1,091.28          | 1.8000%       | \$15,776.93          | \$121.25           | \$0.00        | \$15,898.18         | \$106,567.68      | \$0.00             | \$26,400.00   |
| 06/01/18      | \$14,817.82         | \$959.11            | 1.8000%       | \$15,776.93          | \$106.57           | \$0.00        | \$15,883.50         | \$91,749.86       | \$0.00             | \$26,400.00   |
| 12/01/18      | \$14,951.18         | \$825.75            | 1.8000%       | \$15,776.93          | \$91.75            | \$0.00        | \$15,868.88         | \$76,798.68       | \$0.00             | \$26,400.00   |
| 06/01/19      | \$15,085.74         | \$691.19            | 1.8000%       | \$15,776.93          | \$76.80            | \$0.00        | \$15,853.73         | \$61,712.94       | \$0.00             | \$26,400.00   |
| 12/01/19      | \$15,221.51         | \$555.42            | 1.8000%       | \$15,776.93          | \$61.71            | \$0.00        | \$15,838.64         | \$46,491.43       | \$0.00             | \$26,400.00   |
| 06/01/20      | \$15,358.51         | \$418.42            | 1.8000%       | \$15,776.93          | \$46.49            | \$0.00        | \$15,823.42         | \$31,132.92       | \$0.00             | \$26,400.00   |
| 12/01/20      | \$15,496.73         | \$280.20            | 1.8000%       | \$15,776.93          | \$31.13            | \$0.00        | \$15,808.06         | \$15,836.19       | \$0.00             | \$26,400.00   |
| 06/01/21      | \$15,636.19         | \$140.74            | 1.8000%       | \$15,776.93          | \$15.64            | \$0.00        | \$15,792.57         | (\$0.00)          | \$0.00             | \$26,400.00   |
| <b>Totals</b> | <b>\$528,000.00</b> | <b>\$102,783.34</b> |               | <b>\$630,783.34</b>  | <b>\$11,453.03</b> | <b>\$0.00</b> | <b>\$642,236.37</b> |                   | <b>\$26,400.00</b> |               |

KENTUCKY INFRASTRUCTURE AUTHORITY  
 REPAYMENT SCHEDULE  
 LOAN #B11-02  
 GRAVES COUNTY WATER DISTRICT  
 FINAL

Original Loan Amount \$ 1,000,000.00  
 Principal Forgiven \$ (220,000.00)  
 Amount to be Amortized \$ 780,000.00

