

*Office:*

8955 Main Street • P.O. Box 219  
Campbellsburg, KY 40011

*Telephones:*

(502) 532-6279 • (502) 532-6280  
1-800-256-2350

*Fax:*

(502) 532-0027



*Water Treatment Plant:*

3278 Morton Ridge Road  
Bedford, Ky 40006

*Telephone:*

(502) 255-0126

*Fax:*

(502) 255-0347

April 16, 2010

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
PO Box 615  
Frankfort, KY 40602-0615

Re: Case # 2009-00370.

Dear Mr. Derouen,

The following are the answers to the PSC's second set of information requests regarding the above referenced case.

Sincerely,

A handwritten signature in black ink, appearing to read "James T. Simpson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

James T. Simpson  
Chief Operating Officer  
Henry County Water District

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April 16, 2010

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
PO Box 615  
Frankfort, KY 40602-0615

Dear Mr. Derouen,

The Board of Directors of the Henry County Water District at their regular meeting on April 13, 2010, decided to ask permission from the Public Service Commission to withdraw the SDC Portion of the application in Case # 2009-00370.

Henry County Water District respectfully requests that relief be granted from answering all questions relating to the SDC in the Commissions second set of information requests. Below is a list of the questions relating to the SDC.

- #1 Henry County Water District's application for an SDC has been withdrawn.
- #2 Henry County Water District's application for an SDC has been withdrawn.
- #3 Henry County Water District's application for an SDC has been withdrawn.
- #4 Parts: A,B,C & D Henry County Water District's application for an SDC has been withdrawn
- #5 Parts: A & B Henry County Water District's application for an SDC has been withdrawn.
- #6 Henry County Water District's application for an SDC has been withdrawn.
- #7 Parts A & B Henry County Water District's application for an SDC has been withdrawn.
- #8 Henry County Water District's application for an SDC has been withdrawn.
- #9 Henry County Water District's application for an SDC has been withdrawn.
- #10 Henry County Water District's application for an SDC has been withdrawn.
- #12 Parts: A,B,C,D,E,F,G,H,I,J &K
- #13 Henry County Water District's application for an SDC has been withdrawn.
- #14 Henry County Water District's application for an SDC has been withdrawn.

Sincerely,

A handwritten signature in black ink, appearing to read "James T. Simpson".

James T. Simpson  
Chief Operating Officer  
Henry County Water District

#11

- b) Information not available at this time
- c) No
- d) On Paper Yes.
- e)
  - 1. Yes
  - 2. No, Not with today's replacement costs. Rates to customers would be Astronomical. The District along with the Commission would be "blasted" By the public. In addition, Dewitt was in effect the last two time the District's rates were addressed and was not a factor in those cases.
- f) Yes. The District has been able in recent years to set aside funds in different accounts

For Plant & Wellfield Repair and System Improvements from the General Rates. The District continues to find ways to reduce expenditures and costs through improved management practices. The District feels that the amount requested in Depreciation Expense will be more than adequate.

#15

- Check # 34636, Invoice # 50126642, Account # 631-8 Engineering, \$4340.00  
PSC Assistance  
48 hours at \$85.00 per hour  
1 hour at \$75.00 per hour,  
1 hour at \$185.00 per hour.
- \$85.00 General Consulting, Invoice # 50126643, Account 631-8 Engineering  
10 hours at \$85.00 per hour.
- \$1190.00 Hydraulic Model, Inv. # 50126641, Account 631-8 Engineering,  
14 hours at \$85.00 per hour.
- \$1870.00 , Check # 34767, Invoice #50129503, Account #631-8 Engineering  
HCWD Small Projects – Bullitt Hill Road Extension Evaluation. 22 hours at \$85.00 per hour.
- \$680.00 Hydraulic Model, Inv. # 50128454, Account 631-8 Engineering, Maintenance of Hydraulic Model. 8 hours at 50128456, Account # 631-8 Engineering 56 hours at \$85.00 per hour.
- \$680.00 General Consulting, Inv. # 50128457, Account #631-8 Engineering, 8 hours at \$85.00 per Hour.
- \$2845.00 Check # 34824, Invoice # 50098446, Account # 631-8 Engineering  
33 Hours at \$85.00 per hour.
- \$2845.00 Check #34824, Invoice # 40098446, Account #631-8 Engineering, HCWD General Consulting.  
2 hours at \$85.00 per hour  
1 hour at \$50.00 per hour
- \$220.00 Check # 35027, Invoice #50146429, Account # 631-8 Engineering  
2 hours at \$85.00 per hour

