

JONATHAN CREEK WATER DISTRICT

P.O. BOX 414
BENTON, KENTUCKY 42025-0414

August 3, 2017

RECEIVED

AUG 03 2017

PUBLIC SERVICE
COMMISSION

Mr. John Lyons
Acting Executive Director
Public Service commission
211 Sower Blvd
Frankfort, KY 40601

RE: ARF Application
Jonathan Creek Water District

Dear Mr. Lyons:

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

The ARF Application uses calendar year 2016 as the Test Year, with appropriate adjustments to normalize revenues and expenses.

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

My electronic mail address is joncrkwater@wk.net.

Yours truly,
David Lovett, Superintendent

Enclosures
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)

JONATHAN CREEK WATER DISTRICT
(Name of Utility)

7564 U.S. Hwy 68E
(Business Mailing Address - Number and Street, or P.O. Box)

BENTON, KY 42025
(Business Mailing Address - City, State, and Zip)

270-354-2474
(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:

DAVID LOVETT, SUPERINTENDENT
(Name)

7564 U.S. Hwy 68E
(Address - Number and Street or P.O. Box)

BENTON, KY 42025
(Address - City, State, Zip)

270-354-2474
(Telephone Number)

JONCRKWATER@WK.NET
(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 type="checkbox"/> | <input checked="" 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, 2016.
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 \$ 98,843 and total revenues from service rates of \$ 970,009. 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 2,405 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| b. Applicant is required to file state and federal tax returns. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| c. Applicant's most recent state and federal tax returns are attached to this Application. (Attach a copy of returns.) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 17. Approximately <u>-0-</u> (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. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

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

Jimmie E. Stubbs

Officer of the Company/Authorized Representative

Title

Chairman

Date

25 July 2017

COMMONWEALTH OF KENTUCKY

COUNTY OF Marshall

Before me appeared Jimmie E. Stubbs, 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.

David L. Lovett #517008

Notary Public

My commission expires: August 11, 2018

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, _____.
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 \$ _____ and total revenues from service rates of \$ _____. 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 _____ 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.

LIST OF ATTACHMENTS
Jonathan Creek Water District

1. Customer Notice of Proposed Rate Adjustment
2. Reasons for Rate Increase
3. Current and Proposed Rates
4. Statement of Adjusted Operations & Revenue Requirements Calculation with attachments:
 - References
 - Table A - Depreciation Expense Adjustment
 - Table B - Debt Service Schedule
5. Current Billing Analysis
6. Proposed Billing Analysis
7. Depreciation Schedule
8. Outstanding Debt Instrument
9. Amortization Schedule
10. Statements of Disclosure of Related Party Transactions
11. Board Resolution

CUSTOMER NOTICE

Notice is hereby given that the Jonathan Creek Water District expects to file an application on or about August 1, 2017 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

Minimum Bills Based on Meter Size (Zero Usage)

| <u>Meter Size</u> | <u>Minimum Bills</u> | | <u>Dollar</u> | <u>Percent</u> |
|-------------------|----------------------|-----------------|-----------------|-----------------|
| | <u>Current</u> | <u>Proposed</u> | <u>Increase</u> | <u>Increase</u> |
| 5/8 x 3/4 inch | \$ 6.12 | \$ 6.81 | \$0.69 | 11.27% |
| 1 inch | 11.83 | 13.17 | 1.34 | 11.35% |
| 1-1/2 inch | 21.36 | 23.78 | 2.42 | 11.35% |
| 2 inch | 32.78 | 36.50 | 3.72 | 11.35% |
| 3 inch | 59.45 | 66.20 | 6.75 | 11.35% |
| 6 inch | 192.77 | 214.65 | 21.88 | 11.35% |

Rates for Water Usage Added to Minimum Bill

| <u>Gallons per Month</u> | <u>Charge per 1,000 Gals.</u> | | <u>Dollar</u> | <u>Percent</u> |
|------------------------------|-------------------------------|-----------------|-----------------|-----------------|
| | <u>Current</u> | <u>Proposed</u> | <u>Increase</u> | <u>Increase</u> |
| All Usage | \$ 5.75 | \$ 6.40 | \$0.65 | 11.30% |

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 \$29.12 to \$32.41. This is an increase of \$3.29 or 11.3%.

The rates contained in this notice are the rates proposed by Jonathan Creek 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.

Jonathan Creek 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 Jonathan Creek Water District's office located at 7564 US Hwy 68E, Benton, KY 42025. You may contact the office at 270-354-8474.

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.

Reasons for Rate Increase

Jonathan Creek Water District (the “District”) is requesting a 11.35% rate increase for its retail customers. The rate increase will generate approximately \$ 98,445 in additional annual revenue. The District needs the rate increase for the following reasons:

1. To enable the District to pay its annual principal payments on its existing long term debts from water revenues rather than from depreciation reserves;
2. To enable the District to meet the requirements set forth in its existing debt instrument;
3. To restore the District to a sound financial condition; and
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.

CURRENT AND PROPOSED RATES

Jonathan Creek Water District

Current Rates

Minimum Bills Based on Meter Size (Zero Usage)

| <u>Meter Size</u> | <u>Customer Charge</u> |
|-------------------|------------------------|
| 5/8 x 3/4 inch | \$ 6.12 |
| 1 inch | 11.83 |
| 1-1/2 inch | 21.36 |
| 2 inch | 32.78 |
| 3 inch | 59.45 |
| 6 inch | 192.77 |

Rates for Water Usage Added to Minimum Bill

| <u>Gallons per Month</u> | <u>Charge per 1,000 gals.</u> |
|--------------------------|-------------------------------|
| All Usage | \$ 5.75 |

Proposed Rates

Minimum Bills Based on Meter Size (Zero Usage)

| <u>Meter Size</u> | <u>Customer Charge</u> |
|-------------------|------------------------|
| 5/8 x 3/4 inch | \$ 6.81 |
| 1 inch | 13.17 |
| 1-1/2 inch | 23.78 |
| 2 inch | 36.50 |
| 3 inch | 66.20 |
| 6 inch | 214.65 |

Rates for Water Usage Added to Minimum Bill

| <u>Gallons per Month</u> | <u>Charge per 1,000 gals.</u> |
|--------------------------|-------------------------------|
| All Usage | \$ 6.40 |

SCHEDULE OF ADJUSTED OPERATIONS
Jonathan Creek Water District

| | <u>Test Year</u> | <u>Adjustments</u> | <u>Ref.</u> | <u>Proforma</u> |
|-------------------------------------|---------------------|---------------------|-------------|-------------------|
| <u>Operating Revenues</u> | | | | |
| Total Metered Water Sales | \$ 877,404 | (12,724) | a. | \$ 871,166 |
| | | 6,486 | b. | |
| Other Water Revenues: | | | | |
| Forfeited Discounts | 10,150 | | | 10,150 |
| Misc. Service Revenues | 0 | 12,724 | a. | 12,724 |
| Other Water Revenues | 1,199 | | | 1,199 |
| Total Operating Revenues | \$ 888,753 | 6,486 | | \$ 895,239 |
| <u>Operating Expenses</u> | | | | |
| Operation and Maintenance | | | | |
| Salaries and Wages - Employees | 286,101 | (16,992) | c. | 269,109 |
| Salaries and Wages - Officers | 24,400 | | | 24,400 |
| Employee Pensions and Benefits | 52,046 | (3,091) | c. | 48,955 |
| Purchased Water | 0 | | | 0 |
| Purchased Power | 68,664 | (4,497) | d. | 64,167 |
| Chemicals | 12,877 | (843) | d. | 12,034 |
| Materials and Supplies | 6,312 | | | 6,312 |
| Contractual Services | 307,989 | (230,275) | e. | 77,714 |
| Rental of Equipment | 3,867 | | | 3,867 |
| Transportation Expenses | 21,671 | | | 21,671 |
| Insurance | 22,535 | | | 22,535 |
| Advertising | 122 | | | 122 |
| Other | 45,393 | | | 45,393 |
| Bad Debt Expense | 8,956 | | | 8,956 |
| Miscellaneous Expenses | 73,170 | | | 73,170 |
| Total Operation and Mnt. Expenses | 934,103 | (255,699) | | 678,404 |
| Depreciation Expense | 214,687 | (39,944) | f. | 174,743 |
| Amortization Expense | 0 | | | 0 |
| Taxes Other Than Income | 27,895 | (1,657) | c. | 26,238 |
| Total Operating Expenses | \$ 1,176,685 | \$ (297,299) | | \$ 879,386 |
| Net Utility Operating Income | \$ (287,932) | \$ 303,785 | | \$ 15,853 |

REVENUE REQUIREMENTS

| | |
|---|-------------------|
| Pro Forma Operating Expenses | \$ 879,386 |
| Plus: Avg. Annual Principal and Interest Payments | g. 115,016 |
| Additional Working Capital | 0 |
| Total Revenue Requirement | 994,402 |
| Less: Other Operating Revenue | (24,073) |
| Interest Income | (320) |
| Revenue Required From Retail Rates | 970,009 |
| Less: Revenue from Sales at Present Rates | (871,166) |
| Required Revenue Increase | \$ 98,843 |
| Percent Increase | 11.35% |

References

- a. The value reported for test year Water Sales included \$12,724 in Misc. Service Revenue. Therefore, this amount is deducted from Water Sales and added in its own category.
- b. The Billing Analysis with existing rates results in a total sales figure of \$871,166. This indicates an additional adjustment to Water Sales of \$6,486 is required.
- c. During the test year District employee labor was used to install capital items as follows: \$10,018 for new services and \$6,974 for new mains. These amounts are deducted from wage expense and associated amounts for benefits and payroll taxes are deducted from those categories. Total corresponding amounts are added in the depreciation expense schedule.
- d. The District's test year water loss was 21.55%. The PSC's maximum allowable loss for rate-making purposes is 15%. Therefore the costs for power and chemicals related to water treated above this limit must be deducted.

Required adjustment for power = $\$68,664 \times 6.55\% = \$4,497$

Required adjustment for chemicals = $\$12,877 \times 6.55\% = \843

- e. The reported amount for Contractual Services includes capital improvements that should be deducted from operating expenses and added to the depreciation expense schedule. These items are Tank Rehabilitation at \$222,550 and WTP Window Replacement at \$7,725.
- f. It is the PSC's practice to require an adjustment to a utility's depreciation expense when asset lives fall outside the ranges recommended by NARUC in its publication titled "Depreciation Practices for Small Water Utilities". Therefore, adjustments are included to bring asset lives within and near the midpoint of NARUC recommended ranges. In a few cases adjustments may deviate from this to recognize the specific work performed instead of a broad category. See Table A.

Amounts described above that were deducted from operating expenses and added to the depreciation schedule are also included in Table A.

All asset life adjustments are based on actual experience with the assets.

- g. The annual debt service payments for the District's loan are shown in Table B. The five year average of these payments is included in the required revenue calculation.

Table A
DEPRECIATION EXPENSE ADJUSTMENTS

| <u>System</u> <u>No.</u> | <u>Description</u> | <u>Date In</u> <u>Service</u> | <u>Original</u> <u>Cost</u> | <u>Life</u> | <u>Current</u> | <u>Proposed for Rates</u> | | <u>Difference</u> |
|-------------------------------------|--------------------|----------------------------------|--------------------------------|-------------|---------------------|---------------------------|---------------------|-------------------|
| | | | | | <u>Depreciation</u> | <u>Life</u> | <u>Depreciation</u> | |
| COMMERCIAL EQUIPMENT: | | | | | | | | |
| 135-0610 | Air Compressor | 7/8/2015 SL / N/A | 15,683.36 | 7.00 | 2,240.48 | 10.00 | 1,568.34 | (672.14) |
| 135-0605 | Kubota Backhoe | 8/13/2015 SL / N/A | 10,000.00 | 10.00 | 1,000.00 | 10.00 | 1,000.00 | - |
| 135-0606 | JD Backhoe | 10/5/2015 SL / N/A | 82,720.00 | 10.00 | 8,272.00 | 10.00 | 8,272.00 | - |
| RESERVOIRS: | | | | | | | | |
| 61 | Unclassified Pla | 1/9/1971 SL / N/A | 101,522.00 | 50.00 | 2,030.44 | 50.00 | 2,030.44 | - |
| 64 | Recoat tanks-Au | 2/15/2005 SL / N/A | 118,354.50 | 20.00 | 5,917.73 | 20.00 | 5,917.73 | - |
| 65 | Tank at Olive | 2/15/2009 SL / N/A | 37,562.73 | 20.00 | 1,878.14 | 20.00 | 1,878.14 | - |
| 66 | Clamps | 2/15/2014 SL / N/A | 1,453.92 | 10.00 | 145.39 | 50.00 | 29.08 | (116.31) |
| 242 | Distribution Res | 7/1/2016 SL / N/A | 4,846.00 | 20.00 | 121.15 | 20.00 | 242.30 | 121.15 |
| HYDRANTS: | | | | | | | | |
| 133 | Unclassified Pla | 1/9/1971 SL / N/A | 24,262.00 | 50.00 | 485.24 | 50.00 | 485.24 | - |
| 144 | Hydrants | 2/15/2006 SL / N/A | 1,194.43 | 10.00 | 19.94 | - | - | - |
| 145 | Hydrants | 2/15/2007 SL / N/A | 1,047.13 | 10.00 | 104.71 | 50.00 | 20.94 | (83.77) |
| 146 | Hydrants | 2/15/2008 SL / N/A | 2,568.75 | 10.00 | 256.88 | 50.00 | 51.38 | (205.51) |
| 147 | Hydrants | 2/15/2009 SL / N/A | 9,569.47 | 10.00 | 956.95 | 50.00 | 191.39 | (765.56) |
| 148 | Hydrant | 2/15/2011 SL / N/A | 5,033.80 | 10.00 | 503.38 | 50.00 | 100.68 | (402.70) |
| 149 | Hydrants | 2/15/2012 SL / N/A | 1,655.00 | 10.00 | 165.50 | 50.00 | 33.10 | (132.40) |
| 150 | Hydrants | 2/15/2013 SL / N/A | 3,100.00 | 10.00 | 310.00 | 50.00 | 62.00 | (248.00) |
| 151 | Hydrants | 2/15/2015 SL / N/A | 1,624.30 | 10.00 | 162.43 | 50.00 | 32.49 | (129.94) |
| LAND & LAND RIGHTS: | | | | | | | | |
| 3 | Unclassified pla | 1/9/1971 SL / N/A | 5,800.00 | 50.00 | 116.00 | - | - | (116.00) |
| 5 | Unclassified Pla | 1/9/1971 SL / N/A | 425.00 | 50.00 | 8.50 | - | - | (8.50) |
| METERS: | | | | | | | | |
| 114 | Unclassified Pla | 1/9/1971 SL / N/A | 77,488.00 | 50.00 | 1,549.76 | 50.00 | 1,549.76 | - |
| 115 | Unclassified Pla | 1/9/1971 SL / N/A | 29,834.00 | 50.00 | 596.68 | 50.00 | 596.68 | - |
| 123 | Meters | 2/15/2006 SL / N/A | 9,059.11 | 10.00 | 151.00 | 40.00 | 226.48 | 75.48 |
| 124 | Meters | 2/15/2007 SL / N/A | 60,674.61 | 10.00 | 6,067.46 | 40.00 | 1,516.87 | (4,550.59) |
| 125 | Meters | 2/15/2008 SL / N/A | 20,575.38 | 10.00 | 2,057.54 | 40.00 | 514.38 | (1,543.16) |
| 126 | Meters | 2/15/2009 SL / N/A | 24,603.62 | 10.00 | 2,460.36 | 40.00 | 615.09 | (1,845.27) |
| 127 | Meter installatio | 2/15/2010 SL / N/A | 62,037.50 | 10.00 | 6,203.75 | 40.00 | 1,550.94 | (4,652.81) |
| 128 | Meters | 2/15/2011 SL / N/A | 20,505.00 | 10.00 | 2,050.50 | 40.00 | 512.63 | (1,537.88) |
| 129 | Meters & installa | 2/15/2012 SL / N/A | 36,455.05 | 10.00 | 3,645.51 | 40.00 | 911.38 | (2,734.13) |
| 130 | Meters | 2/15/2013 SL / N/A | 26,247.61 | 10.00 | 2,624.76 | 40.00 | 656.19 | (1,968.57) |
| 131 | Meters | 2/15/2014 SL / N/A | 26,097.16 | 10.00 | 2,609.72 | 40.00 | 652.43 | (1,957.29) |
| 132 | Meters & installa | 2/15/2015 SL / N/A | 41,052.02 | 10.00 | 4,105.20 | 40.00 | 1,026.30 | (3,078.90) |
| 243 | Meters | 7/1/2016 SL / N/A | 45,007.00 | 10.00 | 2,250.35 | 40.00 | 1,125.18 | (1,125.18) |
| MISC. EQUIPMENT & OFFICE | | | | | | | | |
| 223 | Ladder rack | 2/15/2006 SL / N/A | 511.91 | 10.00 | 8.54 | - | - | - |
| 224 | Hyd. Transm/pip | 2/15/2007 SL / N/A | 2,201.60 | 10.00 | 220.16 | 10.00 | 220.16 | - |
| 225 | Pressure record | 2/15/2007 SL / N/A | 414.99 | 10.00 | 41.50 | 10.00 | 41.50 | - |
| 226 | Lawn Mower | 2/15/2007 SL / N/A | 3,500.00 | 10.00 | 285.00 | 10.00 | 350.00 | 65.00 |
| 227 | 8 chan monitori | 2/15/2008 SL / N/A | 1,146.11 | 10.00 | 114.61 | 10.00 | 114.61 | - |
| 228 | Pressure record | 2/15/2008 SL / N/A | 415.76 | 10.00 | 41.58 | 10.00 | 41.58 | - |
| 229 | Wall case oxyge | 2/15/2008 SL / N/A | 1,617.76 | 10.00 | 161.78 | 20.00 | 80.89 | (80.89) |
| 230 | Chare recorder/ | 2/15/2008 SL / N/A | 646.34 | 10.00 | 64.63 | 10.00 | 64.63 | - |
| 231 | refrigerator | 2/15/2009 SL / N/A | 539.99 | 10.00 | 54.00 | 20.00 | 27.00 | (27.00) |
| 232 | 3" hudrant mete | 2/15/2009 SL / N/A | 1,236.95 | 10.00 | 123.70 | 20.00 | 61.85 | (61.85) |
| 233 | Pressure record | 2/15/2010 SL / N/A | 1,080.55 | 10.00 | 108.06 | 10.00 | 108.06 | - |
| 135-0607 | Trailer-18' | 7/20/2010 SL / N/A | 1,600.00 | 10.00 | 160.00 | 7.00 | 228.57 | 68.57 |
| 135-0605 | Tiller | 7/20/2010 SL / N/A | 1,300.00 | 10.00 | 130.00 | 10.00 | 130.00 | - |