2.00% Rate  
 \$23,755.37 P & I Calculation

| Payment Date  | Principal Due       | Interest Due        | Interest Rate | Principal & Interest | Servicing Fee      | Credit Due    | Total Payment       | Principal Balance | R & M Reserve      | Total Reserve |
|---------------|---------------------|---------------------|---------------|----------------------|--------------------|---------------|---------------------|-------------------|--------------------|---------------|
|               |                     |                     |               |                      |                    |               |                     | \$780,000.00      |                    |               |
| 06/01/14      | \$15,955.37         | \$7,776.73          | 2.00%         | \$23,732.10          | \$780.00           | \$0.00        | \$24,512.10         | \$764,044.63      | \$0.00             | \$0.00        |
| 12/01/14      | \$16,114.92         | \$7,640.45          | 2.00%         | \$23,755.37          | \$764.04           | \$0.00        | \$24,519.41         | \$747,929.71      | \$2,500.00 ✓       | \$2,500.00    |
| 06/01/15      | \$16,276.07         | \$7,478.30          | 2.00%         | \$23,755.37          | \$747.93           | \$0.00        | \$24,503.30         | \$731,853.64      | \$0.00             | \$2,500.00    |
| 12/01/15      | \$16,438.83         | \$7,316.54          | 2.00%         | \$23,755.37          | \$731.65           | \$0.00        | \$24,487.02         | \$715,214.81      | \$2,500.00 ✓       | \$5,000.00    |
| 06/01/16      | \$16,603.22         | \$7,152.15          | 2.00%         | \$23,755.37          | \$715.21           | \$0.00        | \$24,470.58         | \$698,611.59      | \$0.00             | \$5,000.00    |
| 12/01/16      | \$16,769.25         | \$6,986.12          | 2.00%         | \$23,755.37          | \$698.61           | \$0.00        | \$24,453.98         | \$681,842.34      | \$2,500.00 ✓       | \$7,500.00    |
| 06/01/17      | \$16,936.95         | \$6,818.42          | 2.00%         | \$23,755.37          | \$681.84           | \$0.00        | \$24,437.21         | \$664,905.39      | \$0.00             | \$7,500.00    |
| 12/01/17      | \$17,106.32         | \$6,649.05          | 2.00%         | \$23,755.37          | \$664.91           | \$0.00        | \$24,420.28         | \$647,799.07      | \$2,500.00 ✓       | \$10,000.00   |
| 06/01/18      | \$17,277.38         | \$6,477.99          | 2.00%         | \$23,755.37          | \$647.80           | \$0.00        | \$24,403.17         | \$630,521.69      | \$0.00             | \$10,000.00   |
| 12/01/18      | \$17,450.15         | \$6,305.22          | 2.00%         | \$23,755.37          | \$630.52           | \$0.00        | \$24,385.89         | \$613,071.54      | \$2,500.00 ✓       | \$12,500.00   |
| 06/01/19      | \$17,624.65         | \$6,130.72          | 2.00%         | \$23,755.37          | \$613.07           | \$0.00        | \$24,368.44         | \$595,446.89      | \$0.00             | \$12,500.00   |
| 12/01/19      | \$17,800.90         | \$5,954.47          | 2.00%         | \$23,755.37          | \$595.45           | \$0.00        | \$24,350.82         | \$577,645.99      | \$2,500.00         | \$15,000.00   |
| 06/01/20      | \$17,978.91         | \$5,776.46          | 2.00%         | \$23,755.37          | \$577.65           | \$0.00        | \$24,333.02         | \$559,667.08      | \$0.00             | \$15,000.00   |
| 12/01/20      | \$18,158.70         | \$5,596.67          | 2.00%         | \$23,755.37          | \$559.67           | \$0.00        | \$24,315.04         | \$541,508.38      | \$2,500.00         | \$17,500.00   |
| 06/01/21      | \$18,340.29         | \$5,415.08          | 2.00%         | \$23,755.37          | \$541.51           | \$0.00        | \$24,296.88         | \$523,168.09      | \$0.00             | \$17,500.00   |
| 12/01/21      | \$18,523.69         | \$5,231.68          | 2.00%         | \$23,755.37          | \$523.17           | \$0.00        | \$24,278.54         | \$504,644.40      | \$2,500.00         | \$20,000.00   |
| 06/01/22      | \$18,708.93         | \$5,046.44          | 2.00%         | \$23,755.37          | \$504.64           | \$0.00        | \$24,260.01         | \$485,935.47      | \$0.00             | \$20,000.00   |
| 12/01/22      | \$18,896.02         | \$4,859.35          | 2.00%         | \$23,755.37          | \$485.94           | \$0.00        | \$24,241.31         | \$467,039.45      | \$2,500.00         | \$22,500.00   |
| 06/01/23      | \$19,084.98         | \$4,670.39          | 2.00%         | \$23,755.37          | \$467.04           | \$0.00        | \$24,222.41         | \$447,954.47      | \$0.00             | \$22,500.00   |