- \$390.00 Hydraulic Model Check # 35027, Invoice # 631-8 Engineering.  
4 hours at \$85.00 per hour  
1 hour at \$50.00 per hour
- General Consulting Check # 35175, Invoice # 50150919  
Account #631-8 Engineering  
33 Hours at \$85.00 per Hour.
- \$2040.00 PSC Services Check # 35175, Invoices 50150922, Acct. 631-8 Engineering.  
24 hours at \$85.00 per hour.
- \$2975.00 Hydraulic Model, Check #35175, Invoice # 50150926, Acct. # 631-8 Engineering.  
35 hours @ \$85.00 per hour.
- \$8250.00 Pleasureville Tank Check # 35175, Invoice # 50151499  
Account # 105 Work in Progress
- \$2210.00 Hydraulic Model Check # 35369, Invoice # 50161667, Account # 631-8 Engineering.  
26 hours at \$85.00 per hour
- \$1870.00 General Consulting Check # 35369, Invoice # 50161669, Acct. # 631-8 Engineering.  
22 hours at \$85.00 per hour.
- \$340.00 PSC Services Check # 35369, Invoice # 50161668, Acct. 631-8 Engineering
- \$1870.00 Hydraulic Model Check # 35540, Invoice # 50169195, Acct. # 631-8 Engineering.  
22 hours at \$85.00 per hour.
- \$170.00 PSC Services Check # 35540, Invoice # 50169197, Acct # 631-8 Engineering.
- \$1912.00 General Consulting Check #35540, Invoice # 50169198, Acct # 631-8 Engineering  
22 hours at \$85.00 per hour.
- \$935.00 PSC Services Check #35610, Invoice # 50173962, Acct. # 631-8 Engineering.  
11 hours at \$85.00 per hour.
- \$3060.00 General Consulting Check # 35610, Invoice # 50173964, Acct. # 631-8 Engineering.  
36 hours at \$85.00 per hour.
- \$3060.00 Hydraulic Model Check # 35610, Invoice # 50173961, Acct. # 631-8 Engineering.  
36 hours at \$85.00 per hour.
- \$1545.00 General Consulting Check # 35734, Invoice # 50179193, Acct. # 631-8 Engineering.  
17 hours at \$85.00 per hour.  
1 hour at \$100.00 per hour.
- \$1105.00 Hydraulic Model Check # 35734, Invoice # 50179191, Acct. # 632-8 Engineering.  
13 hours at \$85.00 per hour.
- \$595.00 PSC Services Check # 35734, Invoice # 50179192, Acct. # 631-8 Engineering.  
7 hours at \$85.00 per hour.
- \$1650.00 Pleasureville Tank Check # 35778, Invoice # 50183496, Acct. # 105 Work in Progress.

- \$510.00 PSC Services Check # 35868, Invoice # 50188849, Acct. # 631-8 Engineering  
6 hours at \$85.00 per hour.
- \$170.00 Hydraulic Model Check # 35868, Invoice # 50188841, Acct. # 631-8  
Engineering.  
2 hours at \$85.00 per hour.
- \$1020.00 General Consulting Check # 35868, Invoice # 50188850, Acct. # 631-8  
Engineering.  
12 hours at \$85.00 per hour.
- \$460.00 Check # 35868, should not have been paid. Refund was deducted from next  
invoice.
  - \$2040.00 minus \$460.00 deduction from previously paid invoice. \$1580.00  
Recreational Park Line Extension and Scobie Lane Line Improvement. (Tied  
(2) dead end lines together). HCWD small projects check # 36025, Invoice #  
50188855. Acct. 631-8 Engineering. Please see note on invoice.  
24 hours at \$85.00 per hour.  
Design and approval services associated with construction of these two  
projects.
  - \$5780.00 check # 36025, Invoice # 50202615, Acct. #631-8 Engineering
  - \$2210.00 Check # 36025, Invoice # 50202009, Acct. 631-8 Engineering.  
26 hours at \$85.00 per hour.
  - \$4335.00 State Funded Extensions Check #36025, Invoice # 50202527  
Account 63  
631-8 Engineering  
51 hours at \$85.00 per hour.
  - \$2240.00 Check # 36151, Invoice # 50210411, Account # 631-8 Engineering
  - \$3035.00 State Funded Extensions Check # 36151, Inv. # 50210400  
Acct. # 631-8 Engineering  
33 hours at \$85.00 per hour  
2 hours at \$115.00 per hour
  - \$2040.00 General Consulting Check # 36151, Invoice # 50209581,  
Acct. 631-8 Engineering  
24 hours at \$85.00 per hour
  - \$300.00 Hydraulic Analysis Cedar Lake Lodge Check # 36223, Inv. #  
50222478. Acct # 631-8 Engineering.

c) Due to the amount of information requested, the District will need to supplement requested information after 04/16/10. The District will make every effort to provide this information promptly.

#16

- a) District will confer with consultant and supplement answer promptly.
- b) Yes
- c) District will confer with consultant and supplement answer promptly.

#17

a) McCarty Lane line donated	\$35,200.00
Henry County Recreational and Services Park	\$ 3,699.00
Carpenter Lane Line Extension	\$ 1,200.00
Henry County Board of Education	\$ 2,845.00
Pattons Creek Line Extension	\$ 6,666.00
Total	\$49,610.00 In Contributions

b)

1. Yes

Allocated when posting General Ledger to Annual Report.

Miscellaneous Income was analyzed and properly allocated in Annual Report. See attached

c) See attached approved Tariff on line extension refund Policy.

d) Yes the District agrees

- It is not a regulation that the District uses this system. The District goes into far greater detail with its accounting system than the prescribed one.
- Not under consideration.

#18 The District feels that our system of accounting is more detailed, but an account needs to be set up for Contributed Capital.

#19

a) The District gives the customer a final chance to pay their bill during collection of delinquent accounts by going to the door to collect payment. The District has an approved Tariff for Collection of Delinquent Accounts. Bookkeeping has labeled account 474.1 as "At Door Collection Fee", this will be changed to "Collection of Delinquent Accounts" to prevent any future confusion.

b) Copy of Tariff Attached.