Table A, page 2 of 4

| <u>System</u> <u>No.</u> | <u>Description</u> | <u>Date In</u> <u>Service</u> | <u>Original</u> <u>Cost</u> | <u>Life</u> | <u>Current</u> | <u>Proposed for Rates</u> | | <u>Difference</u> |
|---|--------------------|----------------------------------|--------------------------------|-------------|---------------------|---------------------------|---------------------|-------------------|
| | | | | | <u>Depreciation</u> | <u>Life</u> | <u>Depreciation</u> | |
| 236 | Cylinder scale | 2/15/2010 SL / N/A | 1,527.44 | 10.00 | 152.74 | 27.50 | 55.54 | (97.20) |
| 237 | New Software | 2/15/2015 SL / N/A | 6,419.00 | 5.00 | 1,283.80 | 5.00 | 1,283.80 | - |
| 238 | Power Jack | 2/15/2015 SL / N/A | 1,039.00 | 7.00 | 148.43 | 15.00 | 69.27 | (79.16) |
| 239 | Tapping Saddle | 2/15/2015 SL / N/A | 1,413.40 | 7.00 | 201.91 | 15.00 | 94.23 | (107.68) |
| 240 | Drilling Machine | 2/15/2015 SL / N/A | 2,500.00 | 7.00 | 357.14 | 15.00 | 166.67 | (190.47) |
| 248 | Misc Equipmt | 7/1/2016 SL / N/A | 8,166.00 | 10.00 | 408.30 | 15.00 | 544.40 | 136.10 |
| <u>OFFICE FURNITURE & EQUIPMENT:</u> | | | | | | | | |
| 161 | A/C unit | 2/15/2006 SL / N/A | 317.99 | 10.00 | 5.29 | 20.00 | 15.90 | 10.61 |
| 162 | time clock | 2/15/2007 SL / N/A | 259.99 | 10.00 | 26.00 | 20.00 | 13.00 | (13.00) |
| 163 | Filing cabinets | 2/15/2007 SL / N/A | 267.46 | 10.00 | 26.75 | 20.00 | 13.37 | (13.38) |
| 165 | 2 desks | 2/15/2010 SL / N/A | 479.72 | 10.00 | 47.97 | 20.00 | 23.99 | (23.98) |
| 166 | AC | 2/15/2011 SL / N/A | 499.99 | 10.00 | 50.00 | 20.00 | 25.00 | (25.00) |
| 167 | Computer | 2/15/2013 SL / N/A | 2,992.50 | 5.00 | 598.50 | 10.00 | 299.25 | (299.25) |
| 168 | Color copier | 2/15/2014 SL / N/A | 1,895.00 | 5.00 | 379.00 | 10.00 | 189.50 | (189.50) |
| 169 | 4 drawer lateral | 2/15/2014 SL / N/A | 449.99 | 10.00 | 45.00 | 20.00 | 22.50 | (22.50) |
| 170 | 11 fire extinguis | 2/15/2014 SL / N/A | 4,588.85 | 5.00 | 917.77 | 20.00 | 229.44 | (688.33) |
| 171 | New Software | 2/15/2015 SL / N/A | 6,120.00 | 5.00 | 1,224.00 | 5.00 | 1,224.00 | - |
| 247 | Office Furniture | 7/1/2016 SL / N/A | 533.00 | 7.00 | 38.07 | 20.00 | 26.65 | (11.42) |
| <u>POWER EQUIPMENT:</u> | | | | | | | | |
| 198 | Unclassified | 1/9/1971 SL / N/A | 1,050.00 | 50.00 | 21.00 | 50.00 | 21.00 | - |
| 135-0605 | Kubota tractor/l | 7/20/2010 SL / N/A | 23,674.00 | 10.00 | 2,367.40 | 12.50 | 1,893.92 | (473.48) |
| 200 | Generator | 2/15/2013 SL / N/A | 42,850.00 | 25.00 | 1,714.00 | 10.00 | 4,285.00 | 2,571.00 |
| <u>PUMPING EQUIPMENT:</u> | | | | | | | | |
| 18 | Unclassified Pla | 1/9/1971 SL / N/A | 17,883.00 | 50.00 | 357.66 | 50.00 | 357.66 | - |
| 33 | Pump | 2/15/2006 SL / N/A | 20,322.00 | 10.00 | 338.70 | 20.00 | 1,016.10 | 677.40 |
| 34 | Pressure transd | 2/15/2008 SL / N/A | 659.31 | 10.00 | 65.93 | 10.00 | 65.93 | 0.00 |
| 35 | Pump | 2/15/2008 SL / N/A | 398.00 | 10.00 | 39.80 | 20.00 | 19.90 | (19.90) |
| 36 | Update telemtry | 2/15/2008 SL / N/A | 12,700.00 | 10.00 | 1,270.00 | 10.00 | 1,270.00 | - |
| 37 | Backup system | 2/15/2009 SL / N/A | 2,475.00 | 10.00 | 247.50 | 20.00 | 123.75 | (123.75) |
| 38 | Pumps | 2/15/2011 SL / N/A | 30,851.40 | 10.00 | 3,085.14 | 20.00 | 1,542.57 | (1,542.57) |
| 39 | Pumps | 2/15/2012 SL / N/A | 3,909.00 | 10.00 | 390.90 | 20.00 | 195.45 | (195.45) |
| 40 | Drilling machine | 2/15/2014 SL / N/A | 1,905.60 | 10.00 | 190.56 | 15.00 | 127.04 | (63.52) |
| 41 | Pumping plant | 2/15/2014 SL / N/A | 6,367.46 | 10.00 | 636.75 | 20.00 | 318.37 | (318.38) |
| 42 | Softstart pump | 2/15/2014 SL / N/A | 3,733.54 | 10.00 | 373.35 | 20.00 | 186.68 | (186.67) |
| 43 | Plug valve | 2/15/2014 SL / N/A | 10,012.41 | 10.00 | 1,001.24 | 50.00 | 200.25 | (800.99) |
| 44 | Electric Cards | 2/15/2015 SL / N/A | 9,461.55 | 10.00 | 946.16 | 10.00 | 946.16 | (0.00) |
| 45 | Valve | 2/15/2015 SL / N/A | 1,425.10 | 10.00 | 142.51 | 50.00 | 28.50 | (114.01) |
| 46 | Electric Cards | 2/15/2015 SL / N/A | 3,645.09 | 10.00 | 364.51 | 10.00 | 364.51 | (0.00) |
| 47 | Control Panel | 2/15/2015 SL / N/A | 23,600.00 | 10.00 | 2,360.00 | 10.00 | 2,360.00 | - |
| 48 | Programming | 2/15/2015 SL / N/A | 26,766.00 | 10.00 | 2,676.60 | 10.00 | 2,676.60 | - |
| 49 | New Pump | 2/15/2015 SL / N/A | 1,048.57 | 10.00 | 104.86 | 20.00 | 52.43 | (52.43) |
| 50 | Control Panel | 2/15/2015 SL / N/A | 24,934.00 | 10.00 | 2,493.40 | 10.00 | 2,493.40 | - |
| 244 | Pumping Equip | 7/1/2016 SL / N/A | 1,958.00 | 10.00 | 97.90 | 20.00 | 97.90 | - |
| <u>STRUCTURES & IMPROVEMENTS:</u> | | | | | | | | |
| 6 | Unclassified pla | 1/9/1971 SL / N/A | 3,589.00 | 50.00 | 71.78 | 50.00 | 71.78 | - |
| 7 | Office Improvem | 2/15/2004 SL / N/A | 5,741.47 | 50.00 | 114.83 | 37.50 | 153.11 | 38.28 |
| 9 | Building at Olive | 2/15/2009 SL / N/A | 1,585.66 | 50.00 | 31.71 | 37.50 | 42.28 | 10.57 |
| 10 | Paving | 2/15/2009 SL / N/A | 3,800.00 | 15.00 | 253.33 | 37.50 | 101.33 | (152.00) |
| 11 | Paving | 2/15/2009 SL / N/A | 4,000.00 | 15.00 | 266.67 | 37.50 | 106.67 | (160.00) |
| 12 | Storage Building | 2/15/2011 SL / N/A | 4,335.28 | 50.00 | 86.71 | 37.50 | 115.61 | 28.90 |
| 13 | Hardin booster | 2/15/2012 SL / N/A | 17,572.53 | 50.00 | 351.45 | 37.50 | 468.60 | 117.15 |
| 14 | Paving | 2/15/2013 SL / N/A | 2,500.00 | 15.00 | 166.67 | 37.50 | 66.67 | (100.00) |
| <u>SERVICES:</u> | | | | | | | | |
| 110 | Unclassified Pla | 1/9/1971 SL / N/A | 55,777.00 | 50.00 | 1,115.54 | 50.00 | 1,115.54 | - |
| 111 | Install new lines | 2/15/2011 SL / N/A | 4,000.00 | 50.00 | 80.00 | 40.00 | 100.00 | 20.00 |
| 112 | Install new lines | 2/15/2013 SL / N/A | 14,905.00 | 50.00 | 298.10 | 40.00 | 372.63 | 74.53 |

Table A, page 3 of 4

| <u>System</u> No. | <u>Description</u> | <u>Date In</u> <u>Service</u> | <u>Original</u> | <u>Current</u> | <u>Proposed for Rates</u> | | <u>Difference</u> | |
|---|--------------------|----------------------------------|-----------------|----------------|---------------------------|-------------|-------------------|---------------------|
| | | | <u>Cost</u> | <u>Life</u> | <u>Depreciation</u> | <u>Life</u> | | <u>Depreciation</u> |
| 113 | Install new lines | 2/15/2014 SL / N/A | 1,068.60 | 50.00 | 21.37 | 40.00 | 26.72 | 5.35 |
| <u>TOOLS & SHOP EQUIPMENT:</u> | | | | | | | | |
| 186 | cordless drill | 2/15/2009 SL / N/A | 359.39 | 7.00 | 8.57 | 15.00 | 23.96 | 15.39 |
| 187 | diesel tank | 2/15/2009 SL / N/A | 1,200.00 | 7.00 | 28.56 | 20.00 | 60.00 | 31.44 |
| 188 | cordless tools | 2/15/2012 SL / N/A | 836.38 | 7.00 | 119.48 | 15.00 | 55.76 | (63.72) |
| 189 | electric chain ho | 2/15/2012 SL / N/A | 2,269.00 | 7.00 | 324.14 | 20.00 | 113.45 | (210.69) |
| 190 | Cutquik saw | 2/15/2013 SL / N/A | 1,209.85 | 7.00 | 172.84 | 15.00 | 80.66 | (92.18) |
| 191 | Line locator | 2/15/2013 SL / N/A | 3,643.16 | 7.00 | 520.45 | 15.00 | 242.88 | (277.57) |
| 192 | Trimmer | 2/15/2014 SL / N/A | 193.00 | 7.00 | 27.57 | 15.00 | 12.87 | (14.70) |
| 193 | Hammerhead to | 2/15/2014 SL / N/A | 4,460.38 | 7.00 | 637.20 | 15.00 | 297.36 | (339.84) |
| 194 | Lawn mower | 2/15/2014 SL / N/A | 5,101.00 | 7.00 | 728.71 | 15.00 | 340.07 | (388.64) |
| 246 | Tools Shop Gar | 7/1/2016 SL / N/A | 1,987.00 | 50.00 | 19.87 | 20.00 | 99.35 | 79.48 |
| <u>TRANSMISSION & MAINS:</u> | | | | | | | | |
| 67 | Unclassified Pla | 1/9/1971 SL / N/A | 410,402.00 | 50.00 | 8,208.04 | 62.50 | 6,566.43 | (1,641.61) |
| 68 | Additions | 1/9/1972 SL / N/A | 30,711.47 | 50.00 | 614.23 | 62.50 | 491.38 | (122.85) |
| 69 | Additions | 1/9/1973 SL / N/A | 16,991.74 | 50.00 | 339.83 | 62.50 | 271.87 | (67.96) |
| 70 | Additions | 1/9/1974 SL / N/A | 131,876.85 | 50.00 | 2,637.54 | 62.50 | 2,110.03 | (527.51) |
| 71 | Additions | 1/9/1975 SL / N/A | 8,021.46 | 50.00 | 160.43 | 62.50 | 128.34 | (32.09) |
| 72 | Additions | 1/9/1976 SL / N/A | 18,161.15 | 50.00 | 363.22 | 62.50 | 290.58 | (72.64) |
| 73 | Additions | 1/9/1977 SL / N/A | 37,675.78 | 50.00 | 753.52 | 62.50 | 602.81 | (150.71) |
| 74 | Additions | 1/9/1978 SL / N/A | 8,742.48 | 50.00 | 174.85 | 62.50 | 139.88 | (34.97) |
| 75 | Additions | 1/9/1979 SL / N/A | 14,427.48 | 50.00 | 288.55 | 62.50 | 230.84 | (57.71) |
| 76 | Additions | 1/9/1980 SL / N/A | 10,380.60 | 50.00 | 207.61 | 62.50 | 166.09 | (41.52) |
| 83 | Trans & Dist. Ma | 1/9/1987 SL / N/A | 44,964.00 | 50.00 | 899.28 | 62.50 | 719.42 | (179.86) |
| 84 | Trans & Dist. Ma | 1/9/1988 SL / N/A | 82,059.00 | 50.00 | 1,641.18 | 62.50 | 1,312.94 | (328.24) |
| 85 | Trans & Dist. Ma | 1/9/1989 SL / N/A | 776.00 | 50.00 | 15.52 | 62.50 | 12.42 | (3.10) |
| 86 | Trans & Dist. Ma | 1/9/1990 SL / N/A | 13,111.00 | 50.00 | 262.22 | 62.50 | 209.78 | (52.44) |
| 87 | Trans & Dist. Ma | 1/9/1991 SL / N/A | 30,982.00 | 50.00 | 619.64 | 62.50 | 495.71 | (123.93) |
| 88 | Trans & Dist. Ma | 1/9/1992 SL / N/A | 1,621.00 | 50.00 | 32.42 | 62.50 | 25.94 | (6.48) |
| 89 | Trans & Dist. Ma | 1/9/1993 SL / N/A | 29,161.00 | 50.00 | 583.22 | 62.50 | 466.58 | (116.64) |
| 90 | North Marshall | 1/9/1993 SL / N/A | 270,710.00 | 50.00 | 5,414.20 | 62.50 | 4,331.36 | (1,082.84) |
| 91 | Trans & Dist. Ma | 1/9/1994 SL / N/A | 158,431.00 | 50.00 | 3,168.62 | 62.50 | 2,534.90 | (633.72) |
| 92 | Trans & Dist. Ma | 1/9/1997 SL / N/A | 40,052.00 | 50.00 | 801.04 | 62.50 | 640.83 | (160.21) |
| 93 | Trans & Dist. Ma | 1/9/1999 SL / N/A | 2,654,494.00 | 50.00 | 53,089.88 | 62.50 | 42,471.90 | (10,617.98) |
| 94 | Trans & Dist. Ma | 2/15/2001 SL / N/A | 1,727.04 | 50.00 | 34.54 | 62.50 | 27.63 | (6.91) |
| 95 | Trans & Dist. Ma | 2/15/2003 SL / N/A | 1,440.00 | 50.00 | 28.80 | 62.50 | 23.04 | (5.76) |
| 96 | Trans & Dist. Ma | 2/15/2004 SL / N/A | 4,501.44 | 50.00 | 90.03 | 62.50 | 72.02 | (18.01) |
| 97 | Trans & Dist. Ma | 2/15/2005 SL / N/A | 565.00 | 50.00 | 11.30 | 62.50 | 9.04 | (2.26) |
| 98 | Trans & Dist. Ma | 2/15/2006 SL / N/A | 33,775.00 | 50.00 | 675.50 | 62.50 | 540.40 | (135.10) |
| 99 | Trans & Dist. Ma | 2/15/2007 SL / N/A | 6,272.00 | 50.00 | 125.44 | 62.50 | 100.35 | (25.09) |
| 100 | Trans & Dist. Ma | 2/15/2008 SL / N/A | 145,728.99 | 50.00 | 2,914.58 | 62.50 | 2,331.66 | (582.92) |
| 101 | Trans & Dist. Ma | 2/15/2008 SL / N/A | 40,781.00 | 50.00 | 815.62 | 62.50 | 652.50 | (163.12) |
| 102 | Trans & Dist. Ma | 2/15/2009 SL / N/A | 47,968.50 | 50.00 | 959.37 | 62.50 | 767.50 | (191.87) |
| 103 | Trans & Dist. Ma | 2/15/2010 SL / N/A | 94,786.50 | 50.00 | 1,895.73 | 62.50 | 1,516.58 | (379.15) |
| 104 | Trans & Dist. Ma | 2/15/2010 SL / N/A | 4,842.50 | 50.00 | 96.85 | 62.50 | 77.48 | (19.37) |
| 105 | Trans & Dist. Ma | 2/15/2011 SL / N/A | 46,728.86 | 50.00 | 934.58 | 62.50 | 747.66 | (186.92) |
| 106 | Trans & Dist. Ma | 2/15/2012 SL / N/A | 38,196.88 | 50.00 | 763.94 | 62.50 | 611.15 | (152.79) |
| 107 | Trans & Dist. Ma | 2/15/2013 SL / N/A | 13,170.00 | 50.00 | 263.40 | 62.50 | 210.72 | (52.68) |
| 108 | Trans & Dist. Ma | 2/15/2014 SL / N/A | 11,979.53 | 50.00 | 239.59 | 62.50 | 191.67 | (47.92) |
| 109 | Trans & Dist. Ma | 2/15/2015 SL / N/A | 16,038.77 | 40.00 | 400.97 | 62.50 | 256.62 | (144.35) |
| 241 | Trans & Dist | 7/1/2016 SL / N/A | 48,805.00 | 50.00 | 488.05 | 62.50 | 780.88 | 292.83 |
| <u>TRANSPORTATION:</u> | | | | | | | | |
| 135-0601 | Truck (Ford Ran | 2/15/2014 SL / N/A | 9,800.00 | 5.00 | 1,960.00 | 7.00 | 1,400.00 | (560.00) |
| 135-0607 | Trailer | 2/15/2014 SL / N/A | 5,000.00 | 5.00 | 1,000.00 | 7.00 | 714.29 | (285.71) |
| 135-0604 | 1990 Internation | 2/15/2014 SL / N/A | 10,500.00 | 5.00 | 2,100.00 | 7.00 | 1,500.00 | (600.00) |
| 135-0602 | Ford Truck | 2/15/2015 SL / N/A | 19,950.00 | 5.00 | 3,990.00 | 7.00 | 2,850.00 | (1,140.00) |
| 135-0603 | Ford Truck | 2/15/2015 SL / N/A | 41,299.00 | 5.00 | 8,259.80 | 7.00 | 5,899.86 | (2,359.94) |