| 12/01/23      | \$19,275.83         | \$4,479.54          | 2.00%         | \$23,755.37          | \$447.95           | \$0.00        | \$24,203.32         | \$428,678.64      | \$2,500.00         | \$25,000.00   |
| 06/01/24      | \$19,468.58         | \$4,286.79          | 2.00%         | \$23,755.37          | \$428.68           | \$0.00        | \$24,184.05         | \$409,210.06      | \$0.00             | \$25,000.00   |
| 12/01/24      | \$19,663.27         | \$4,092.10          | 2.00%         | \$23,755.37          | \$409.21           | \$0.00        | \$24,164.58         | \$389,546.79      | \$0.00             | \$25,000.00   |
| 06/01/25      | \$19,859.90         | \$3,895.47          | 2.00%         | \$23,755.37          | \$389.55           | \$0.00        | \$24,144.92         | \$369,686.89      | \$0.00             | \$25,000.00   |
| 12/01/25      | \$20,058.50         | \$3,696.87          | 2.00%         | \$23,755.37          | \$369.69           | \$0.00        | \$24,125.06         | \$349,628.39      | \$0.00             | \$25,000.00   |
| 06/01/26      | \$20,259.09         | \$3,496.28          | 2.00%         | \$23,755.37          | \$349.63           | \$0.00        | \$24,105.00         | \$329,369.30      | \$0.00             | \$25,000.00   |
| 12/01/26      | \$20,461.68         | \$3,293.69          | 2.00%         | \$23,755.37          | \$329.37           | \$0.00        | \$24,084.74         | \$308,907.62      | \$0.00             | \$25,000.00   |
| 06/01/27      | \$20,666.29         | \$3,089.08          | 2.00%         | \$23,755.37          | \$308.91           | \$0.00        | \$24,064.28         | \$288,241.33      | \$0.00             | \$25,000.00   |
| 12/01/27      | \$20,872.96         | \$2,882.41          | 2.00%         | \$23,755.37          | \$288.24           | \$0.00        | \$24,043.61         | \$267,368.37      | \$0.00             | \$25,000.00   |
| 06/01/28      | \$21,081.69         | \$2,673.68          | 2.00%         | \$23,755.37          | \$267.37           | \$0.00        | \$24,022.74         | \$246,286.68      | \$0.00             | \$25,000.00   |
| 12/01/28      | \$21,292.50         | \$2,462.87          | 2.00%         | \$23,755.37          | \$246.29           | \$0.00        | \$24,001.66         | \$224,994.18      | \$0.00             | \$25,000.00   |
| 06/01/29      | \$21,505.43         | \$2,249.94          | 2.00%         | \$23,755.37          | \$224.99           | \$0.00        | \$23,980.36         | \$203,488.75      | \$0.00             | \$25,000.00   |
| 12/01/29      | \$21,720.48         | \$2,034.89          | 2.00%         | \$23,755.37          | \$203.49           | \$0.00        | \$23,958.86         | \$181,768.27      | \$0.00             | \$25,000.00   |
| 06/01/30      | \$21,937.69         | \$1,817.68          | 2.00%         | \$23,755.37          | \$181.77           | \$0.00        | \$23,937.14         | \$159,830.58      | \$0.00             | \$25,000.00   |
| 12/01/30      | \$22,157.06         | \$1,598.31          | 2.00%         | \$23,755.37          | \$159.83           | \$0.00        | \$23,915.20         | \$137,673.52      | \$0.00             | \$25,000.00   |
| 06/01/31      | \$22,378.63         | \$1,376.74          | 2.00%         | \$23,755.37          | \$137.67           | \$0.00        | \$23,893.04         | \$115,294.89      | \$0.00             | \$25,000.00   |
| 12/01/31      | \$22,602.42         | \$1,152.95          | 2.00%         | \$23,755.37          | \$115.29           | \$0.00        | \$23,870.66         | \$92,692.47       | \$0.00             | \$25,000.00   |
| 06/01/32      | \$22,828.45         | \$926.92            | 2.00%         | \$23,755.37          | \$92.69            | \$0.00        | \$23,848.06         | \$69,864.02       | \$0.00             | \$25,000.00   |
| 12/01/32      | \$23,056.73         | \$698.64            | 2.00%         | \$23,755.37          | \$69.86            | \$0.00        | \$23,825.23         | \$46,807.29       | \$0.00             | \$25,000.00   |
| 06/01/33      | \$23,287.30         | \$468.07            | 2.00%         | \$23,755.37          | \$46.81            | \$0.00        | \$23,802.18         | \$23,519.99       | \$0.00             | \$25,000.00   |
| 12/01/33      | \$23,519.99         | \$235.38            | 2.00%         | \$23,755.37          | \$23.52            | \$0.00        | \$23,778.89         | \$0.00            | \$0.00             | \$25,000.00   |
| <b>Totals</b> | <b>\$780,000.00</b> | <b>\$170,191.63</b> |               | <b>\$950,191.63</b>  | <b>\$17,021.46</b> | <b>\$0.00</b> | <b>\$967,212.99</b> |                   | <b>\$25,000.00</b> |               |