#20 Account 475.1 Miscellaneous Income  
02/11/08 \$806.91 received from Bowen Excavating Reimbursement for parts and supplies Henry County High School Renovation Project.

03/21/08 \$566.72 received from Henry County Local Advertising Invoice paid twice.

04/27/08 \$2628.44 this is actual miscellaneous income: Return Check fees, employee reimbursement to the company, Part Invoices, ect.

06/02/08 \$720.00 received from Backyard Bounce/R. Malin cost of relocating water main along Boyer Lane.

06/25/08 \$1791.38 received from Henry County Fiscal Court cost of relocating water main along Boyer Lane.

09/18/08 \$2657.46 received from Henry County Fiscal Court for pipe and supplies for line extension in Recreation and Services Park.

10/23/08 \$1105.00 received from Henry County Fiscal Court reimbursement for Engineering and Design Recreational and Services Park.

10/28/08 \$567.12 interest check received from CD #34139 Untied Citizens Bank. This was listed in the wrong account.

10/31/08 \$649.29 customer Kevin McManis ordered pipe through District for personal use.

11/29/08 \$2754.38 this is actual miscellaneous income: Return Check fees, employee reimbursements, Part Invoices.

12/30/08 \$4235.48 Rebate from Shelby Energy on electric use from past years.

12/31/08 \$6666.00 Year end adjustments Pattons Creek Road Line extension Customers Contribution towards line extension.

12/31/08 \$2845.00 End of Year Adjustment invoiced Henry County Board of Education for engineering review of water line relocation and improvements associated with High School Renovation entered in 2008, but did not receive payment until 2009.

#21 Account 618-1 Chemicals

- a) Invoice attached
- b) All three items on invoice were used to clean the media in the filters at the Treatment Plant. Still have some in stock at plant which the Plant personnel use to keep walls of upflow and downflo part of filters clean.
- c) No

#22 Account 620-1 Material and Supplies

- a) Invoices attached
- b) \$5899.97 Check #34913 Nothing out of the ordinary.

\$9848.32 Check #35263 - \$2532.76 14" BF Valve with actuator should have been coded 675-7 Plant and Wellfield Repair. \$3519.00 ordered 102 meters.

\$8687.54 Check #35263

1837.90 Paid for by Henry County Fiscal Court for water line relocation on Boyer Lane.

\$5858.81 Check # 35535

\$1435.60 ordered through District by C. Hayden for his personal use. District was reimbursed full amount.

\$6391.00 Check # 35639

Nothing out of ordinary.

\$15,165.38 Check #35782

\$2657.46 should have been coded 105 Work in Progress Extension # 2 Henry County Recreational Park.

\$1930.44 Should have been coded 105 Work in Progress. Scobie Lane tied two dead end lines together.

\$5889.325 Check # 35898

Nothing out of Ordinary

\$8609.20 Check # 36165

Nothing out of Ordinary

- #23 a) 70  
b) 0

- #24 Pattons Creek Road Extension  
a) \$13407.46 Includes Labor cost based on hourly wages  
b) 3050 feet  
c) 3 inch  
d) PVC  
e) Henry District Employees  
f) Group of Applicants – contribution \$6666.00  
g) No

Carpenter Lane Line Extension

- a) \$3300.06 includes labor cost based on hourly wages  
b) 620 feet  
c) 3 inch  
d) PVC  
e) Henry District Employees  
f) One Applicant – Contribution \$1200.00  
g) No

Scobie Lane

- a) \$5323.28 includes labor cost based on hourly wages  
b) 1000 feet  
c) 3 inch  
d) PVC  
e) Henry District Employees  
f) No Applicants  
g) No
- Hydraulic Improvement to System. Tied two dead end lines together.

Henry County Recreational and Services Park Phase # 2

- a) \$4625.96 Includes Labor cost based on hourly wages  
b) 1140 feet  
c) 4 inch  
d) PVC  
e) Henry District Employee  
f) One applicant contribution \$3698.56 Henry County Fiscal Court



Pennywinkle Road Line Extension Funded from State Legislature Grant. Project started in late November 2008. Completed April 2009.

#25 Account 620-2 Service Department Supplies

02/08/08 Check # 34821 \$4894.85

Invoice was coded 620-1. Material and Supplies, was entered into wrong account.

05/28//08 Check # 35331 \$975.00

06/11/08 Check # 35413 \$1230.88 Ring and Top for meter vaults. Invoice was coded 620-1 Material and Supplies. Was entered into wrong account.

07/16/08 Check # 35572 \$1152.81

Note on Invoice explains why check was for this amount. Items purchased from this vendor are usually fence supplies, grass seed and weed control product.

07/16/08 Check # 35577 \$3542.60

In the General Ledger the notes have the incorrect Invoice # listed. Correct Invoice # is 15987. Invoice attached. Fastline Printing for preparation of consumer confidence report.

12/19/08 Check # 36247 \$1103.30 Traffic Control signs and ear plugs. Sales tax should not have been paid on Orr Safety Invoice.