Table A, page 4 of 4

| <u>System</u> | | <u>Date In</u> | <u>Original</u> | <u>Current</u> | | <u>Proposed for Rates</u> | | |
|---|----------------------|--------------------|-----------------|----------------|-----------------------------|---------------------------|-----------------------------|------------------------------|
| <u>No.</u> | <u>Description</u> | <u>Service</u> | <u>Cost</u> | <u>Life</u> | <u>Depreciation</u> | <u>Life</u> | <u>Depreciation</u> | <u>Difference</u> |
| <u>WELLS & SPRINGS:</u> | | | | | | | | |
| 15 | Unclassified Pla | 1/9/1971 SL / N/A | 14,948.67 | 50.00 | 298.97 | 50.00 | 298.97 | 0.00 |
| 16 | Source of suppl | 1/9/1993 SL / N/A | 69,108.00 | 50.00 | 1,382.16 | 30.00 | 2,303.60 | 921.44 |
| 17 | Source of suppl | 2/15/2000 SL / N/A | 7,400.00 | 50.00 | 148.00 | 30.00 | 246.67 | 98.67 |
| 249 | Wells & Springs | 7/1/2016 SL / N/A | 79,189.00 | 50.00 | 791.89 | 30.00 | 2,639.63 | 1,847.74 |
| <u>WATER TREATMENT EQUIPMENT:</u> | | | | | | | | |
| 51 | Unclassified pla | 1/9/1971 SL / N/A | 366,384.00 | 50.00 | 7,327.68 | 50.00 | 7,327.68 | - |
| 52 | Water treatment | 1/9/1991 SL / N/A | 638.00 | 50.00 | 12.76 | 27.50 | 23.20 | 10.44 |
| 53 | Water treatment | 1/9/1993 SL / N/A | 2,158.00 | 50.00 | 43.16 | 27.50 | 78.47 | 35.31 |
| 54 | 2 pocket clmtr | 2/15/2009 SL / N/A | 788.95 | 10.00 | 78.90 | 15.00 | 52.60 | (26.30) |
| 55 | Chart recorded | 2/15/2010 SL / N/A | 1,191.45 | 10.00 | 119.15 | 15.00 | 79.43 | (39.72) |
| 56 | Spectrophotom | 2/15/2012 SL / N/A | 4,395.75 | 10.00 | 439.58 | 15.00 | 293.05 | (146.53) |
| 57 | 2 cylinder scale | 2/15/2014 SL / N/A | 1,700.00 | 10.00 | 170.00 | 27.50 | 61.82 | (108.18) |
| 58 | Equipment | 2/15/2014 SL / N/A | 1,157.94 | 10.00 | 115.79 | 27.50 | 42.11 | (73.68) |
| 59 | Fire Hydrant | 2/15/2015 SL / N/A | 1,076.85 | 10.00 | 107.69 | 50.00 | 21.54 | (86.15) |
| 60 | Test Machine | 2/15/2015 SL / N/A | 969.00 | 10.00 | 96.90 | 15.00 | 64.60 | (32.30) |
| 245 | Water Treatmen | 7/1/2016 SL / N/A | 574.00 | 50.00 | 5.74 | 27.50 | 20.87 | 15.13 |
| <u>PROJECTS COMPLETED IN 2016 - NOT PREVIOUSLY INCLUDED:</u> | | | | | | | | |
| | Tank Rehab | | 222,550 | - | - | 20.00 | 11,127.50 | 11,127.50 |
| | WTP Windows | | 7,725 | - | - | 35.00 | 220.71 | 220.71 |
| | Labor - New Services | | 12,817 | - | - | 40.00 | 320.43 | 320.43 |
| | Labor - New Mains | | 8,923 | - | - | 62.50 | 142.76 | 142.76 |
| TOTALS | | | | | <u>\$ 214,684.60</u> | | <u>\$ 174,711.97</u> | <u>\$ (39,944.13)</u> |

Table B
DEBT SERVICE SCHEDULE
Jonathan Creek Water District
CY 2017 - 2021

| | <u>Community Financial Services Bank Loan</u> | | |
|----------------------|--|------------------------|----------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
| 2017 | \$ 114,886 | \$ 15,321 | \$ 130,207 |
| 2018 | 118,579 | 11,628 | 130,207 |
| 2019 | 122,391 | 7,816 | 130,207 |
| 2020 | 126,312 | 3,895 | 130,207 |
| 2021 | 53,827 | 426 | 54,253 |
| 5 Yr. Average | | | \$ 115,016 |

BILLING ANALYSIS WITH CURRENT USAGE & PROPOSED RATES
Jonathan Creek Water District

SUMMARY

| Meter Size | Gallons Sold | Revenue |
|---------------|--------------------|-------------------|
| 5/8 inch | 73,939,500 | \$ 653,991 |
| 3/4 inch | 2,800 | 100 |
| 1 inch | 9,788,100 | 80,664 |
| 1-1/2 inch | 5,688,700 | 38,691 |
| 2 inch | 7,895,400 | 55,276 |
| 3 inch | 9,106,300 | 61,921 |
| 6 inch | 11,533,900 | 78,969 |
| Totals | 106,420,800 | \$ 969,611 |

5/8 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | ALL OVER 0 | TOTAL |
|----------|-------|--------|------------|------------|---------------|------------|
| FIRST | 0 | 3,952 | - | - | - | - |
| ALL OVER | 0 | 22,594 | 73,939,500 | - | 73,939,500 | 73,939,500 |
| | | 26,546 | 73,939,500 | - | 73,939,500 | 73,939,500 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|--------------|---------------|-------------------|---------|----------------------|
| FIRST | 0 | 26,546 | \$ 6.81 | \$ 180,778.26 |
| ALL OVER | 0 | 73,939,500 | 6.40 | 473,212.80 |
| TOTAL | 26,546 | 73,939,500 | | \$ 653,991.06 |

3/4 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|---------|------------|-----------|-------|
| FIRST | 0 | 4 | - | - | - | - |
| ALL OVER | 0 | 8 | 2,800 | - | 2,800 | 2,800 |
| | | 12 | 2,800 | - | 2,800 | 2,800 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|--------------|-----------|--------------|---------|-----------------|
| FIRST | 0 | 12 | \$ 6.81 | \$ 81.72 |
| ALL OVER | 0 | 2,800 | 6.40 | 17.92 |
| TOTAL | 12 | 2,800 | | \$ 99.64 |

1 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 187 | - | - | - | - |
| ALL OVER | 0 | 1,181 | 9,788,100 | - | 9,788,100 | 9,788,100 |
| | | 1,368 | 9,788,100 | - | 9,788,100 | 9,788,100 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|--------------|--------------|------------------|----------|---------------------|
| FIRST | 0 | 1,368 | \$ 13.17 | \$ 18,020.26 |
| ALL OVER | 0 | 9,788,100 | 6.40 | 62,643.84 |
| TOTAL | 1,368 | 9,788,100 | | \$ 80,664.10 |

1-1/2 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 2 | - | - | - | - |
| ALL OVER | 0 | 94 | 5,688,700 | - | 5,688,700 | 5,688,700 |
| | | 96 | 5,688,700 | - | 5,688,700 | 5,688,700 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|-----------|------|----------------------|
| FIRST | 0 | 96 | - | \$ 23.78 \$ 2,283.30 |
| ALL OVER | 0 | 5,688,700 | 6.40 | 36,407.68 |
| TOTAL | 96 | 5,688,700 | | \$ 38,690.98 |

2 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 25 | - | - | - | - |
| ALL OVER | 0 | 105 | 7,895,400 | - | 7,895,400 | 7,895,400 |
| | | 130 | 7,895,400 | - | 7,895,400 | 7,895,400 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|-----------|------|----------------------|
| FIRST | 0 | 130 | - | \$ 36.50 \$ 4,745.07 |
| ALL OVER | 0 | 7,895,400 | 6.40 | 50,530.56 |
| TOTAL | 130 | 7,895,400 | | \$ 55,275.63 |

3 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 1 | - | - | - | - |
| ALL OVER | 0 | 54 | 9,106,300 | - | 9,106,300 | 9,106,300 |
| | | 55 | 9,106,300 | - | 9,106,300 | 9,106,300 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|-----------|------|----------------------|
| FIRST | 0 | 55 | - | \$ 66.20 \$ 3,640.87 |
| ALL OVER | 0 | 9,106,300 | 6.40 | 58,280.32 |
| TOTAL | 55 | 9,106,300 | | \$ 61,921.19 |

6 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|------------|------------|------------|------------|
| FIRST | 0 | 6 | - | - | - | - |
| ALL OVER | 0 | 18 | 11,533,900 | - | 11,533,900 | 11,533,900 |
| | | 24 | 11,533,900 | - | 11,533,900 | 11,533,900 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|------------|------|-----------------------|
| FIRST | 0 | 24 | - | \$ 214.65 \$ 5,151.59 |
| ALL OVER | 0 | 11,533,900 | 6.40 | 73,816.96 |
| TOTAL | 24 | 11,533,900 | | \$ 78,968.55 |

BILLING ANALYSIS WITH CURRENT USAGE & RATES

Jonathan Creek Water District

SUMMARY

| Meter Size | Gallons Sold | Revenue |
|---------------|--------------------|-------------------|
| 5/8 inch | 73,939,500 | \$ 587,614 |
| 3/4 inch | 2,800 | 90 |
| 1 inch | 9,788,100 | 72,465 |
| 1-1/2 inch | 5,688,700 | 34,761 |
| 2 inch | 7,895,400 | 49,660 |
| 3 inch | 9,106,300 | 55,631 |
| 6 inch | 11,533,900 | 70,946 |
| Totals | 106,420,800 | \$ 871,166 |

5/8 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | ALL OVER 0 | TOTAL |
|----------|-------|--------|------------|------------|---------------|------------|
| FIRST | 0 | 3,952 | - | - | - | - |
| ALL OVER | 0 | 22,594 | 73,939,500 | - | 73,939,500 | 73,939,500 |
| | | 26,546 | 73,939,500 | - | 73,939,500 | 73,939,500 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|--------------|---------------|-------------------|---------|----------------------|
| FIRST | 0 | 26,546 | \$ 6.12 | \$ 162,461.52 |
| ALL OVER | 0 | 73,939,500 | 5.75 | 425,152.13 |
| TOTAL | 26,546 | 73,939,500 | | \$ 587,613.65 |

3/4 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|---------|------------|-----------|-------|
| FIRST | 0 | 4 | - | - | - | - |
| ALL OVER | 0 | 8 | 2,800 | - | 2,800 | 2,800 |
| | | 12 | 2,800 | - | 2,800 | 2,800 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|--------------|-----------|--------------|---------|-----------------|
| FIRST | 0 | 12 | \$ 6.12 | \$ 73.44 |
| ALL OVER | 0 | 2,800 | 5.75 | 16.10 |
| TOTAL | 12 | 2,800 | | \$ 89.54 |

1 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 187 | - | - | - | - |
| ALL OVER | 0 | 1,181 | 9,788,100 | - | 9,788,100 | 9,788,100 |
| | | 1,368 | 9,788,100 | - | 9,788,100 | 9,788,100 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|--------------|--------------|------------------|----------|---------------------|
| FIRST | 0 | 1,368 | \$ 11.83 | \$ 16,183.44 |
| ALL OVER | 0 | 9,788,100 | 5.75 | 56,281.58 |
| TOTAL | 1,368 | 9,788,100 | | \$ 72,465.02 |

1-1/2 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 2 | - | - | - | - |
| ALL OVER | 0 | 94 | 5,688,700 | - | 5,688,700 | 5,688,700 |
| | | 96 | 5,688,700 | - | 5,688,700 | 5,688,700 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|-----------|----------|--------------|
| FIRST | 0 | 96 | \$ 21.36 | \$ 2,050.56 |
| ALL OVER | 0 | 5,688,700 | 5.75 | 32,710.03 |
| TOTAL | 96 | 5,688,700 | | \$ 34,760.59 |