## **Attachment 8b**



## AMORTIZATION SCHEDULE

| Principal   | Loan Date  | Maturity   | Loan No. | Off / Coll | Account | Officer | Initials |
|---|------------|------------|----------|------------|---------|---------|----------|
| \$100,000.00  | 10-17-2016 | 10-17-2026 |          |            |         | SLM     |          |
| References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations. |            |            |          |            |         |         |          |

**Borrower:** Graves County Water District (TIN: 26-2993243)  
301 E Broadway St  
Mayfield, KY 42066

**Lender:** FNB BANK, INC.  
Mayfield Banking Center  
101 East Broadway  
P.O. Box 369  
MAYFIELD, KY 42066  
(270) 247-1758

Disbursement Date: October 17, 2016  
Interest Rate: 3.000

Repayment Schedule: Installment  
Calculation Method: 365/360 U.S. Rule

| Payment Number      | Payment Date | Payment Amount    | Interest Paid    | Principal Paid    | Remaining Balance |
|---------------------|--------------|-------------------|------------------|-------------------|-------------------|
| 1                   | 04-17-2017   | 5,836.87          | 1,518.67         | 4,320.20          | 95,679.80         |
| 2                   | 10-17-2017   | 5,836.87          | 1,459.12         | 4,377.75          | 91,302.05         |
| <b>2017 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,977.79</b>  | <b>8,697.95</b>   |                   |
| 3                   | 04-17-2018   | 5,836.87          | 1,384.75         | 4,452.12          | 86,849.93         |
| 4                   | 10-17-2018   | 5,836.87          | 1,324.46         | 4,512.41          | 82,337.52         |
| <b>2018 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,709.21</b>  | <b>8,964.53</b>   |                   |
| 5                   | 04-17-2019   | 5,836.87          | 1,248.79         | 4,588.08          | 77,749.44         |
| 6                   | 10-17-2019   | 5,836.87          | 1,185.68         | 4,651.19          | 73,098.25         |
| <b>2019 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,434.47</b>  | <b>9,239.27</b>   |                   |
| 7                   | 04-17-2020   | 5,836.87          | 1,114.75         | 4,722.12          | 68,376.13         |
| 8                   | 10-17-2020   | 5,836.87          | 1,042.74         | 4,794.13          | 63,582.00         |
| <b>2020 TOTALS:</b> |              | <b>11,673.74</b>  | <b>2,157.49</b>  | <b>9,516.25</b>   |                   |
| 9                   | 04-17-2021   | 5,836.87          | 964.93           | 4,872.54          | 58,709.46         |
| 10                  | 10-17-2021   | 5,836.87          | 895.32           | 4,941.55          | 53,767.91         |
| <b>2021 TOTALS:</b> |              | <b>11,673.74</b>  | <b>1,859.85</b>  | <b>9,814.09</b>   |                   |
| 11                  | 04-17-2022   | 5,836.87          | 815.48           | 5,021.39          | 48,746.52         |
| 12                  | 10-17-2022   | 5,836.87          | 743.38           | 5,093.49          | 43,653.03         |
| <b>2022 TOTALS:</b> |              | <b>11,673.74</b>  | <b>1,558.86</b>  | <b>10,114.88</b>  |                   |
| 13                  | 04-17-2023   | 5,836.87          | 682.07           | 5,154.80          | 38,498.23         |
| 14                  | 10-17-2023   | 5,836.87          | 588.79           | 5,250.08          | 33,228.15         |
| <b>2023 TOTALS:</b> |              | <b>11,673.74</b>  | <b>1,248.86</b>  | <b>10,424.88</b>  |                   |
| 15                  | 04-17-2024   | 5,836.87          | 508.73           | 5,330.14          | 27,898.01         |
| 16                  | 10-17-2024   | 5,836.87          | 425.44           | 5,411.43          | 22,486.58         |
| <b>2024 TOTALS:</b> |              | <b>11,673.74</b>  | <b>932.17</b>    | <b>10,741.57</b>  |                   |
| 17                  | 04-17-2025   | 5,836.87          | 341.05           | 5,495.82          | 16,990.76         |
| 18                  | 10-17-2025   | 5,836.87          | 259.11           | 5,577.76          | 11,413.00         |
| <b>2025 TOTALS:</b> |              | <b>11,673.74</b>  | <b>600.16</b>    | <b>11,073.58</b>  |                   |
| 19                  | 04-17-2026   | 5,836.87          | 173.10           | 5,663.77          | 5,749.23          |
| 20                  | 10-17-2026   | 5,836.87          | 87.64            | 5,749.23          | 0.00              |
| <b>2026 TOTALS:</b> |              | <b>11,673.74</b>  | <b>260.74</b>    | <b>11,413.00</b>  |                   |
| <b>TOTALS:</b>      |              | <b>116,737.40</b> | <b>16,737.40</b> | <b>100,000.00</b> |                   |