#26

- a) Chase Visa Business Credit Card. The District has a total of three (3) cards associated with this account. The account has a \$3000.00 credit limit. The other card is issued to Barry Woods, Superintendent .
- (b) Two of the cards (Chase) are issued to the Chief Operating Officer, James T. Simpson. The other card is issued to the Superintendent Barry Woods.  
The Staples Credit Card is issued to Henry County Water District and is used by the Lynda Wilson, Office Manager. This card has a \$2200.00 credit limit and does not leave the office and is locked in a safe.  
The Chevron Credit Card is issued to Henry County Water District and has a \$1500.00 credit limit. Superintendent Barry Woods has possession of this card. This card is only used one or two times per year in emergency situations.
- (c) The District does not have a written policy regarding the use of credit cards. The Chief Operating Officer does have verbal instructions regards to the previously listed credit cards. Two of the Chase Visa Business Cards under the name James Simpson stay locked in the District's safe. These cards are signed out and in as indicated by the attached sheets.

# 27

A) SEE ATTACHMENT

B) SEE ATTACHMENT

The Staples Credit Card stays locked in the District's safe. The third Chase Visa Business Card along with the Chevron Card are in the possession of Superintendent Barry Woods.

All Credit Card invoices are reviewed by the Bookkeeper, Lisa Coots, and the Chief Operating Officer, James Simpson and the Chairman of the Board, Merle Brewer.

- #28 Account 633-8 Legal  
All invoices attached. Retainer fee 2008 \$8000.00
- #29 See attached contract and 2008 monthly sheets.
- #30  
a) Adjustment made monthly for Prepaid Maintenance Contracts.
- #31 Invoice Attached.
- #32 Account 650-5 Backhoe & Truck Fuel  
Invoices attached:  
Bullock Oil Company provides the District with Gasoline and Fuel for the District's equipment and trucks. There are three (3) above ground contained tanks at the District office. Bullock Oil Company owns the tanks and maintains the pumps, hoses, nozzles, ect. Deliveries are also made to jobsite on occasion. Bullock Oil Company is the only local major distributor left in the area.
- #36 Account 675-7 Plant & Wellfield Repair  
a) 01/03/08 \$2255.00 Johnson All Services, Inc. Certified electrician with experience in Pumps and motors in water utility industry. Invoice with description attached.  
  
02/01/08 \$2034.60 Gatterdam's Electric Invoice with descripton attached. Repair on High Service Motor.  
  
02/08/08 \$1564.87 Living Waters Company, Inc.  
  
02/21/08 \$2222.00 RCD International, Inc.  
Invoice with description attached. Vacuum Truck used to remove media from Filter #3 for Repairs.  
  
02/27/08 \$8185.00 Johnson All Service, Inc.  
Invoice with Description attached.  
  
03/26/08 \$8376.95 Quality Electric Motor Service, Inc.  
Invoice with description attached. High Service Motor work.  
  
04/09/08 \$3954.16 Guthrie Sales & Service, Inc. Invoice with description attached. Replace And repair main valve coming out of filter #1.  
  
11/07/08 \$5784.00 Reynolds, Inc.  
Invoice with description attached.

11/07/08 \$1630.80 Grainger  
Invoice with Description attached.

12/15/08 Walt's Pump Service  
Invoice attached. Should have been coded to account 676-1

12/19/08 \$1092.65 Furmanite  
Invoice with Description attached.

b) Payment to John Roehrig

1. No

2. This invoice was part of several invoices associated with the repair of Filter #3 at the Treatment Plant. The filter was inoperable and needed to be repaired. ASAP this Part of the repair was done on a time and material basis. The area under the filter is Confined space approximately three and a half foot tall. The total event of the Damage could not be determined upon visual inspection.

The District filed a claim with our insurance company on Filter # 3 as a mechanical Failure. The claims adjuster came to the Treatment Plant and investigated the claim. A report followed with a description with a determination that the damage was caused by a manufacturing default.

The Company was contacted (see legal acct. 133) on this. They claimed that the warranty had expired since the plant had been in operation ten years. The District Feels that there was a defect in the bracing under the filter. We could not afford to have the filter inoperable for an indefinite time period in any type of lengthy litigation.

c) **SEE ATTACHMENT.**

#33 Account 650-8 Mileage

The District does not have company vehicles for all of the Service Department Employees. Employees are provided mileage books where a record is kept of all miles traveled conducting business on behalf of the District. See Attached.

The Individuals listed provide their personal vehicle and are compensated at the IRS Rate.

#34 See attachment Employee Personnel Policy.

#35 See attachment Employee Personnel Policy.

The District also has an unwritten policy in the event that an employee needs to purchase an item or items for the District. The Employee must receive permission from the Chief Operating Officer or the Superintendent before making the purchase. The employee must also turn in all receipts before receiving any reimbursement.

#37 Account 682-1 Repairs Service Department Equipment

a) Vendor invoices are attached.

b) Invoice amount \$1761.27

Repair to 1978 450 Case Bulldozer which the District owns. This invoice includes a \$232.50 field visit charge to get the Bulldozer running. The Bulldozer broke down while crew was working on line extension. The balance \$1528.77 was for repairs made to Bulldozer at Hunt Tractor, Inc.

Invoice Amount #3524.79

\$2100.00 was for two (2) new 24" buckets for two of the District's Backhoes. \$587.78 was for repair and parts for one of the District's 580 Super M Backhoes. \$433.72 was for parts to repair and replace a seal in the District's Ram attachment. The balance \$403.35 are on four separate invoices for parts and labor on a cylinder on other District's equipment.

#38 Account 685-1 Miscellaneous Expense

There are three (3) entries to this account in the 2008 test year period. They do not total \$3974.78. The entries on the General Ledger in 2008 paid to Make a Memory total \$1835.70.