2 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 25 | - | - | - | - |
| ALL OVER | 0 | 105 | 7,895,400 | - | 7,895,400 | 7,895,400 |
| | | 130 | 7,895,400 | - | 7,895,400 | 7,895,400 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|-----------|----------|--------------|
| FIRST | 0 | 130 | \$ 32.78 | \$ 4,261.40 |
| ALL OVER | 0 | 7,895,400 | 5.75 | 45,398.55 |
| TOTAL | 130 | 7,895,400 | | \$ 49,659.95 |

3 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|-----------|------------|-----------|-----------|
| FIRST | 0 | 1 | - | - | - | - |
| ALL OVER | 0 | 54 | 9,106,300 | - | 9,106,300 | 9,106,300 |
| | | 55 | 9,106,300 | - | 9,106,300 | 9,106,300 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|-----------|----------|--------------|
| FIRST | 0 | 55 | \$ 59.45 | \$ 3,269.75 |
| ALL OVER | 0 | 9,106,300 | 5.75 | 52,361.23 |
| TOTAL | 55 | 9,106,300 | | \$ 55,630.98 |

6 INCH METERS

| | USAGE | BILLS | GALLONS | FIRST 0 | OVER 0 | TOTAL |
|----------|-------|-------|------------|------------|------------|------------|
| FIRST | 0 | 6 | - | - | - | - |
| ALL OVER | 0 | 18 | 11,533,900 | - | 11,533,900 | 11,533,900 |
| | | 24 | 11,533,900 | - | 11,533,900 | 11,533,900 |

REVENUE BY RATE INCREMENT

| | BILLS | GALLONS | RATE | REVENUE |
|----------|-------|------------|-----------|--------------|
| FIRST | 0 | 24 | \$ 192.77 | \$ 4,626.48 |
| ALL OVER | 0 | 11,533,900 | 5.75 | 66,319.93 |
| TOTAL | 24 | 11,533,900 | | \$ 70,946.41 |

DEPRECIATION SCHEDULE

| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Adj. | Beg. Accum. Depreciation | Current Depreciation | Total Depreciation |
|--|----------|--------------------|------------------------|-----------------------|-------------|---------------------------|---------------------|------------------------|------------------------------------|--------------------------|-----------------------------|---------------------------|
| Commercial Equip - #151-0000 | | | | | | | | | | | | |
| 201 | | Air Compressor | 2/15/2015 | SL / N/A | 7.0000 | 15,683.36 | 100.0000 | 0.00 | 0.00 | 2,240.48 | 2,240.48 | 4,480.96 |
| 202 | | Backhoe | 2/15/2015 | SL / N/A | 10.0000 | 10,000.00 | 100.0000 | 0.00 | 0.00 | 1,000.00 | 1,000.00 | 2,000.00 |
| 203 | | JD Backhoe | 2/15/2015 | SL / N/A | 10.0000 | 82,720.00 | 100.0000 | 0.00 | 0.00 | 8,272.00 | 8,272.00 | 16,544.00 |
| Subtotal: Commercial Equip - #151-0000 | | | | | | 108,403.36 | | 0.00 | 0.00 | 11,512.48 | 11,512.48 | 23,024.96 |
| Less dispositions and exchanges: | | | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Commercial Equip - #151-0000 | | | | | | 108,403.36 | | 0.00 | 0.00 | 11,512.48 | 11,512.48 | 23,024.96 |
| Communication equipment - #161-0000 | | | | | | | | | | | | |
| 204 | | 2 Way Radios | 1/9/1979 | SL / N/A | 5.0000 | 1,958.00 | 100.0000 | 0.00 | 0.00 | 1,958.00 | 0.00 | 1,958.00 |
| Subtotal: Communication equipment - #161-0000 | | | | | | 1,958.00 | | 0.00 | 0.00 | 1,958.00 | 0.00 | 1,958.00 |
| Less dispositions and exchanges: | | | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Communication equipment - #161-0000 | | | | | | 1,958.00 | 0.00 | 0.00 | 1,958.00 | 0.00 | 1,958.00 | |
| District Reservoir - #136-2000 | | | | | | | | | | | | |
| 61 | | Unclassified Pla | 1/9/1971 | SL / N/A | 50.0000 | 101,522.00 | 100.0000 | 0.00 | 0.00 | 90,654.79 | 2,030.44 | 92,685.23 |
| 62 | | Distribution Res | 1/9/1983 | SL / N/A | 20.0000 | 434,226.18 | 100.0000 | 0.00 | 0.00 | 434,226.18 | 0.00 | 434,226.18 |
| 63 | | Dist. Reservoir | 1/9/1984 | SL / N/A | 10.0000 | 2,069.18 | 100.0000 | 0.00 | 0.00 | 2,069.18 | 0.00 | 2,069.18 |
| 64 | | Recoat tanks-Au | 2/15/2005 | SL / N/A | 20.0000 | 118,354.50 | 100.0000 | 0.00 | 0.00 | 62,136.18 | 5,917.73 | 68,053.91 |
| 65 | | Tank at Olive | 2/15/2009 | SL / N/A | 20.0000 | 37,562.73 | 100.0000 | 0.00 | 0.00 | 12,207.91 | 1,878.14 | 14,086.05 |
| 66 | | Clamps | 2/15/2014 | SL / N/A | 10.0000 | 1,453.92 | 100.0000 | 0.00 | 0.00 | 218.09 | 145.39 | 363.48 |
| 242 | | Distribution Res | 7/1/2016 | SL / N/A | 20.0000 | 4,846.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 121.15 | 121.15 |
| Subtotal: District Reservoir - #136-2000 | | | | | | 700,034.51 | | 0.00 | 0.00 | 601,512.33 | 10,092.85 | 611,605.18 |
| Less dispositions and exchanges: | | | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: District Reservoir - #136-2000 | | | | | | 700,034.51 | | 0.00 | 0.00 | 601,512.33 | 10,092.85 | 611,605.18 |
| Hydrants - #152-0000 | | | | | | | | | | | | |
| 133 | | Unclassified Pla | 1/9/1971 | SL / N/A | 50.0000 | 24,262.00 | 100.0000 | 0.00 | 0.00 | 21,664.93 | 485.24 | 22,150.17 |
| 134 | | 4 Hydrants | 1/9/1982 | SL / N/A | 10.0000 | 787.70 | 100.0000 | 0.00 | 0.00 | 787.70 | 0.00 | 787.70 |
| 135 | | Hydrants | 1/9/1983 | SL / N/A | 10.0000 | 1,130.26 | 100.0000 | 0.00 | 0.00 | 1,130.26 | 0.00 | 1,130.26 |
| 136 | | Hydrants | 1/9/1986 | SL / N/A | 10.0000 | 3,869.19 | 100.0000 | 0.00 | 0.00 | 3,869.19 | 0.00 | 3,869.19 |
| 137 | | Hydrant | 1/9/1985 | SL / N/A | 10.0000 | 1,268.00 | 100.0000 | 0.00 | 0.00 | 1,268.00 | 0.00 | 1,268.00 |
| 138 | | Hydrants | 1/9/1984 | SL / N/A | 10.0000 | 1,960.00 | 100.0000 | 0.00 | 0.00 | 1,960.00 | 0.00 | 1,960.00 |
| 139 | | Hydrants | 2/15/2001 | SL / N/A | 10.0000 | 8,738.06 | 100.0000 | 0.00 | 0.00 | 8,738.06 | 0.00 | 8,738.06 |
| 140 | | Hydrants | 2/15/2002 | SL / N/A | 10.0000 | 4,771.74 | 100.0000 | 0.00 | 0.00 | 4,771.74 | 0.00 | 4,771.74 |
| 141 | | Hydrants | 2/15/2003 | SL / N/A | 10.0000 | 5,385.04 | 100.0000 | 0.00 | 0.00 | 5,385.04 | 0.00 | 5,385.04 |
| 142 | | Hydrants | 2/15/2004 | SL / N/A | 10.0000 | 2,771.34 | 100.0000 | 0.00 | 0.00 | 2,771.34 | 0.00 | 2,771.34 |
| 143 | | Hydrants | 2/15/2005 | SL / N/A | 10.0000 | 2,429.30 | 100.0000 | 0.00 | 0.00 | 2,429.30 | 0.00 | 2,429.30 |
| 144 | | Hydrants | 2/15/2006 | SL / N/A | 10.0000 | 1,194.43 | 100.0000 | 0.00 | 0.00 | 1,134.69 | 19.94 | 1,154.63 |
| 145 | | Hydrants | 2/15/2007 | SL / N/A | 10.0000 | 1,047.13 | 100.0000 | 0.00 | 0.00 | 890.04 | 104.71 | 994.75 |
| 146 | | Hydrants | 2/15/2008 | SL / N/A | 10.0000 | 2,568.75 | 100.0000 | 0.00 | 0.00 | 1,926.60 | 256.88 | 2,183.48 |
| 147 | | Hydrants | 2/15/2009 | SL / N/A | 10.0000 | 9,569.47 | 100.0000 | 0.00 | 0.00 | 6,220.17 | 956.95 | 7,177.12 |
| 148 | | Hydrant | 2/15/2011 | SL / N/A | 10.0000 | 5,033.80 | 100.0000 | 0.00 | 0.00 | 2,265.21 | 503.38 | 2,768.59 |
| 149 | | Hydrants | 2/15/2012 | SL / N/A | 10.0000 | 1,655.00 | 100.0000 | 0.00 | 0.00 | 579.25 | 165.50 | 744.75 |
| 150 | | Hydrants | 2/15/2013 | SL / N/A | 10.0000 | 3,100.00 | 100.0000 | 0.00 | 0.00 | 775.00 | 310.00 | 1,085.00 |
| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Depreciation | Beg. Accum. Adj. | Current Depreciation | Total Depreciation |
| Hydrants - #152-0000 | | | | | | | | | | | | |
| 151 | | Hydrants | 2/15/2015 | SL / N/A | 10.0000 | 1,624.30 | 100.0000 | 0.00 | 0.00 | 162.43 | 162.43 | 324.86 |

DEPRECIATION SCHEDULE

| | | | | | | | | | | |
|---------------------------------------|--|--|--|------------------|-------------|-------------|------------------|------------------|------------------|------------------|
| Subtotal: Hydrants - #152-0000 | | | | 83,165.51 | | 0.00 | 0.00 | 68,728.95 | 2,965.03 | 71,693.98 |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Hydrants - #152-0000 | | | | 83,165.51 | 0.00 | 0.00 | 68,728.95 | 2,965.03 | 71,693.98 | |

L & LR - #150-0000

| | | | | | | | | | | |
|---|------------------|-------------------------|---------|------------------|----------|-------------|-------------|-----------------|---------------|-----------------|
| 3 | Unclassified pla | 1/9/1971 SL / N/A | 50.0000 | 5,800.00 | 100.0000 | 0.00 | 0.00 | 5,179.15 | 116.00 | 5,295.15 |
| 4 | Land | 2/15/2006 No Calc / N/A | 0.0000 | 10,000.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Unclassified Pla | 1/9/1971 SL / N/A | 50.0000 | 425.00 | 100.0000 | 0.00 | 0.00 | 379.51 | 8.50 | 388.01 |
| Subtotal: L & LR - #150-0000 | | | | 16,225.00 | | 0.00 | 0.00 | 5,558.66 | 124.50 | 5,683.16 |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: L & LR - #150-0000 | | | | 16,225.00 | | 0.00 | 0.00 | 5,558.66 | 124.50 | 5,683.16 |

Meters - #153-0000

| | | | | | | | | | | |
|-------------------------------------|-------------------|--------------------|---------|-------------------|----------|-------------|-------------|-------------------|------------------|-------------------|
| 114 | Unclassified Pla | 1/9/1971 SL / N/A | 50.0000 | 77,488.00 | 100.0000 | 0.00 | 0.00 | 69,193.46 | 1,549.76 | 70,743.22 |
| 115 | Unclassified Pla | 1/9/1971 SL / N/A | 50.0000 | 29,834.00 | 100.0000 | 0.00 | 0.00 | 26,640.48 | 596.68 | 27,237.16 |
| 116 | Meters | 1/9/1986 SL / N/A | 10.0000 | 4,532.43 | 100.0000 | 0.00 | 0.00 | 4,532.43 | 0.00 | 4,532.43 |
| 117 | Meters | 1/9/1985 SL / N/A | 10.0000 | 3,939.87 | 100.0000 | 0.00 | 0.00 | 3,939.87 | 0.00 | 3,939.87 |
| 118 | Meters | 2/15/2001 SL / N/A | 10.0000 | 14,117.73 | 100.0000 | 0.00 | 0.00 | 14,117.73 | 0.00 | 14,117.73 |
| 119 | Meters | 2/15/2001 SL / N/A | 10.0000 | 7,944.79 | 100.0000 | 0.00 | 0.00 | 7,944.79 | 0.00 | 7,944.79 |
| 120 | Meters | 2/15/2003 SL / N/A | 10.0000 | 13,813.16 | 100.0000 | 0.00 | 0.00 | 13,813.16 | 0.00 | 13,813.16 |
| 121 | Meters | 2/15/2004 SL / N/A | 10.0000 | 41,768.27 | 100.0000 | 0.00 | 0.00 | 41,768.27 | 0.00 | 41,768.27 |
| 122 | Meters | 2/15/2005 SL / N/A | 10.0000 | 34,742.22 | 100.0000 | 0.00 | 0.00 | 34,742.22 | 0.00 | 34,742.22 |
| 123 | Meters | 2/15/2006 SL / N/A | 10.0000 | 9,059.11 | 100.0000 | 0.00 | 0.00 | 8,606.15 | 151.00 | 8,757.15 |
| 124 | Meters | 2/15/2007 SL / N/A | 10.0000 | 60,674.61 | 100.0000 | 0.00 | 0.00 | 51,573.41 | 6,067.46 | 57,640.87 |
| 125 | Meters | 2/15/2008 SL / N/A | 10.0000 | 20,575.38 | 100.0000 | 0.00 | 0.00 | 15,431.55 | 2,057.54 | 17,489.09 |
| 126 | Meters | 2/15/2009 SL / N/A | 10.0000 | 24,603.62 | 100.0000 | 0.00 | 0.00 | 15,992.34 | 2,460.36 | 18,452.70 |
| 127 | Meter installatio | 2/15/2010 SL / N/A | 10.0000 | 62,037.50 | 100.0000 | 0.00 | 0.00 | 34,120.63 | 6,203.75 | 40,324.38 |
| 128 | Meters | 2/15/2011 SL / N/A | 10.0000 | 20,505.00 | 100.0000 | 0.00 | 0.00 | 9,227.25 | 2,050.50 | 11,277.75 |
| 129 | Meters & installa | 2/15/2012 SL / N/A | 10.0000 | 36,455.05 | 100.0000 | 0.00 | 0.00 | 12,759.28 | 3,645.51 | 16,404.79 |
| 130 | Meters | 2/15/2013 SL / N/A | 10.0000 | 26,247.61 | 100.0000 | 0.00 | 0.00 | 6,561.90 | 2,624.76 | 9,186.66 |
| 131 | Meters | 2/15/2014 SL / N/A | 10.0000 | 26,097.16 | 100.0000 | 0.00 | 0.00 | 3,914.58 | 2,609.72 | 6,524.30 |
| 132 | Meters & installa | 2/15/2015 SL / N/A | 10.0000 | 41,052.02 | 100.0000 | 0.00 | 0.00 | 4,105.20 | 4,105.20 | 8,210.40 |
| 243 | Meters | 7/1/2016 SL / N/A | 10.0000 | 45,007.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 2,250.35 | 2,250.35 |
| 250 | D Meters | 1/9/1986 SL / N/A | 10.0000 | 5,600.00 | 100.0000 | 0.00 | 0.00 | 5,600.00 | 0.00 | 5,600.00 |
| Subtotal: Meters - #153-0000 | | | | 606,094.53 | | 0.00 | 0.00 | 384,584.70 | 36,372.59 | 420,957.29 |
| Less dispositions and exchanges: | | | | 5,600.00 | | 0.00 | 0.00 | 5,600.00 | 0.00 | 5,600.00 |
| Net for: Meters - #153-0000 | | | | 600,494.53 | | 0.00 | 0.00 | 378,984.70 | 36,372.59 | 415,357.29 |