**NOTICE:** This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

## **Attachment 9**

**STATEMENT OF DISCLOSURE OF  
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Graves Co Water District ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members\* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

| Name of Related Party<br>(Individual or Business) | Type of Service Provided<br>By Related Party | Amount of<br>Compensation |
|---|--|---------------------------|
|   |  |                           |
|   |  |                           |
|   |  |                           |
|   |  |                           |

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

Joey Morrow  
(Print Name)

*Joey Morrow*  
(Signed)

Chairman of Graves Co Water District  
(Position/Office)

\* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

COUNTY OF Graves

Subscribed and sworn to before me by Joey Morrow  
(Name)

this 20 day of December, 2018.

Heath Payne  
NOTARY PUBLIC  
State-at-Large  
Exp: 4-19-20

## **Attachment 10**

## Graves County Water District

December 18, 2018

The Graves County Water District met this day in the office of Mayfield Electric and Water Systems, Mayfield, KY. Chairman, Joey Morrow called the meeting to order with the following Members present: Vice-Chairman, Sam Davis, Secretary-Treasurer, Bill Sears, Howel Carr, Mickey Grooms, and Mark Carrico. Also in attendance were Water/Wastewater Manager, Kevin Leonard, Accountant, Belva Wilkerson, and Administrative Assistant, Heather Payne. Member present was Steve Mason.

### New Business

On a motion made by Sears seconded by Carrico with Davis, Carr, Grooms and Morrow voting aye and none voting nay, Graves County Water District approved the Minutes of the November 27, 2018 Meeting. Motion passed unanimously.

There is no November 2018 Financials at this time. We will present November and December in the January 2019 Board Meeting.

On a motion made by Sears seconded by Grooms with Davis, Carr, Carrico, and Morrow voting aye and none voting nay, Graves County Water District accepted the November Operational Reports as presented. Motion passed unanimously.

Leonard updated the Board on the rate increase. This 20% overall rate increase was voted in December 18, 2017. The Prime Group has created a first draft of the rate analysis. This draft is based on the approved 20% overall increase in revenue and assumes that all districts will be billed under a system-wide rate. The summary is as follows.

| Graves County Water District                                   |                  |                        |                        |                       |                    |
|--|------------------|------------------------|------------------------|-----------------------|--------------------|
| Summary of Proposed Rate Changes Based on 20% Overall Increase |                  |                        |                        |                       |                    |
| District   | Consumption      | Actual Billings        | Proposed Rate          | Increase / (Decrease) | Percent Difference |
| South Graves   | 300,762          | \$ 193,035.08          | \$ 215,227.35          | \$ 22,192.27          | 11.5%              |
| Fancy Farm   | 313,561          | \$ 172,545.06          | \$ 192,640.91          | \$ 20,095.85          | 11.6%              |
| Consumer   | 889,503          | \$ 557,618.53          | \$ 621,977.52          | \$ 64,358.99          | 11.5%              |
| Hardeman   | 210,177          | \$ 130,712.99          | \$ 145,804.50          | \$ 15,091.51          | 11.5%              |
| Hickory  | 907,257          | \$ 433,494.90          | \$ 606,864.15          | \$ 173,369.25         | 40.0%              |
| Sedalia  | 72,505           | \$ 41,557.98           | \$ 50,587.56           | \$ 9,029.58           | 21.7%              |
| <b>Total</b>   | <b>2,693,765</b> | <b>\$ 1,528,964.54</b> | <b>\$ 1,833,101.99</b> | <b>\$ 304,137.45</b>  | <b>19.9%</b>       |

As shown above this is a summary of proposed rate changes based on a 20% overall increase and the Board agreed. Furthermore, the wholesale rate on Milburn Water was included in the 20% overall rate increase as well. Our attorney, Boyd Neely will submit the application and start moving forward.

Leonard informed the Board that we received a bill in the amount of \$10,000 from Brian Womble (an employee of MEWS) for dirt work. GCWD contracts Brian at a rate of \$130.00 per yard. However, going forward, the Board agreed to have Brian send us billings quarterly instead.

Leonard also informed the Board that we deployed the leak detection equipment in South Graves and Water Valley.

There being no other business before the Board, the meeting was adjourned.

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Chairman

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Secretary-Treasurer