- a) A Copy of the 2008 General Ledger and the invoices are attached.
- b) The goods received from Make a Memory are for shirts, pullovers, sweatshirts and Tee Shirts for employees of the District. They are basically used as a company uniform with the District's name and logo printed or stitched on the left front pocket area. The employees paid half of the cost of the goods until 2008. The District's employees are more professional looking and can be easily identified as a District employee by our customers.

#39

A & B

The District received Grant funding from the State Legislature in the 2008-2010 Budget to do three line extensions to provide water service to residents on county roads where there were no water lines. All Grant funds are distributed through Kentucky Infrastructure Authority. The District performed the construction of these line extensions in-house with District equipment and labor saving the state approximately 40-50% in constructing costs.

When submitting the final paperwork through the state clearinghouse and KIA for review all District labor and owned equipment cannot be submitted for re-imburement. However, any lease or rented equipment is allowable under KIA guidelines. The District entered into a Lease/Purchase agreement with Hunt Tractor, Inc. on a new 550H Case Bulldozer to perform these extensions and also provide the District with a piece of equipment that will last for several years. The District traded in a 1978 450 Dozer, a 1980 550K Backhoe, and a 1994 580SK Backhoe on the new 550H Bulldozer, leaving a balance of \$42,107.00, divided into five (5) lease payments. See attachments.

- #41 The Chief Operating Officer and the Rate Case Consultant, Carryn Lee, reviewed the 2008 Audit Report and the 2009 Proposed Budget of the District. Final 2009 figures could only be approximated since work on the rate case began in October. The District's fiscal year is a calendar year. Keep in mind that a proposed budget is what it says, proposed. There were three items that any significant adjustment from 2008-2009 seemed necessary to the Chief Operating Officer.

#40 SEE ATTACHMENT

Salaries and Wages:

This item is usually really close to what is actually going to be at the end of the fiscal year. The Chief Operating Officer advised Ms. Lee of the 2009 Budget and the \$29,906.00 reflects the change.

Purchased Power:

This item is budgeted usually higher than what will actually occur. The Chief Operating Officer advised Ms. Lee of proposed rate cases by Shelby Energy and Kentucky Utilities which would affect the District. The cost of electric in 2009 was \$397,150.00. The District over budgeted \$27,850.00 on this item.

Plant and Wellfield Repair:

The \$50,000.00 deduction in the 2009 budget is the approximate cost of the Filter #3 repair at the Treatment Plant in 2008. Filters #1 and #2 were inspected after repairs were made to Filter#3. No damage was observed at that time; therefore, the decision was made not to add \$50,000.00 to the 2009 Budget.

#42

- a) Yes
- b) The mowing services provided to the District were divided into two categories:
  - 1. Treatment Plant
    - Old Treatment Plant
    - Well Field
    - Hwy 42 Tank Site
    - Office Yard
  - 2. Campbellsburg Booster Station
    - Old Hwy 157
    - Pleasureville Booster Station
    - Pendelton Booster Station
    - Franklinton Booster Station
    - New Hwy 157 Booster Station
    - Lacie Solenoid Station
    - Lacie Booster Station
    - Fallen Time Tank Site
    - Lacie Tank Site
    - Vance Road Tank Site
    - Pleasureville Tank Site
    - Pleasureville Tank Site
    - Jericho Tank Site
    - Franklinton Tank Site
    - Office Tank Site

Employee Barry Woods provided the mowing services in Category # 1 for 2008-2009. Prior to That time period Mr. Woods provided the mowing services in Category #2 from 2004-2008.

Employee Brandon Beckley provided the mowing services in Category #2 for 2008-2009.

- c) From 2003-2007 in Category # 1 the mowing services were provided by Ms. Melinda Armstrong.  
From 1996-2003 in Category #2 the mowing services were provided by employee James Simpson.  
See attachments.
- d) All District Employees are accounted for during working hours. These employees absolutely did not perform contract services on District Time. Beginning in 2010 the District began performing these mowing services in-house. There will not be a contract mowing account.

10/21/08 \$250.00 Check #35982 Tommy Ralston

This is for two (2) Bushhog mowings of the 300 foot buffer zone area between District Wells and Landowner adjacent property.

#### Office Cleaning

Employee Lisa Coots has performed this service from 2008 to present. Ms. Melinda Armstrong performed this service from approximately 1999-2007.

Weekly office cleaning is done on Saturday or Sunday Mornings.

- #43 The District has two months of data to this point of the effects of the increase in the Connection/transfer fee. March 2008 Connection/Transfer Revenues were \$1680.00 March 2010 Connection/Transfer Fee were \$2295.00, increase in income of \$695.00. If this trend were to continue for the year 2010 the District would see an increase of Revenue \$6950.00, compared with the 2008 Test Year. February 2010 being a short month and approval coming on the third of the month, data not completely reliable
- #44 No. All purchases of goods and services by District Employees must be approved by the Chief Operating Officer. The District does not have a written policy.
- #45 Copy of Henry County Fiscal Court action approved monthly salary at \$225.00 on 10/12/02. . District could not locate other counties approval of this amount. The District does have approval from the other counties in the amount of \$300.00 per month.
- #46 The District takes an aggressive approach in its water loss program which affects pump run times on its booster run times. All electric bills are reviewed on a monthly basis, comparing month to month usage and year to year usage. Pump run times are monitored using the District's telemetry .