Misc. Equip & office - #158-0000

| | | | | | | | | | | |
|-----|----------------|-------------------|---------|-----------|----------|------|------|-----------|------|-----------|
| 205 | General equipm | 1/9/1989 SL / N/A | 10.0000 | 68,569.00 | 100.0000 | 0.00 | 0.00 | 68,569.00 | 0.00 | 68,569.00 |
| 206 | General equipm | 1/9/1990 SL / N/A | 10.0000 | 13,001.00 | 100.0000 | 0.00 | 0.00 | 13,001.00 | 0.00 | 13,001.00 |
| 207 | General equipm | 1/9/1992 SL / N/A | 10.0000 | 3,695.00 | 100.0000 | 0.00 | 0.00 | 3,695.00 | 0.00 | 3,695.00 |
| 208 | General equipm | 1/9/1993 SL / N/A | 10.0000 | 1,322.00 | 100.0000 | 0.00 | 0.00 | 1,322.00 | 0.00 | 1,322.00 |

| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Depreciation | Beg. Accum. Adj. | Current Depreciation | Total Depreciation |
|---|---|----------------|-------------------|----------------|---------|--------------------|--------------|-----------------|-----------------------------|------------------|----------------------|--------------------|
| Misc. Equip & office - #158-0000 | | | | | | | | | | | | |
| 209 | | General equipm | 1/9/1994 SL / N/A | | 10.0000 | 6,416.00 | 100.0000 | 0.00 | 0.00 | 6,416.00 | 0.00 | 6,416.00 |
| 210 | | General equipm | 1/9/1996 SL / N/A | | 10.0000 | 17,081.00 | 100.0000 | 0.00 | 0.00 | 17,081.00 | 0.00 | 17,081.00 |
| 211 | | General equipm | 1/9/1997 SL / N/A | | 10.0000 | 15,611.00 | 100.0000 | 0.00 | 0.00 | 15,611.00 | 0.00 | 15,611.00 |
| 212 | | General equipm | 1/9/1998 SL / N/A | | 10.0000 | 7,318.00 | 100.0000 | 0.00 | 0.00 | 7,318.00 | 0.00 | 7,318.00 |
| 213 | | General equipm | 1/9/1999 SL / N/A | | 10.0000 | 6,084.00 | 100.0000 | 0.00 | 0.00 | 6,084.00 | 0.00 | 6,084.00 |

DEPRECIATION SCHEDULE

| | | | | | | | | | | |
|-----|------------------|--------------------|---------|----------|----------|------|------|----------|----------|----------|
| 214 | General equipm | 2/15/2001 SL / N/A | 10.0000 | 2,256.66 | 100.0000 | 0.00 | 0.00 | 2,256.66 | 0.00 | 2,256.66 |
| 215 | Air Compressor | 2/15/2004 SL / N/A | 10.0000 | 259.00 | 100.0000 | 0.00 | 0.00 | 259.00 | 0.00 | 259.00 |
| 216 | Electrical Meter | 2/15/2004 SL / N/A | 10.0000 | 1,742.04 | 100.0000 | 0.00 | 0.00 | 1,742.04 | 0.00 | 1,742.04 |
| 217 | Signal Transmitt | 2/15/2004 SL / N/A | 10.0000 | 538.57 | 100.0000 | 0.00 | 0.00 | 538.57 | 0.00 | 538.57 |
| 218 | Pocket CLR me | 2/15/2004 SL / N/A | 10.0000 | 693.60 | 100.0000 | 0.00 | 0.00 | 693.60 | 0.00 | 693.60 |
| 219 | Chainsaw | 2/15/2004 SL / N/A | 10.0000 | 725.55 | 100.0000 | 0.00 | 0.00 | 725.55 | 0.00 | 725.55 |
| 220 | Ladder gate | 2/15/2005 SL / N/A | 10.0000 | 400.00 | 100.0000 | 0.00 | 0.00 | 400.00 | 0.00 | 400.00 |
| 221 | Spreader | 2/15/2005 SL / N/A | 10.0000 | 211.29 | 100.0000 | 0.00 | 0.00 | 211.29 | 0.00 | 211.29 |
| 222 | Lights | 2/15/2005 SL / N/A | 10.0000 | 620.26 | 100.0000 | 0.00 | 0.00 | 620.26 | 0.00 | 620.26 |
| 223 | Ladder rack | 2/15/2006 SL / N/A | 10.0000 | 511.91 | 100.0000 | 0.00 | 0.00 | 486.31 | 8.54 | 494.85 |
| 224 | Hyd. Transm/pip | 2/15/2007 SL / N/A | 10.0000 | 2,201.60 | 100.0000 | 0.00 | 0.00 | 1,871.36 | 220.16 | 2,091.52 |
| 225 | Pressure record | 2/15/2007 SL / N/A | 10.0000 | 414.99 | 100.0000 | 0.00 | 0.00 | 352.75 | 41.50 | 394.25 |
| 226 | Lawn Mower | 2/15/2007 SL / N/A | 10.0000 | 3,500.00 | 100.0000 | 0.00 | 0.00 | 3,215.00 | 285.00 | 3,500.00 |
| 227 | 8 chan monitori | 2/15/2008 SL / N/A | 10.0000 | 1,146.11 | 100.0000 | 0.00 | 0.00 | 859.58 | 114.61 | 974.19 |
| 228 | Pressure record | 2/15/2008 SL / N/A | 10.0000 | 415.76 | 100.0000 | 0.00 | 0.00 | 311.85 | 41.58 | 353.43 |
| 229 | Wall case oxyge | 2/15/2008 SL / N/A | 10.0000 | 1,617.76 | 100.0000 | 0.00 | 0.00 | 1,213.35 | 161.78 | 1,375.13 |
| 230 | Chare recorder/ | 2/15/2008 SL / N/A | 10.0000 | 646.34 | 100.0000 | 0.00 | 0.00 | 484.73 | 64.63 | 549.36 |
| 231 | refrigerator | 2/15/2009 SL / N/A | 10.0000 | 539.99 | 100.0000 | 0.00 | 0.00 | 351.00 | 54.00 | 405.00 |
| 232 | 3" hudrant mete | 2/15/2009 SL / N/A | 10.0000 | 1,236.95 | 100.0000 | 0.00 | 0.00 | 742.20 | 123.70 | 865.90 |
| 233 | Pressure record | 2/15/2010 SL / N/A | 10.0000 | 1,080.55 | 100.0000 | 0.00 | 0.00 | 594.33 | 108.06 | 702.39 |
| 234 | Trailer | 2/15/2010 SL / N/A | 10.0000 | 1,600.00 | 100.0000 | 0.00 | 0.00 | 880.00 | 160.00 | 1,040.00 |
| 235 | Tiller | 2/15/2010 SL / N/A | 10.0000 | 1,300.00 | 100.0000 | 0.00 | 0.00 | 715.00 | 130.00 | 845.00 |
| 236 | Cylinder scale | 2/15/2010 SL / N/A | 10.0000 | 1,527.44 | 100.0000 | 0.00 | 0.00 | 840.07 | 152.74 | 992.81 |
| 237 | New Software | 2/15/2015 SL / N/A | 5.0000 | 6,419.00 | 100.0000 | 0.00 | 0.00 | 1,283.80 | 1,283.80 | 2,567.60 |
| 238 | Power Jack | 2/15/2015 SL / N/A | 7.0000 | 1,039.00 | 100.0000 | 0.00 | 0.00 | 148.43 | 148.43 | 296.86 |
| 239 | Tapping Saddle | 2/15/2015 SL / N/A | 7.0000 | 1,413.40 | 100.0000 | 0.00 | 0.00 | 201.91 | 201.91 | 403.82 |
| 240 | Drilling Machine | 2/15/2015 SL / N/A | 7.0000 | 2,500.00 | 100.0000 | 0.00 | 0.00 | 357.14 | 357.14 | 714.28 |
| 248 | Misc Equipt | 7/1/2016 SL / N/A | 10.0000 | 8,166.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 408.30 | 408.30 |

| | | | | | | | | | | |
|---|--|--|--|-------------------|--|-------------|-------------|-------------------|-----------------|-------------------|
| Subtotal: Misc. Equip & office - #158-0000 | | | | 183,820.77 | | 0.00 | 0.00 | 161,452.78 | 4,065.88 | 165,518.66 |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Misc. Equip & office - #158-0000 | | | | 183,820.77 | | 0.00 | 0.00 | 161,452.78 | 4,065.88 | 165,518.66 |

| Office furniture & equip - #157-0000 | | | | | | | | | | | |
|---|-----------------|--------------------|---------|----------|----------|------|------|----------|------|----------|--|
| 152 | Computer monit | 2/15/2001 SL / N/A | 10.0000 | 260.09 | 100.0000 | 0.00 | 0.00 | 260.09 | 0.00 | 260.09 | |
| 153 | Computer for m | 2/15/2004 SL / N/A | 5.0000 | 1,203.29 | 100.0000 | 0.00 | 0.00 | 1,203.29 | 0.00 | 1,203.29 | |
| 154 | Chairs | 2/15/2004 SL / N/A | 10.0000 | 415.88 | 100.0000 | 0.00 | 0.00 | 415.88 | 0.00 | 415.88 | |
| 155 | Phones | 2/15/2004 SL / N/A | 5.0000 | 758.54 | 100.0000 | 0.00 | 0.00 | 758.54 | 0.00 | 758.54 | |
| 156 | Vacuum | 2/15/2004 SL / N/A | 10.0000 | 259.84 | 100.0000 | 0.00 | 0.00 | 259.84 | 0.00 | 259.84 | |
| 157 | Computer-Matt' | 2/15/2004 SL / N/A | 5.0000 | 123.47 | 100.0000 | 0.00 | 0.00 | 123.47 | 0.00 | 123.47 | |
| 158 | Billing Compute | 2/15/2004 SL / N/A | 5.0000 | 8,077.25 | 100.0000 | 0.00 | 0.00 | 8,077.25 | 0.00 | 8,077.25 | |

| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Depreciation | Beg. Accum. Adj. | Current Depreciation | Total Depreciation |
|---|---|-----------------|--------------------|----------------|---------|--------------------|--------------|-----------------|-----------------------------|------------------|----------------------|--------------------|
| Office furniture & equip - #157-0000 | | | | | | | | | | | | |
| 159 | | Copier | 2/15/2005 SL / N/A | | 5.0000 | 995.00 | 100.0000 | 0.00 | 0.00 | 995.00 | 0.00 | 995.00 |
| 160 | | Computer | 2/15/2006 SL / N/A | | 5.0000 | 2,005.00 | 100.0000 | 0.00 | 0.00 | 2,005.00 | 0.00 | 2,005.00 |
| 161 | | A/C unit | 2/15/2006 SL / N/A | | 10.0000 | 317.99 | 100.0000 | 0.00 | 0.00 | 302.10 | 5.29 | 307.39 |
| 162 | | time clock | 2/15/2007 SL / N/A | | 10.0000 | 259.99 | 100.0000 | 0.00 | 0.00 | 221.00 | 26.00 | 247.00 |
| 163 | | Filing cabinets | 2/15/2007 SL / N/A | | 10.0000 | 267.46 | 100.0000 | 0.00 | 0.00 | 227.37 | 26.75 | 254.12 |
| 164 | | Copier | 2/15/2010 SL / N/A | | 5.0000 | 899.00 | 100.0000 | 0.00 | 0.00 | 899.00 | 0.00 | 899.00 |
| 165 | | 2 desks | 2/15/2010 SL / N/A | | 10.0000 | 479.72 | 100.0000 | 0.00 | 0.00 | 263.84 | 47.97 | 311.81 |
| 166 | | AC | 2/15/2011 SL / N/A | | 10.0000 | 499.99 | 100.0000 | 0.00 | 0.00 | 225.00 | 50.00 | 275.00 |

DEPRECIATION SCHEDULE

| 167 | Computer | 2/15/2013 SL / N/A | 5.0000 | 2,992.50 | 100.0000 | 0.00 | 0.00 | 1,456.25 | 598.50 | 2,054.75 | | |
|---|-------------------|--------------------|--------------------|-------------------|----------|--------------------|--------------|------------------|-----------------------------|------------------|----------------------|--------------------|
| 168 | Color copier | 2/15/2014 SL / N/A | 5.0000 | 1,895.00 | 100.0000 | 0.00 | 0.00 | 568.50 | 379.00 | 947.50 | | |
| 169 | 4 drawer lateral | 2/15/2014 SL / N/A | 10.0000 | 449.99 | 100.0000 | 0.00 | 0.00 | 67.50 | 45.00 | 112.50 | | |
| 170 | 11 fire extinguis | 2/15/2014 SL / N/A | 5.0000 | 4,588.85 | 100.0000 | 0.00 | 0.00 | 1,376.66 | 917.77 | 2,294.43 | | |
| 171 | New Software | 2/15/2015 SL / N/A | 5.0000 | 6,120.00 | 100.0000 | 0.00 | 0.00 | 1,224.00 | 1,224.00 | 2,448.00 | | |
| 247 | Office Furniture | 7/1/2016 SL / N/A | 7.0000 | 533.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 38.07 | 38.07 | | |
| Subtotal: Office furniture & equip - #157-0000 | | | | 33,401.85 | | 0.00 | 0.00 | 20,929.58 | 3,358.35 | 24,287.93 | | |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Net for: Office furniture & equip - #157-0000 | | | | 33,401.85 | | 0.00 | 0.00 | 20,929.58 | 3,358.35 | 24,287.93 | | |
| Organization - #164-0000 | | | | | | | | | | | | |
| 1 | Intangible Plant | 1/9/1985 SL / N/A | 10.0000 | 4,844.85 | 100.0000 | 0.00 | 0.00 | 4,844.85 | 0.00 | 4,844.85 | | |
| 2 | Intangible Plant | 2/15/2000 SL / N/A | 10.0000 | 857.00 | 100.0000 | 0.00 | 0.00 | 857.00 | 0.00 | 857.00 | | |
| Subtotal: Organization - #164-0000 | | | | 5,701.85 | | 0.00 | 0.00 | 5,701.85 | 0.00 | 5,701.85 | | |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Net for: Organization - #164-0000 | | | | 5,701.85 | | 0.00 | 0.00 | 5,701.85 | 0.00 | 5,701.85 | | |
| Power Equip - #160-0000 | | | | | | | | | | | | |
| 195 | Backhoe bucket | 1/9/1986 SL / N/A | 5.0000 | 1,076.92 | 100.0000 | 0.00 | 0.00 | 1,076.92 | 0.00 | 1,076.92 | | |
| 196 | Trencher | 1/9/1978 SL / N/A | 5.0000 | 3,578.00 | 100.0000 | 0.00 | 0.00 | 3,578.00 | 0.00 | 3,578.00 | | |
| 197 | Backhoe | 2/15/2001 SL / N/A | 10.0000 | 30,000.00 | 100.0000 | 0.00 | 0.00 | 30,000.00 | 0.00 | 30,000.00 | | |
| 198 | Unclassified | 1/9/1971 SL / N/A | 50.0000 | 1,050.00 | 100.0000 | 0.00 | 0.00 | 937.60 | 21.00 | 958.60 | | |
| 199 | Kubota tractor/l | 2/15/2010 SL / N/A | 10.0000 | 23,674.00 | 100.0000 | 0.00 | 0.00 | 13,020.70 | 2,367.40 | 15,388.10 | | |
| 200 | Generator | 2/15/2013 SL / N/A | 25.0000 | 42,850.00 | 100.0000 | 0.00 | 0.00 | 4,285.00 | 1,714.00 | 5,999.00 | | |
| Subtotal: Power Equip - #160-0000 | | | | 102,228.92 | | 0.00 | 0.00 | 52,898.22 | 4,102.40 | 57,000.62 | | |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Net for: Power Equip - #160-0000 | | | | 102,228.92 | | 0.00 | 0.00 | 52,898.22 | 4,102.40 | 57,000.62 | | |
| Pumping Equipment - #154-0000 | | | | | | | | | | | | |
| 18 | Unclassified Pla | 1/9/1971 SL / N/A | 50.0000 | 17,883.00 | 100.0000 | 0.00 | 0.00 | 15,968.75 | 357.66 | 16,326.41 | | |
| 19 | Electric Pumpin | 1/9/1983 SL / N/A | 5.0000 | 3,847.27 | 100.0000 | 0.00 | 0.00 | 3,847.27 | 0.00 | 3,847.27 | | |
| 20 | Elect. Pump Eu | 1/9/1985 SL / N/A | 10.0000 | 1,085.00 | 100.0000 | 0.00 | 0.00 | 1,085.00 | 0.00 | 1,085.00 | | |
| 21 | Electric Motor | 1/9/1984 SL / N/A | 10.0000 | 1,765.40 | 100.0000 | 0.00 | 0.00 | 1,765.40 | 0.00 | 1,765.40 | | |
| 22 | Pumping plant | 1/9/1988 SL / N/A | 10.0000 | 5,418.00 | 100.0000 | 0.00 | 0.00 | 5,418.00 | 0.00 | 5,418.00 | | |
| 23 | Pumping plant | 1/9/1989 SL / N/A | 10.0000 | 24,859.00 | 100.0000 | 0.00 | 0.00 | 24,859.00 | 0.00 | 24,859.00 | | |
| 24 | Pumping plant | 1/9/1990 SL / N/A | 10.0000 | 14,350.00 | 100.0000 | 0.00 | 0.00 | 14,350.00 | 0.00 | 14,350.00 | | |
| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Depreciation | Beg. Accum. Adj. | Current Depreciation | Total Depreciation |
| Pumping Equipment - #154-0000 | | | | | | | | | | | | |
| 25 | | Pumping plant | 1/9/1991 SL / N/A | | 10.0000 | 7,112.00 | 100.0000 | 0.00 | 0.00 | 7,112.00 | 0.00 | 7,112.00 |
| 26 | | Pumping plant | 1/9/1992 SL / N/A | | 10.0000 | 5,712.00 | 100.0000 | 0.00 | 0.00 | 5,712.00 | 0.00 | 5,712.00 |
| 27 | | Pumping plant | 1/9/1994 SL / N/A | | 10.0000 | 1,923.00 | 100.0000 | 0.00 | 0.00 | 1,923.00 | 0.00 | 1,923.00 |
| 28 | | Pumping plant | 1/9/1996 SL / N/A | | 10.0000 | 2,947.00 | 100.0000 | 0.00 | 0.00 | 2,947.00 | 0.00 | 2,947.00 |
| 29 | | Pumping plant | 2/15/2000 SL / N/A | | 10.0000 | 29,300.00 | 100.0000 | 0.00 | 0.00 | 29,300.00 | 0.00 | 29,300.00 |
| 30 | | Monitors for pla | 2/15/2002 SL / N/A | | 5.0000 | 1,243.79 | 100.0000 | 0.00 | 0.00 | 1,243.79 | 0.00 | 1,243.79 |
| 31 | | Pump | 2/15/2003 SL / N/A | | 10.0000 | 2,943.00 | 100.0000 | 0.00 | 0.00 | 2,943.00 | 0.00 | 2,943.00 |
| 32 | | pump | 2/15/2003 SL / N/A | | 10.0000 | 2,940.20 | 100.0000 | 0.00 | 0.00 | 2,940.20 | 0.00 | 2,940.20 |
| 33 | | Pump | 2/15/2006 SL / N/A | | 10.0000 | 20,322.00 | 100.0000 | 0.00 | 0.00 | 19,305.90 | 338.70 | 19,644.60 |
| 34 | | Pressure transd | 2/15/2008 SL / N/A | | 10.0000 | 659.31 | 100.0000 | 0.00 | 0.00 | 494.48 | 65.93 | 560.41 |
| 35 | | Pump | 2/15/2008 SL / N/A | | 10.0000 | 398.00 | 100.0000 | 0.00 | 0.00 | 298.50 | 39.80 | 338.30 |
| 36 | | Update telemetry | 2/15/2008 SL / N/A | | 10.0000 | 12,700.00 | 100.0000 | 0.00 | 0.00 | 9,525.00 | 1,270.00 | 10,795.00 |
| 37 | | Backup system | 2/15/2009 SL / N/A | | 10.0000 | 2,475.00 | 100.0000 | 0.00 | 0.00 | 1,608.75 | 247.50 | 1,856.25 |
| 38 | | Pumps | 2/15/2011 SL / N/A | | 10.0000 | 30,851.40 | 100.0000 | 0.00 | 0.00 | 13,883.13 | 3,085.14 | 16,968.27 |

DEPRECIATION SCHEDULE

| 39 | Pumps | 2/15/2012 SL / N/A | 10.0000 | 3,909.00 | 100.0000 | 0.00 | 0.00 | 1,368.15 | 390.90 | 1,759.05 | | |
|--|-------------------|--------------------|--------------------|-------------------|----------|--------------------|--------------|-------------------|-----------------------------|-------------------|----------------------|--------------------|
| 40 | Drilling machine | 2/15/2014 SL / N/A | 10.0000 | 1,905.60 | 100.0000 | 0.00 | 0.00 | 285.84 | 190.56 | 476.40 | | |
| 41 | Pumping plant | 2/15/2014 SL / N/A | 10.0000 | 6,367.46 | 100.0000 | 0.00 | 0.00 | 955.12 | 636.75 | 1,591.87 | | |
| 42 | Softstart pump | 2/15/2014 SL / N/A | 10.0000 | 3,733.54 | 100.0000 | 0.00 | 0.00 | 560.03 | 373.35 | 933.38 | | |
| 43 | Plug valve | 2/15/2014 SL / N/A | 10.0000 | 10,012.41 | 100.0000 | 0.00 | 0.00 | 1,501.86 | 1,001.24 | 2,503.10 | | |
| 44 | Electric Cards | 2/15/2015 SL / N/A | 10.0000 | 9,461.55 | 100.0000 | 0.00 | 0.00 | 946.16 | 946.16 | 1,892.32 | | |
| 45 | Valve | 2/15/2015 SL / N/A | 10.0000 | 1,425.10 | 100.0000 | 0.00 | 0.00 | 142.51 | 142.51 | 285.02 | | |
| 46 | Electric Cards | 2/15/2015 SL / N/A | 10.0000 | 3,645.09 | 100.0000 | 0.00 | 0.00 | 364.51 | 364.51 | 729.02 | | |
| 47 | Control Panel | 2/15/2015 SL / N/A | 10.0000 | 23,600.00 | 100.0000 | 0.00 | 0.00 | 2,360.00 | 2,360.00 | 4,720.00 | | |
| 48 | Programming | 2/15/2015 SL / N/A | 10.0000 | 26,766.00 | 100.0000 | 0.00 | 0.00 | 2,676.60 | 2,676.60 | 5,353.20 | | |
| 49 | New Pump | 2/15/2015 SL / N/A | 10.0000 | 1,048.57 | 100.0000 | 0.00 | 0.00 | 104.86 | 104.86 | 209.72 | | |
| 50 | Control Panel | 2/15/2015 SL / N/A | 10.0000 | 24,934.00 | 100.0000 | 0.00 | 0.00 | 2,493.40 | 2,493.40 | 4,986.80 | | |
| 244 | Pumping Equip | 7/1/2016 SL / N/A | 10.0000 | 1,958.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 97.90 | 97.90 | | |
| Subtotal: Pumping Equipment - #154-0000 | | | | 309,500.69 | | 0.00 | 0.00 | 180,289.21 | 17,183.47 | 197,472.68 | | |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Net for: Pumping Equipment - #154-0000 | | | | 309,500.69 | | 0.00 | 0.00 | 180,289.21 | 17,183.47 | 197,472.68 | | |
| Structures and improvements - #162-0000 | | | | | | | | | | | | |
| 6 | Unclassified pla | 1/9/1971 SL / N/A | 50.0000 | 3,589.00 | 100.0000 | 0.00 | 0.00 | 3,204.82 | 71.78 | 3,276.60 | | |
| 7 | Office Improvem | 2/15/2004 SL / N/A | 50.0000 | 5,741.47 | 100.0000 | 0.00 | 0.00 | 1,320.54 | 114.83 | 1,435.37 | | |
| 8 | Portable porch | 2/15/2005 SL / N/A | 10.0000 | 362.00 | 100.0000 | 0.00 | 0.00 | 362.00 | 0.00 | 362.00 | | |
| 9 | Building at Olive | 2/15/2009 SL / N/A | 50.0000 | 1,585.66 | 100.0000 | 0.00 | 0.00 | 206.12 | 31.71 | 237.83 | | |
| 10 | Paving | 2/15/2009 SL / N/A | 15.0000 | 3,800.00 | 100.0000 | 0.00 | 0.00 | 1,646.65 | 253.33 | 1,899.98 | | |
| 11 | Paving | 2/15/2009 SL / N/A | 15.0000 | 4,000.00 | 100.0000 | 0.00 | 0.00 | 1,733.35 | 266.67 | 2,000.02 | | |
| 12 | Storage Building | 2/15/2011 SL / N/A | 50.0000 | 4,335.28 | 100.0000 | 0.00 | 0.00 | 390.20 | 86.71 | 476.91 | | |
| 13 | Hardin booster | 2/15/2012 SL / N/A | 50.0000 | 17,572.53 | 100.0000 | 0.00 | 0.00 | 1,230.08 | 351.45 | 1,581.53 | | |
| 14 | Paving | 2/15/2013 SL / N/A | 15.0000 | 2,500.00 | 100.0000 | 0.00 | 0.00 | 416.67 | 166.67 | 583.34 | | |
| Subtotal: Structures and improvements - #162-0000 | | | | 43,485.94 | | 0.00 | 0.00 | 10,510.43 | 1,343.15 | 11,853.58 | | |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Net for: Structures and improvements - #162-0000 | | | | 43,485.94 | | 0.00 | 0.00 | 10,510.43 | 1,343.15 | 11,853.58 | | |
| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Depreciation | Beg. Accum. Adj. | Current Depreciation | Total Depreciation |
| Svcs - #170-0000 | | | | | | | | | | | | |
| 110 | | Unclassified Pla | 1/9/1971 SL / N/A | | 50.0000 | 55,777.00 | 100.0000 | 0.00 | 0.00 | 49,806.47 | 1,115.54 | 50,922.01 |
| 111 | | Install new lines | 2/15/2011 SL / N/A | | 50.0000 | 4,000.00 | 100.0000 | 0.00 | 0.00 | 360.00 | 80.00 | 440.00 |
| 112 | | Install new lines | 2/15/2013 SL / N/A | | 50.0000 | 14,905.00 | 100.0000 | 0.00 | 0.00 | 745.25 | 298.10 | 1,043.35 |
| 113 | | Install new lines | 2/15/2014 SL / N/A | | 50.0000 | 1,068.60 | 100.0000 | 0.00 | 0.00 | 32.06 | 21.37 | 53.43 |
| Subtotal: Svcs - #170-0000 | | | | | | 75,750.60 | | 0.00 | 0.00 | 50,943.78 | 1,515.01 | 52,458.79 |
| Less dispositions and exchanges: | | | | 0.00 | | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Svcs - #170-0000 | | | | | | 75,750.60 | | 0.00 | 0.00 | 50,943.78 | 1,515.01 | 52,458.79 |
| Tools & Shop Equip - #156-0000 | | | | | | | | | | | | |
| 179 | | Tools & Shop E | 1/9/1986 SL / N/A | | 5.0000 | 1,830.35 | 100.0000 | 0.00 | 0.00 | 1,830.35 | 0.00 | 1,830.35 |
| 180 | | 2 ton trolley | 2/15/2002 SL / N/A | | 7.0000 | 215.75 | 100.0000 | 0.00 | 0.00 | 215.75 | 0.00 | 215.75 |
| 181 | | Impact wrench | 2/15/2006 SL / N/A | | 7.0000 | 348.50 | 100.0000 | 0.00 | 0.00 | 348.50 | 0.00 | 348.50 |
| 182 | | Grinder | 2/15/2008 SL / N/A | | 7.0000 | 271.64 | 100.0000 | 0.00 | 0.00 | 271.64 | 0.00 | 271.64 |
| 183 | | Impact wrench | 2/15/2008 SL / N/A | | 7.0000 | 354.90 | 100.0000 | 0.00 | 0.00 | 354.90 | 0.00 | 354.90 |
| 184 | | saw | 2/15/2008 SL / N/A | | 7.0000 | 250.90 | 100.0000 | 0.00 | 0.00 | 250.90 | 0.00 | 250.90 |
| 185 | | Impact wrench | 2/15/2008 SL / N/A | | 7.0000 | 354.90 | 100.0000 | 0.00 | 0.00 | 354.90 | 0.00 | 354.90 |
| 186 | | cordless drill | 2/15/2009 SL / N/A | | 7.0000 | 359.39 | 100.0000 | 0.00 | 0.00 | 333.71 | 8.57 | 342.28 |
| 187 | | diesel tank | 2/15/2009 SL / N/A | | 7.0000 | 1,200.00 | 100.0000 | 0.00 | 0.00 | 1,114.29 | 28.56 | 1,142.85 |
| 188 | | cordless tools | 2/15/2012 SL / N/A | | 7.0000 | 836.38 | 100.0000 | 0.00 | 0.00 | 418.18 | 119.48 | 537.66 |