## **Response to Staff's Second Set of Information Requests**

### **Item 11B**

There are no workpapers relating to the funding of depreciation. Henry County determined that it wanted to increase its rates no more than 18 percent. Operating and maintenance expense as well as debt and coverage are required to be funded. The only adjustment that could be made to lessen the impact on rates was for depreciation to be not fully funded.

### **Item 16 A**

Jimmie – I took the \$25,984 from the audit report and the annual report shows \$46,514. The CPA needs to show the difference.

### **Item 16 C**

It does not appear that the \$90,000 reported as "Interest Income" in the application is shown in the annual report.

HENRY COUNTY WATER DISTRICT # 2 [4422-01]  
 Depreciation Expense  
 Financial  
 For the Period 1/1/2008 - 12/31/2008

COPY

System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. 179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
303-00												
1	303-00	303.4	Land and land rights	01/01/74	N/A	0.0	2,270.00	-	-	-	-	-
2	303-00	303.2	Land Rights	01/01/74	N/A	0.0	1,531.00	-	-	-	-	-
3	303-00	303.2	Fallen Timber Rd	01/01/74	N/A	0.0	4,000.00	-	-	-	-	-
4	303-00	303.4	Land and land rights	01/01/74	N/A	0.0	4,388.60	-	-	-	-	-
5	303-00	303.2	Pumping Plant	02/01/87	N/A	0.0	4,250.00	-	-	-	-	-
6	303-00	303.5	Office/Shop land	03/01/88	N/A	0.0	10,000.00	-	-	-	-	-
7	303-00	303.2	Franklin tower	03/23/92	N/A	0.0	3,454.00	-	-	-	-	-
8	303-00	303.4	Campbellsburg	04/04/95	N/A	0.0	15,967.00	-	-	-	-	-
9	303-00	303.3	Land for Treatment	11/13/95	N/A	0.0	54,516.65	-	-	-	-	-
10	303-00	303.4	Land for booster	01/05/96	N/A	0.0	4,000.00	-	-	-	-	-
11	303-00	303.2	Land at well field	01/14/98	N/A	0.0	13,740.00	-	-	-	-	-
359	303-00	303.4	Land for Booster	02/23/02	N/A	0.0	4,500.00	-	-	-	-	-
371	303-00	303.4	Easements for Re	07/01/02	N/A	0.0	17,650.00	-	-	-	-	-
	303-00	303.4	Land for Tank Site	04/14/04	N/A	0.0	200.00	-	-	-	-	-
	303-00	303.4	Union church easemen	07/01/05	N/A	0.0	5,500.00	-	-	-	-	-
	303-00	303.4	Land Pleasureville tank	07/01/05	N/A	0.0	7,400.00	-	-	-	-	-
	303-00	303.4	Jackson Road & Hwy 2	07/01/05	N/A	0.0	13,675.00	-	-	-	-	-
	303-00	303.4	Easements	07/01/06	N/A	0.0	7,575.00	-	-	-	-	-
			Subtotal before dispositions:				174,617.25	-	-	-	-	-
			Less dispositions and exchanges:					-	-	-	-	-
			Net for: 303-00				174,617.25	-	-	-	-	-
304-00												
12	304-00	301.1	Organization	01/01/74	SL	60.0	16,359.00	-	-	10,898.39	272.65	11,171.04
13	304-00	301.1	Miscellaneous	01/01/74	SL	50.0	3,773.35	-	-	2,564.22	75.47	2,639.69
45	304-00	330.4	Reservoirs & sta	02/19/74	SL	33.0	107,139.82	-	-	107,139.82	-	107,139.82
46	304-00	331.4	Transmissions & d	04/01/74	SL	60.0	305,757.38	-	-	166,944.45	5,095.96	172,040.41
14	304-00	301.1	Organization	06/15/74	SL	50.0	22,751.00	-	-	15,259.49	455.02	15,714.51
15	304-00	302.1	Franchise & conse	06/15/74	SL	50.0	2,268.00	-	-	1,521.19	45.36	1,566.55
16	304-00	301.1	Miscellaneous	06/15/74	SL	50.0	140,078.91	-	-	93,953.39	2,801.58	96,754.97
28	304-00	304.2	Structures & Impr	07/21/74	SL	33.0	178,557.79	-	-	178,557.79	-	178,557.79
44	304-00	330.4	Reservoirs & sta	08/05/74	SL	40.0	77,492.00	-	-	64,541.45	1,937.30	66,478.75
49	304-00	331.4	Transmission & d	05/02/75	SL	60.0	2,037,295.08	-	-	1,109,011.33	33,954.92	1,142,966.25
54	304-00	335.4	Hydrants	06/20/76	SL	40.0	6,079.95	-	-	4,791.88	152.00	4,943.88
30	304-00	304.2	Fence around pla	01/01/77	SL	20.0	9,506.75	-	-	9,506.75	-	9,506.75
31	304-00	311.2	Electric pumping	01/01/77	SL	20.0	129,068.69	-	-	129,068.69	-	129,068.69
29	304-00	304.2	Structures & Impr	03/15/77	SL	60.0	291,787.00	-	-	149,723.99	4,863.12	154,587.11
47	304-00	331.4	Trans & dist main	01/20/83	SL	33.0	154,510.41	-	-	116,805.30	4,682.13	121,487.43
50	304-00	331.4	1986 extensions	07/04/86	SL	33.0	41,850.65	-	-	27,247.28	1,268.20	28,515.48
51	304-00	331.4	Schaug Line	06/01/87	SL	33.0	3,136.00	-	-	1,956.03	95.03	2,051.06
20	304-00	304.2	Phase I - Structure	07/15/87	SL	25.0	362,322.90	-	-	297,104.86	14,492.92	311,597.78
21	304-00	311.2	Phase I - Pumpin	07/15/87	SL	25.0	130,000.00	-	-	106,600.00	5,200.00	111,800.00
52	304-00	331.4	Stalker Line	10/01/87	SL	33.0	13,483.92	-	-	8,274.15	408.60	8,682.75