DEPRECIATION SCHEDULE

| | | | | | | | | | | | | |
|---|----------|--------------------|------------------------|-----------------------|-------------|---------------------------|---------------------|------------------------|------------------------------------|-------------------------|-----------------------------|---------------------------|
| 189 | | electric chain ho | 2/15/2012 SL / N/A | | 7.0000 | 2,269.00 | 100.0000 | 0.00 | 0.00 | 1,134.49 | 324.14 | 1,458.63 |
| 190 | | Cutquik saw | 2/15/2013 SL / N/A | | 7.0000 | 1,209.85 | 100.0000 | 0.00 | 0.00 | 432.10 | 172.84 | 604.94 |
| 191 | | Line locator | 2/15/2013 SL / N/A | | 7.0000 | 3,643.16 | 100.0000 | 0.00 | 0.00 | 1,301.13 | 520.45 | 1,821.58 |
| 192 | | Trimmer | 2/15/2014 SL / N/A | | 7.0000 | 193.00 | 100.0000 | 0.00 | 0.00 | 41.36 | 27.57 | 68.93 |
| 193 | | Hammerhead to | 2/15/2014 SL / N/A | | 7.0000 | 4,460.38 | 100.0000 | 0.00 | 0.00 | 955.80 | 637.20 | 1,593.00 |
| 194 | | Lawn mower | 2/15/2014 SL / N/A | | 7.0000 | 5,101.00 | 100.0000 | 0.00 | 0.00 | 1,093.07 | 728.71 | 1,821.78 |
| 246 | | Tools Shop Gar | 7/1/2016 SL / N/A | | 50.0000 | 1,987.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 19.87 | 19.87 |
| Subtotal: Tools & Shop Equip - #156-0000 | | | | | | 24,886.10 | | 0.00 | 0.00 | 10,451.07 | 2,587.39 | 13,038.46 |
| Less dispositions and exchanges: | | | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Tools & Shop Equip - #156-0000 | | | | | | 24,886.10 | | 0.00 | 0.00 | 10,451.07 | 2,587.39 | 13,038.46 |
| Transmission & Mains - #136-0100 | | | | | | | | | | | | |
| 67 | | Unclassified Pla | 1/9/1971 SL / N/A | | 50.0000 | 410,402.00 | 100.0000 | 0.00 | 0.00 | 366,471.38 | 8,208.04 | 374,679.42 |
| 68 | | Additions | 1/9/1972 SL / N/A | | 50.0000 | 30,711.47 | 100.0000 | 0.00 | 0.00 | 26,718.99 | 614.23 | 27,333.22 |
| 69 | | Additions | 1/9/1973 SL / N/A | | 50.0000 | 16,991.74 | 100.0000 | 0.00 | 0.00 | 14,442.84 | 339.83 | 14,782.67 |
| 70 | | Additions | 1/9/1974 SL / N/A | | 50.0000 | 131,876.85 | 100.0000 | 0.00 | 0.00 | 109,487.69 | 2,637.54 | 112,125.23 |
| 71 | | Additions | 1/9/1975 SL / N/A | | 50.0000 | 8,021.46 | 100.0000 | 0.00 | 0.00 | 6,497.30 | 160.43 | 6,657.73 |
| 72 | | Additions | 1/9/1976 SL / N/A | | 50.0000 | 18,161.15 | 100.0000 | 0.00 | 0.00 | 14,383.24 | 363.22 | 14,746.46 |
| 73 | | Additions | 1/9/1977 SL / N/A | | 50.0000 | 37,675.78 | 100.0000 | 0.00 | 0.00 | 29,387.12 | 753.52 | 30,140.64 |
| 74 | | Additions | 1/9/1978 SL / N/A | | 50.0000 | 8,742.48 | 100.0000 | 0.00 | 0.00 | 6,469.44 | 174.85 | 6,644.29 |
| 75 | | Additions | 1/9/1979 SL / N/A | | 50.0000 | 14,427.48 | 100.0000 | 0.00 | 0.00 | 10,676.35 | 288.55 | 10,964.90 |
| 76 | | Additions | 1/9/1980 SL / N/A | | 50.0000 | 10,380.60 | 100.0000 | 0.00 | 0.00 | 7,370.19 | 207.61 | 7,577.80 |
| 77 | | Mains | 1/9/1981 SL / N/A | | 10.0000 | 4,500.00 | 100.0000 | 0.00 | 0.00 | 4,500.00 | 0.00 | 4,500.00 |
| 78 | D | Mains | 1/9/1982 SL / N/A | | 10.0000 | 41,409.48 | 100.0000 | 0.00 | 0.00 | 41,409.48 | 0.00 | 41,409.48 |
| 79 | | Trans & Dist. Ma | 1/9/1983 SL / N/A | | 10.0000 | 2,373.62 | 100.0000 | 0.00 | 0.00 | 2,373.62 | 0.00 | 2,373.62 |
| 80 | | Trans & Dist. Ma | 1/9/1986 SL / N/A | | 10.0000 | 2,460.60 | 100.0000 | 0.00 | 0.00 | 2,460.60 | 0.00 | 2,460.60 |
| System No. | S | Description | Date In Service | Method / Conv. | Life | Cost / Other Basis | Bus./ Inv. % | Sec. 179/ Bonus | Salvage/ Basis Depreciation | Beg. Accum. Adj. | Current Depreciation | Total Depreciation |
| Transmission & Mains - #136-0100 | | | | | | | | | | | | |
| 81 | | Trans & Dist. Ma | 1/9/1985 SL / N/A | | 10.0000 | 6,031.76 | 100.0000 | 0.00 | 0.00 | 6,031.76 | 0.00 | 6,031.76 |
| 82 | | Trans & Dist. Ma | 1/9/1984 SL / N/A | | 10.0000 | 1,896.90 | 100.0000 | 0.00 | 0.00 | 1,896.90 | 0.00 | 1,896.90 |
| 83 | | Trans & Dist. Ma | 1/9/1987 SL / N/A | | 50.0000 | 44,964.00 | 100.0000 | 0.00 | 0.00 | 22,032.36 | 899.28 | 22,931.64 |
| 84 | | Trans & Dist. Ma | 1/9/1988 SL / N/A | | 50.0000 | 82,059.00 | 100.0000 | 0.00 | 0.00 | 45,132.45 | 1,641.18 | 46,773.63 |
| 85 | | Trans & Dist. Ma | 1/9/1989 SL / N/A | | 50.0000 | 776.00 | 100.0000 | 0.00 | 0.00 | 411.28 | 15.52 | 426.80 |
| 86 | | Trans & Dist. Ma | 1/9/1990 SL / N/A | | 50.0000 | 13,111.00 | 100.0000 | 0.00 | 0.00 | 6,686.61 | 262.22 | 6,948.83 |
| 87 | | Trans & Dist. Ma | 1/9/1991 SL / N/A | | 50.0000 | 30,982.00 | 100.0000 | 0.00 | 0.00 | 15,181.18 | 619.64 | 15,800.82 |
| 88 | | Trans & Dist. Ma | 1/9/1992 SL / N/A | | 50.0000 | 1,621.00 | 100.0000 | 0.00 | 0.00 | 761.87 | 32.42 | 794.29 |
| 89 | | Trans & Dist. Ma | 1/9/1993 SL / N/A | | 50.0000 | 29,161.00 | 100.0000 | 0.00 | 0.00 | 13,122.45 | 583.22 | 13,705.67 |
| 90 | | North Marshall | 1/9/1993 SL / N/A | | 50.0000 | 270,710.00 | 100.0000 | 0.00 | 0.00 | 121,819.50 | 5,414.20 | 127,233.70 |
| 91 | | Trans & Dist. Ma | 1/9/1994 SL / N/A | | 50.0000 | 158,431.00 | 100.0000 | 0.00 | 0.00 | 68,125.33 | 3,168.62 | 71,293.95 |
| 92 | | Trans & Dist. Ma | 1/9/1997 SL / N/A | | 50.0000 | 40,052.00 | 100.0000 | 0.00 | 0.00 | 14,819.24 | 801.04 | 15,620.28 |
| 93 | | Trans & Dist. Ma | 1/9/1999 SL / N/A | | 50.0000 | 2,654,494.00 | 100.0000 | 0.00 | 0.00 | 875,983.02 | 53,089.88 | 929,072.90 |
| 94 | | Trans & Dist. Ma | 2/15/2001 SL / N/A | | 50.0000 | 1,727.04 | 100.0000 | 0.00 | 0.00 | 500.84 | 34.54 | 535.38 |
| 95 | | Trans & Dist. Ma | 2/15/2003 SL / N/A | | 50.0000 | 1,440.00 | 100.0000 | 0.00 | 0.00 | 360.00 | 28.80 | 388.80 |
| 96 | | Trans & Dist. Ma | 2/15/2004 SL / N/A | | 50.0000 | 4,501.44 | 100.0000 | 0.00 | 0.00 | 1,035.34 | 90.03 | 1,125.37 |
| 97 | | Trans & Dist. Ma | 2/15/2005 SL / N/A | | 50.0000 | 565.00 | 100.0000 | 0.00 | 0.00 | 118.65 | 11.30 | 129.95 |
| 98 | | Trans & Dist. Ma | 2/15/2006 SL / N/A | | 50.0000 | 33,775.00 | 100.0000 | 0.00 | 0.00 | 6,417.25 | 675.50 | 7,092.75 |
| 99 | | Trans & Dist. Ma | 2/15/2007 SL / N/A | | 50.0000 | 6,272.00 | 100.0000 | 0.00 | 0.00 | 1,066.24 | 125.44 | 1,191.68 |
| 100 | | Trans & Dist. Ma | 2/15/2008 SL / N/A | | 50.0000 | 145,728.99 | 100.0000 | 0.00 | 0.00 | 21,859.35 | 2,914.58 | 24,773.93 |
| 101 | | Trans & Dist. Ma | 2/15/2008 SL / N/A | | 50.0000 | 40,781.00 | 100.0000 | 0.00 | 0.00 | 6,117.15 | 815.62 | 6,932.77 |
| 102 | | Trans & Dist. Ma | 2/15/2009 SL / N/A | | 50.0000 | 47,968.50 | 100.0000 | 0.00 | 0.00 | 6,235.91 | 959.37 | 7,195.28 |

DEPRECIATION SCHEDULE

| | | | | | | | | | | |
|---|--------------------|--------------------|---------|---------------------|----------|-------------|-------------|---------------------|-------------------|---------------------|
| 103 | Trans & Dist. Ma | 2/15/2010 SL / N/A | 50.0000 | 94,786.50 | 100.0000 | 0.00 | 0.00 | 10,426.52 | 1,895.73 | 12,322.25 |
| 104 | Trans & Dist. Ma | 2/15/2010 SL / N/A | 50.0000 | 4,842.50 | 100.0000 | 0.00 | 0.00 | 532.68 | 96.85 | 629.53 |
| 105 | Trans & Dist. Ma | 2/15/2011 SL / N/A | 50.0000 | 46,728.86 | 100.0000 | 0.00 | 0.00 | 4,205.61 | 934.58 | 5,140.19 |
| 106 | Trans & Dist. Ma | 2/15/2012 SL / N/A | 50.0000 | 38,196.88 | 100.0000 | 0.00 | 0.00 | 2,673.79 | 763.94 | 3,437.73 |
| 107 | Trans & Dist. Ma | 2/15/2013 SL / N/A | 50.0000 | 13,170.00 | 100.0000 | 0.00 | 0.00 | 658.50 | 263.40 | 921.90 |
| 108 | Trans & Dist. Ma | 2/15/2014 SL / N/A | 50.0000 | 11,979.53 | 100.0000 | 0.00 | 0.00 | 359.39 | 239.59 | 598.98 |
| 109 | Trans & Dist. Ma | 2/15/2015 SL / N/A | 40.0000 | 16,038.77 | 100.0000 | 0.00 | 0.00 | 400.97 | 400.97 | 801.94 |
| 241 | Trans & Dist | 7/1/2016 SL / N/A | 50.0000 | 48,805.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 488.05 | 488.05 |
| 251 | D Trans & Dist. Ma | 1/9/1983 SL / N/A | 10.0000 | 21,950.52 | 100.0000 | 0.00 | 0.00 | 21,950.52 | 0.00 | 21,950.52 |
| Subtotal: Transmission & Mains - #136-0100 | | | | 4,651,681.90 | | 0.00 | 0.00 | 1,919,570.90 | 91,013.33 | 2,010,584.23 |
| Less dispositions and exchanges: | | | | 63,360.00 | | 0.00 | 0.00 | 63,360.00 | 0.00 | 63,360.00 |
| Net for: Transmission & Mains - #136-0100 | | | | 4,588,321.90 | | 0.00 | 0.00 | 1,856,210.90 | 91,013.33 | 1,947,224.23 |
| Transportation | | | | | | | | | | |
| 172 | 06 Ford pickup | 2/15/2005 SL / N/A | 5.0000 | 17,287.00 | 100.0000 | 0.00 | 0.00 | 17,287.00 | 0.00 | 17,287.00 |
| 174 | Truck (Ford Ran | 2/15/2014 SL / N/A | 5.0000 | 9,800.00 | 100.0000 | 0.00 | 0.00 | 2,940.00 | 1,960.00 | 4,900.00 |
| 175 | Trailer | 2/15/2014 SL / N/A | 5.0000 | 5,000.00 | 100.0000 | 0.00 | 0.00 | 1,500.00 | 1,000.00 | 2,500.00 |
| 176 | 1990 Internation | 2/15/2014 SL / N/A | 5.0000 | 10,500.00 | 100.0000 | 0.00 | 0.00 | 3,150.00 | 2,100.00 | 5,250.00 |
| 177 | Ford Truck | 2/15/2015 SL / N/A | 5.0000 | 19,950.00 | 100.0000 | 0.00 | 0.00 | 3,990.00 | 3,990.00 | 7,980.00 |
| 178 | Ford Truck | 2/15/2015 SL / N/A | 5.0000 | 41,299.00 | 100.0000 | 0.00 | 0.00 | 8,259.80 | 8,259.80 | 16,519.60 |
| Subtotal: Transportation | | | | 103,836.00 | | 0.00 | 0.00 | 37,126.80 | 17,309.80 | 54,436.60 |
| Less dispositions and exchanges: | | | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Transportation | | | | 103,836.00 | | 0.00 | 0.00 | 37,126.80 | 17,309.80 | 54,436.60 |
| Wells & Springs - #163-0000 | | | | | | | | | | |
| 15 | Unclassified Pla | 1/9/1971 SL / N/A | 50.0000 | 14,948.67 | 100.0000 | 0.00 | 0.00 | 13,348.47 | 298.97 | 13,647.44 |
| 16 | Source of suppl | 1/9/1993 SL / N/A | 50.0000 | 69,108.00 | 100.0000 | 0.00 | 0.00 | 31,098.60 | 1,382.16 | 32,480.76 |
| 17 | Source of suppl | 2/15/2000 SL / N/A | 50.0000 | 7,400.00 | 100.0000 | 0.00 | 0.00 | 2,294.00 | 148.00 | 2,442.00 |
| 249 | Wells & Springs | 7/1/2016 SL / N/A | 50.0000 | 79,189.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 791.89 | 791.89 |
| Subtotal: Wells & Springs - #163-0000 | | | | 170,645.67 | | 0.00 | 0.00 | 46,741.07 | 2,621.02 | 49,362.09 |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: Wells & Springs - #163-0000 | | | | 170,645.67 | | 0.00 | 0.00 | 46,741.07 | 2,621.02 | 49,362.09 |
| WT Equip - #155-0000 | | | | | | | | | | |
| 51 | Unclassified pla | 1/9/1971 SL / N/A | 50.0000 | 366,384.00 | 100.0000 | 0.00 | 0.00 | 327,165.20 | 7,327.68 | 334,492.88 |
| 52 | Water treatment | 1/9/1991 SL / N/A | 50.0000 | 638.00 | 100.0000 | 0.00 | 0.00 | 312.62 | 12.76 | 325.38 |
| 53 | Water treatment | 1/9/1993 SL / N/A | 50.0000 | 2,158.00 | 100.0000 | 0.00 | 0.00 | 971.10 | 43.16 | 1,014.26 |
| 54 | 2 pocket cmtr | 2/15/2009 SL / N/A | 10.0000 | 788.95 | 100.0000 | 0.00 | 0.00 | 512.85 | 78.90 | 591.75 |
| 55 | Chart recorded | 2/15/2010 SL / N/A | 10.0000 | 1,191.45 | 100.0000 | 0.00 | 0.00 | 655.32 | 119.15 | 774.47 |
| 56 | Spectrophotom | 2/15/2012 SL / N/A | 10.0000 | 4,395.75 | 100.0000 | 0.00 | 0.00 | 1,098.95 | 439.58 | 1,538.53 |
| 57 | 2 cylinder scale | 2/15/2014 SL / N/A | 10.0000 | 1,700.00 | 100.0000 | 0.00 | 0.00 | 255.00 | 170.00 | 425.00 |
| 58 | Equipment | 2/15/2014 SL / N/A | 10.0000 | 1,157.94 | 100.0000 | 0.00 | 0.00 | 173.69 | 115.79 | 289.48 |
| 59 | Fire Hydrant | 2/15/2015 SL / N/A | 10.0000 | 1,076.85 | 100.0000 | 0.00 | 0.00 | 107.69 | 107.69 | 215.38 |
| 60 | Test Machine | 2/15/2015 SL / N/A | 10.0000 | 969.00 | 100.0000 | 0.00 | 0.00 | 96.90 | 96.90 | 193.80 |
| 245 | Water Treatmen | 7/1/2016 SL / N/A | 50.0000 | 574.00 | 100.0000 | 0.00 | 0.00 | 0.00 | 5.74 | 5.74 |
| Subtotal: WT Equip - #155-0000 | | | | 381,033.94 | | 0.00 | 0.00 | 331,349.32 | 8,517.35 | 339,866.67 |
| Less dispositions and exchanges: | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net for: WT Equip - #155-0000 | | | | 381,033.94 | | 0.00 | 0.00 | 331,349.32 | 8,517.35 | 339,866.67 |
| Subtotal: | | | | 7,601,855.14 | | 0.00 | 0.00 | 3,901,820.13 | 214,684.60 | 4,116,504.73 |
| Less dispositions and exchanges: | | | | 68,960.00 | | 0.00 | 0.00 | 68,960.00 | 0.00 | 68,960.00 |
| Grand Totals: | | | | 7,532,895.14 | | 0.00 | 0.00 | 3,832,860.13 | 214,684.60 | 4,047,544.73 |

BUSINESS LOAN AGREEMENT

| Principal | Loan Date | Maturity | Loan No | Call / Coll | Account | Officer | Initials |
|---|------------|------------|-----------|-------------|---------|---------|----------|
| \$600,671.50 | 05-03-2016 | 05-15-2021 | 300442288 | 10M / 016 | J000458 | SJP | |
| 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: JONATHAN CREEK WATER DISTRICT
7564 US HWY 68 E
BENTON, KY 42025-0414

Lender: COMMUNITY FINANCIAL SERVICES BANK
CALLOWAY COUNTY BANKING CENTER
1721 N 12TH ST
MURRAY, KY 42071-3594

THIS BUSINESS LOAN AGREEMENT dated May 3, 2016, is made and executed between JONATHAN CREEK WATER DISTRICT ("Borrower") and COMMUNITY FINANCIAL SERVICES BANK ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement.

TERM. This Agreement shall be effective as of May 3, 2016, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until May 15, 2021.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel, may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any indebtedness exists:

Organization. Borrower is a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the Commonwealth of Kentucky. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower maintains an office at 7564 US HWY 68 E, BENTON, KY 42025-0414. Unless Borrower has designated otherwise in writing, the principal office is the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: None.

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (1) any provision of any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral. (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: 300442283

Page 2

writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with the following:

Annual Statements. As soon as available, but in no event later than sixty (60) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, compiled by a certified public accountant satisfactory to Lender.

Tax Returns. As soon as available, but in no event later than sixty (60) days after the applicable filing date for the tax reporting period ended, Borrower's Federal and other governmental tax returns, prepared by a certified public accountant satisfactory to Lender.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Compliance Certificates. Unless waived in writing by Lender, provide Lender at least annually, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no Event of Default exists under this Agreement.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or

BUSINESS LOAN AGREEMENT
(Continued)

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paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness and Liens. (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

Continuity of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

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 indebtedness 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.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement 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.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement 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.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

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 of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

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

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default on Indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be, after Lender sends written notice to Borrower or Grantor, as the case may be, demanding cure of such default: (1) cure the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all Indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and 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), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any

limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement 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 Agreement has been accepted by Lender in the Commonwealth of Kentucky.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means JONATHAN CREEK WATER DISTRICT and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means COMMUNITY FINANCIAL SERVICES BANK, its successors and assigns.

**BUSINESS LOAN AGREEMENT
(Continued)**

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Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

Note. The word "Note" means the Note dated May 3, 2016 and executed by JONATHAN CREEK WATER DISTRICT in the principal amount of \$600,671.50, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Permitted Liens. The words "Permitted Liens" mean (1) liens and security interests securing indebtedness owed by Borrower to Lender; (2) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (3) liens of materialmen, mechanics, warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (4) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraph of this Agreement titled "Indebtedness and Liens"; (5) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (6) those liens and security interests which in the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

Security Agreement. The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.

Security Interest. The words "Security Interest" mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED MAY 3, 2016.

BORROWER:

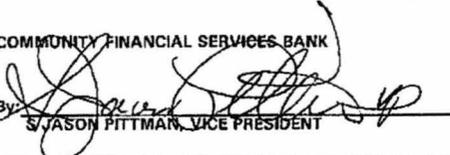
JONATHAN CREEK WATER DISTRICT

By: 
BARRY HILL, TREASURER of JONATHAN CREEK WATER DISTRICT

By: 
LARRY CONNER, CHAIRMAN OF THE BOARD of JONATHAN CREEK WATER DISTRICT

LENDER:

COMMUNITY FINANCIAL SERVICES BANK

By: 
JASON PITTMAN, VICE PRESIDENT

DATE: 5/10/17

CFSB

PREPARED FOR: Jonathan Creek Water

RATE: 03.125000% PAYMENT:

10,850.59 TERM: 60M

| DATE | NUMBER | INTEREST | PRINCIPAL | C/L | A/H | UN EMP | PAYMENT | | TOTAL | BALANCE |
|--------------------|--------|-----------|------------|-----|-----|--------|----------|------------|-----------|------------|
| | | | | | | | ORIGINAL | BALANCE | | |
| | | | | | | | | 600,671.50 | | |
| 6/15/16 | 1 | 2,242.09 | 8,608.50 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 592,063.00 |
| 7/15/16 | 2 | 1,541.83 | 9,308.76 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 582,754.24 |
| 8/15/16 | 3 | 1,568.18 | 9,282.41 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 573,471.83 |
| 9/15/16 | 4 | 1,543.20 | 9,307.39 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 564,164.44 |
| 10/15/16 | 5 | 1,469.18 | 9,381.41 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 554,783.03 |
| 11/15/16 | 6 | 1,492.91 | 9,357.68 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 545,425.35 |
| 12/15/16 | 7 | 1,420.38 | 9,430.21 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 535,995.14 |
| CALENDAR YEAR 2016 | | 11,277.77 | 64,676.36 | .00 | .00 | .00 | .00 | 75,954.13 | | |
| 1/15/17 | 8 | 1,442.35 | 9,408.24 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 526,586.90 |
| 2/15/17 | 9 | 1,417.03 | 9,433.56 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 517,153.34 |
| 3/15/17 | 10 | 1,256.97 | 9,593.62 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 507,559.72 |
| 4/15/17 | 11 | 1,365.83 | 9,484.76 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 498,074.96 |
| 5/15/17 | 12 | 1,297.07 | 9,553.52 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 488,521.44 |
| 6/15/17 | 13 | 1,314.60 | 9,535.99 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 478,985.45 |
| 7/15/17 | 14 | 1,247.36 | 9,603.23 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 469,382.22 |
| 8/15/17 | 15 | 1,263.09 | 9,587.50 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 459,794.72 |
| 9/15/17 | 16 | 1,237.29 | 9,613.30 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 450,181.42 |
| 10/15/17 | 17 | 1,172.35 | 9,678.24 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 440,503.18 |
| 11/15/17 | 18 | 1,185.38 | 9,665.21 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 430,837.97 |
| 12/15/17 | 19 | 1,121.97 | 9,728.62 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 421,109.35 |
| CALENDAR YEAR 2017 | | 15,321.29 | 114,885.79 | .00 | .00 | .00 | .00 | 130,207.08 | | |
| 1/15/18 | 20 | 1,133.19 | 9,717.40 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 411,391.95 |
| 2/15/18 | 21 | 1,107.04 | 9,743.55 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 401,648.40 |
| 3/15/18 | 22 | 976.23 | 9,874.36 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 391,774.04 |
| 4/15/18 | 23 | 1,054.25 | 9,796.34 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 381,977.70 |
| 5/15/18 | 24 | 994.73 | 9,855.86 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 372,121.84 |
| 6/15/18 | 25 | 1,001.37 | 9,849.22 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 362,272.62 |
| 7/15/18 | 26 | 943.42 | 9,907.17 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 352,365.45 |
| 8/15/18 | 27 | 948.21 | 9,902.38 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 342,463.07 |
| 9/15/18 | 28 | 921.56 | 9,929.03 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 332,534.04 |
| 10/15/18 | 29 | 865.97 | 9,984.62 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 322,549.42 |
| 11/15/18 | 30 | 867.97 | 9,982.62 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 312,566.80 |
| 12/15/18 | 31 | 813.98 | 10,036.61 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 302,530.19 |
| CALENDAR YEAR 2018 | | 11,627.92 | 118,579.16 | .00 | .00 | .00 | .00 | 130,207.08 | | |
| 1/15/19 | 32 | 814.10 | 10,036.49 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 292,493.70 |
| 2/15/19 | 33 | 787.09 | 10,063.50 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 282,430.20 |
| 3/15/19 | 34 | 686.46 | 10,164.13 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 272,266.07 |
| 4/15/19 | 35 | 732.66 | 10,117.93 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 262,148.14 |
| 5/15/19 | 36 | 682.68 | 10,167.91 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 251,980.23 |
| 6/15/19 | 37 | 678.07 | 10,172.52 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 241,807.71 |
| 7/15/19 | 38 | 629.71 | 10,220.88 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 231,586.83 |
| 8/15/19 | 39 | 623.19 | 10,227.40 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 221,359.43 |
| 9/15/19 | 40 | 595.67 | 10,254.92 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 211,104.51 |
| 10/15/19 | 41 | 549.75 | 10,300.84 | .00 | .00 | .00 | .00 | 10,850.59 | 10,850.59 | 200,803.67 |

This is where you are now

DATE: 5/10/17

CFSB

PREPARED FOR: Jonathan Creek Water

RATE: 03.125000% PAYMENT:

10,850.59 TERM: 60M

| DATE | NUMBER | INTEREST | PRINCIPAL | C/L | A/H | PAYMENT | | TOTAL | BALANCE |
|--------------------|--------|-----------|------------|-----|-----|---------|-----------------|------------|------------|
| | | | | | | UN EMP | BROUGHT FORWARD | | |
| | | | | | | | | 200,803.67 | |
| 11/15/19 | 42 | 540.36 | 10,310.23 | .00 | .00 | .00 | .00 | 10,850.59 | 190,493.44 |
| 12/15/19 | 43 | 496.08 | 10,354.51 | .00 | .00 | .00 | .00 | 10,850.59 | 180,138.93 |
| CALENDAR YEAR 2019 | | 7,815.82 | 122,391.26 | .00 | .00 | .00 | .00 | 130,207.08 | |
| 1/15/20 | 44 | 484.75 | 10,365.84 | .00 | .00 | .00 | .00 | 10,850.59 | 169,773.09 |
| 2/15/20 | 45 | 456.85 | 10,393.74 | .00 | .00 | .00 | .00 | 10,850.59 | 159,379.35 |
| 3/15/20 | 46 | 401.22 | 10,449.37 | .00 | .00 | .00 | .00 | 10,850.59 | 148,929.98 |
| 4/15/20 | 47 | 400.77 | 10,449.82 | .00 | .00 | .00 | .00 | 10,850.59 | 138,480.16 |
| 5/15/20 | 48 | 360.63 | 10,489.96 | .00 | .00 | .00 | .00 | 10,850.59 | 127,990.20 |
| 6/15/20 | 49 | 344.42 | 10,506.17 | .00 | .00 | .00 | .00 | 10,850.59 | 117,484.03 |
| 7/15/20 | 50 | 305.95 | 10,544.64 | .00 | .00 | .00 | .00 | 10,850.59 | 106,939.39 |
| 8/15/20 | 51 | 287.77 | 10,562.82 | .00 | .00 | .00 | .00 | 10,850.59 | 96,376.57 |
| 9/15/20 | 52 | 259.35 | 10,591.24 | .00 | .00 | .00 | .00 | 10,850.59 | 85,785.33 |
| 10/15/20 | 53 | 223.40 | 10,627.19 | .00 | .00 | .00 | .00 | 10,850.59 | 75,158.14 |
| 11/15/20 | 54 | 202.25 | 10,648.34 | .00 | .00 | .00 | .00 | 10,850.59 | 64,509.80 |
| 12/15/20 | 55 | 167.99 | 10,682.60 | .00 | .00 | .00 | .00 | 10,850.59 | 53,827.20 |
| CALENDAR YEAR 2020 | | 3,895.35 | 126,311.73 | .00 | .00 | .00 | .00 | 130,207.08 | |
| 1/15/21 | 56 | 144.85 | 10,705.74 | .00 | .00 | .00 | .00 | 10,850.59 | 43,121.46 |
| 2/15/21 | 57 | 116.04 | 10,734.55 | .00 | .00 | .00 | .00 | 10,850.59 | 32,386.91 |
| 3/15/21 | 58 | 78.72 | 10,771.87 | .00 | .00 | .00 | .00 | 10,850.59 | 21,615.04 |
| 4/15/21 | 59 | 58.17 | 10,792.42 | .00 | .00 | .00 | .00 | 10,850.59 | 10,822.62 |
| 5/15/21 | 60 | 28.18 | 10,822.62 | .00 | .00 | .00 | .00 | 10,850.80 | .00 |
| CALENDAR YEAR 2021 | | 425.96 | 53,827.20 | .00 | .00 | .00 | .00 | 54,253.16 | |
| GRAND TOTAL | | 50,364.11 | 600,671.50 | .00 | .00 | .00 | .00 | 651,035.61 | |

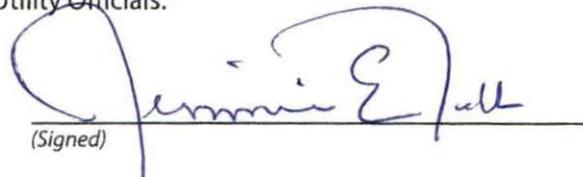
**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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 Jonathan Creek 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 (Individual or Business) | Type of Service Provided By Related Party | Amount of Compensation |
|---|--|---------------------------|
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- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
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Simmie E. Tubbs
(Print Name)


(Signed)

Chairman
(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 Marshall

Subscribed and sworn to before me by Jimmie E Tubbs
(Name)

this 25th day of July, 2017.

David L Lovett #517008
NOTARY PUBLIC
State-at-Large August 11, 2018

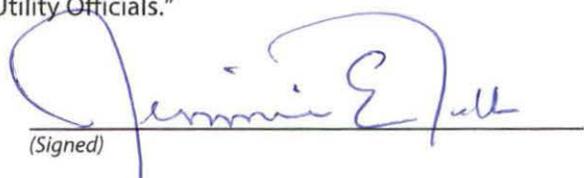
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| Name of Related Party (Individual or Business) | Type of Service Provided By Related Party | Amount of Compensation |
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Simmie E. Tubbs
(Print Name)


(Signed)

Chairman
(Position/Office)

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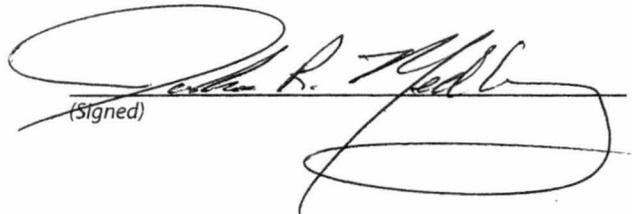
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Joshua R. Medle
(Print Name)


(Signed)

Treasurer
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Marshall

Subscribed and sworn to before me by Joshoa R. Medley
(Name)

this 25th day of July, 2017.

David L. Lovett #517008
NOTARY PUBLIC
State-at-Large August 11, 2018

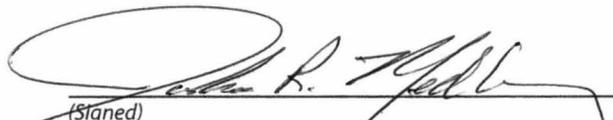
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| Name of Related Party (Individual or Business) | Type of Service Provided By Related Party | Amount of Compensation |
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Joshua R. Medie
(Print Name)


(Signed)

Treasurer
(Position/Office)

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**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Kara Wilson
(Print Name)

Kara Wilson
(Signed)

Board Member
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Marshall

Subscribed and sworn to before me by Kara Wilson
(Name)

this 25th day of July, 2017.

David L. Lovett #517008
NOTARY PUBLIC
State-at-Large August 11, 2018

**STATEMENT OF DISCLOSURE OF
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Kara Wilson
(Print Name)

Kara Wilson
(Signed)

Board Member
(Position/Office)

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Jeff M. O'Bryan
(Print Name)

Jeff M. O'Bryan
(Signed)

Board Member
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Marshall

Subscribed and sworn to before me by Jeff M. O'Bryan
(Name)

this 25th day of July, 2017.

David L. Lovett #517008
NOTARY PUBLIC
State-at-Large August 11, 2018

**STATEMENT OF DISCLOSURE OF
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Jeff M. O'Bryan
(Print Name)

Jeff M. O'Bryan
(Signed)

Board Member
(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.

**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 Jonathan Creek 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 (Individual or Business) | Type of Service Provided By Related Party | Amount of Compensation |
|---|--|---------------------------|
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- 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."

MIKE PAROLT
(Print Name)


(Signed)

BOARD MEMBER
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Marshall

Subscribed and sworn to before me by MIKE DABOLT
(Name)

this 25th day of July, 2017.

David L. Lovett # 517008
NOTARY PUBLIC
State-at-Large August 11, 2018

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RELATED PARTY TRANSACTIONS**

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MIKE PAROLT
(Print Name)


(Signed)

BOARD MEMBER
(Position/Office)

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David L. Lovett
(Print Name)

David L. Lovett
(Signed)

Superintendent
(Position/Office)

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David L. Lovett
(Print Name)

David L. Lovett
(Signed)

Superintendent
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Marshall

Subscribed and sworn to before me by David L Lovett
(Name)

this 25 day of July, 2017.

Virginia L. Lovett 522726
NOTARY PUBLIC expires 11-27-18
State-at-Large



A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE JONATHAN CREEK WATER DISTRICT PROPOSING ADJUSTMENTS TO ITS WATER RATES AND CHARGES AND AUTHORIZING ITS MANAGER TO FILE AN APPLICATION WITH THE PSC SEEKING APPROVAL OF THE PROPOSED RATE ADJUSTMENT

WHEREAS, the Jonathan Creek Water District (“District”) is a water district created and organized under the provisions of KRS Chapter 74. The District is subject to the jurisdiction of the Kentucky Public Service Commission (“PSC”);

WHEREAS, prudent financial management dictates that the District take appropriate action to adjust its water rates and charges; and

WHEREAS, KRS 278.180 and 807 KAR 5:076 provide the legal mechanism for the District to propose adjustments to its water rates and charges;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF JONATHAN CREEK WATER DISTRICT AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The District proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in **Appendix A** are subject to any minor adjustments that may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

Section 3. The Superintendent is hereby authorized and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing (“ARF”) Application, Tariff Sheets, and all other documents that may be required by the PSC.

Section 4. The Chairman, Superintendent, and all other appropriate District staff are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

Section 5. This Resolution shall take effect upon its adoption.

Section 2. The District proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in **Appendix A** are subject to any minor adjustments that may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

Section 3. The Superintendent is hereby authorized and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing (“ARF”) Application, Tariff Sheets, and all other documents that may be required by the PSC.

Section 4. The Chairman, Superintendent, and all other appropriate District staff are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

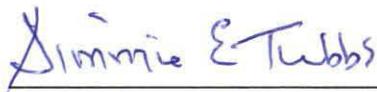
Section 5. This Resolution shall take effect upon its adoption.

**ADOPTED BY THE COMMISSION OF JONATHAN CREEK
WATER DISTRICT** at a meeting held on July 25, 2017, signed by the Chairman,
and duly attested.

ATTEST:



CHAIRMAN



CERTIFICATION

I do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Commission of the District at a meeting properly held on July 25, 2017, signed by the Chairman of the Commission, attested by me, and now in full force and effect.

WITNESS my hand this 25th day of July, 2017.