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**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial  
 For the Period 1/1/2008 - 12/31/2008

System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. 179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
53	304-00	331.4	Flood Cropper lin	11/01/87	SL	N/A	12,652.80	-	-	7,732.30	383.42	8,115.72
48	304-00	331.4	Banta Fork extens	12/01/87	SL	N/A	3,491.89	-	-	2,116.24	105.81	2,222.05
59	304-00	331.4	Bethlehem/Franklin	04/01/88	SL	N/A	12,150.00	-	-	7,271.56	368.18	7,639.74
60	304-00	331.4	Brown Lane	04/01/88	SL	N/A	3,400.00	-	-	2,034.84	103.03	2,137.87
56	304-00	331.4	Hillsboro Rd.	06/01/88	SL	N/A	7,128.00	-	-	4,230.00	216.00	4,446.00
57	304-00	331.4	Hill Sping Rd.	07/01/88	SL	N/A	2,100.00	-	-	1,240.98	63.64	1,304.62
58	304-00	331.4	Fallen Timber Rd	07/01/88	SL	N/A	17,740.00	-	-	10,482.81	537.58	11,020.39
17	304-00	304.2	Structures & Impr	07/15/88	SL	N/A	157,707.65	-	-	122,749.20	6,308.31	129,057.51
18	304-00	309.2	Supply mains	07/15/88	SL	N/A	803,366.07	-	-	473,702.03	24,344.43	498,046.46
61	304-00	331.4	Scobee Lane	08/01/88	SL	N/A	11,283.90	-	-	6,639.33	341.94	6,981.27
62	304-00	331.4	Highway 421	10/01/88	SL	N/A	15,208.20	-	-	8,871.40	460.85	9,332.25
63	304-00	331.4	Providence Rd.	10/01/88	SL	N/A	19,800.00	-	-	11,560.00	600.00	12,160.00
64	304-00	331.4	Carpenter Lane	10/01/88	SL	N/A	3,160.00	-	-	1,843.38	95.76	1,939.14
19	304-00	304.2	Structures & Impr	10/15/88	SL	N/A	331,672.23	-	-	254,834.85	13,266.89	268,101.74
32	304-00	304.2	Structures & Impr	10/15/88	SL	N/A	60,945.54	-	-	46,826.46	2,437.82	49,264.28
33	304-00	311.2	Electric pumping	10/15/88	SL	N/A	186,854.41	-	-	179,458.08	7,396.33	186,854.41
34	304-00	311.2	Computer telem	10/15/88	SL	N/A	153,153.30	-	-	153,153.30	-	153,153.30
37	304-00	304.3	Structures & Impr	10/15/88	SL	N/A	40,906.66	-	-	31,430.02	1,636.27	33,066.29
38	304-00	320.3	Equipment	10/15/88	SL	N/A	221,151.51	-	-	212,397.68	8,753.83	221,151.51
39	304-00	304.3	Fence	12/01/88	SL	N/A	1,440.00	-	-	1,440.00	-	1,440.00
65	304-00	331.4	Franklinton	02/01/89	SL	N/A	83,139.00	-	-	47,657.90	2,519.36	50,177.26
67	304-00	331.4	Point Pleasant	04/25/89	SL	N/A	27,480.50	-	-	15,058.72	832.74	15,891.46
69	304-00	331.4	Richmond Road	05/25/89	SL	N/A	6,016.50	-	-	3,372.92	182.32	3,555.24
68	304-00	331.4	Camron Road	06/05/89	SL	N/A	13,296.05	-	-	7,487.41	402.91	7,890.32
66	304-00	331.4	New Castle loop	07/01/89	SL	N/A	39,217.09	-	-	21,490.23	1,188.40	22,678.63
70	304-00	331.4	Patton Creek	07/10/89	SL	N/A	10,515.40	-	-	5,895.02	318.65	6,213.67
72	304-00	331.4	Maddox & 389	08/08/89	SL	N/A	12,464.85	-	-	6,956.34	377.72	7,334.06
73	304-00	331.4	Crabb farm sub.	10/01/89	SL	N/A	4,207.33	-	-	2,326.73	127.49	2,454.22
71	304-00	331.4	Smith farm sub.	10/05/89	SL	N/A	13,530.50	-	-	7,482.86	410.02	7,892.88
75	304-00	331.4	Hillsboro	10/27/89	SL	N/A	1,498.65	-	-	824.95	45.41	870.36
22	304-00	304.2	Tower painting	12/01/89	SL	N/A	46,593.23	-	-	46,593.23	-	46,593.23
74	304-00	331.4	Drennon	12/20/89	SL	N/A	30,940.94	-	-	16,876.84	937.60	17,814.44
77	304-00	304.2	Marcus Burgan R	02/09/90	SL	N/A	2,855.20	-	-	1,549.57	86.52	1,636.09
23	304-00	304.2	Tower painting	03/01/90	SL	N/A	4,525.00	-	-	4,525.00	-	4,525.00
88	304-00	331.4	Blakemore	04/13/90	SL	N/A	2,172.40	-	-	1,168.48	65.83	1,234.31
81	304-00	331.4	Orig. Hwy. 202	05/01/90	SL	N/A	3,645.83	-	-	1,951.07	110.48	2,061.55
87	304-00	331.4	Kidwell Pike	06/09/90	SL	N/A	6,193.53	-	-	3,299.41	187.68	3,487.09
87	304-00	331.4	Hwy. 22 East	08/01/90	SL	N/A	35,944.15	-	-	18,963.31	1,089.22	20,052.53
79	304-00	331.4	Polifite Farm	09/01/90	SL	N/A	11,630.00	-	-	6,079.28	352.42	6,431.70
80	304-00	331.4	Wilson Farm	09/01/90	SL	N/A	9,237.00	-	-	4,828.44	279.91	5,108.35
86	304-00	331.4	Bunk Ellis Rd.	09/06/90	SL	N/A	12,178.80	-	-	6,395.67	369.05	6,764.72
76	304-00	331.4	Fences around to	10/01/90	SL	N/A	9,587.00	-	-	5,011.46	290.52	5,301.98
85	304-00	331.4	Union church	10/15/90	SL	N/A	11,593.40	-	-	6,060.26	351.32	6,411.58
84	304-00	331.4	Hwy 421 ext. to 6	10/31/90	SL	N/A	5,598.30	-	-	2,911.19	169.65	3,080.84

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
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82	304-00	331.4	Hillsboro Exit	11/21/90	SL	N/A	3,245.01	-	-	1,676.32	98.33	1,774.65
83	304-00	331.4	Clifford Lane	11/30/90	SL	N/A	4,158.00	-	-	2,152.08	126.00	2,278.08
89	304-00	331.4	Loudin Road	04/04/91	SL	N/A	22,396.76	-	-	11,368.05	678.69	12,046.74
90	304-00	331.4	Lockport	06/06/91	SL	N/A	15,487.31	-	-	7,781.15	469.31	8,250.46
91	304-00	331.4	Cavnaill	06/30/91	SL	N/A	3,259.59	-	-	1,629.86	98.78	1,728.64
92	304-00	331.4	Whiteagle	07/16/91	SL	N/A	2,577.32	-	-	1,281.62	78.10	1,359.72
93	304-00	331.4	22 + 389	07/16/91	SL	N/A	24,380.02	-	-	12,123.53	738.79	12,862.32
24	304-00	304.2	Tower painting	08/01/91	SL	N/A	85,297.44	-	-	85,297.44	-	85,297.44
94	304-00	331.4	Carpenter Lane	09/19/91	SL	N/A	4,956.65	-	-	2,440.75	150.20	2,590.95
95	304-00	331.4	Garrett Road	12/18/91	SL	N/A	1,570.27	-	-	765.08	47.58	812.66
96	304-00	331.4	Hunt 389	12/18/91	SL	N/A	2,218.15	-	-	1,080.89	67.22	1,148.11
97	304-00	331.4	Gest	03/01/92	SL	N/A	122,945.54	-	-	58,988.98	3,725.62	62,714.60
98	304-00	331.4	Hwy 22 Walls	05/20/92	SL	N/A	7,466.10	-	-	3,525.73	226.25	3,751.98
99	304-00	331.4	Pendleton/Mt. O	07/20/92	SL	N/A	7,992.70	-	-	3,733.92	242.20	3,976.12
100	304-00	331.4	Deerfield	08/18/92	SL	N/A	1,003.20	-	-	466.13	30.40	496.53
101	304-00	331.4	202/389	09/04/92	SL	N/A	16,769.66	-	-	7,791.94	508.17	8,300.11
102	304-00	331.4	P. Pleasant/Robin	10/22/92	SL	N/A	898.10	-	-	412.84	27.22	440.06
103	304-00	331.4	Banta Fork	11/13/92	SL	N/A	5,069.87	-	-	2,330.06	153.63	2,483.69
25	304-00	304.2	Franklinton tower	12/01/92	SL	N/A	227,558.58	-	-	137,293.63	9,102.34	146,395.97
104	304-00	331.4	Bohannon Lane	12/03/92	SL	N/A	1,802.97	-	-	824.15	54.64	878.79
105	304-00	331.4	Wright-Mr. Olivet	04/13/93	SL	N/A	1,337.97	-	-	598.01	40.54	638.55
106	304-00	331.4	Hwy 1606-Chilton	04/22/93	SL	N/A	1,223.76	-	-	543.84	37.08	580.92
107	304-00	331.4	Carron Road	06/10/93	SL	N/A	11,874.34	-	-	5,247.52	359.83	5,607.35
108	304-00	331.4	Batts Lane Loop	07/01/93	SL	N/A	4,003.53	-	-	1,759.14	121.32	1,880.46
109	304-00	331.4	Harpers Ferry	07/10/93	SL	N/A	32,632.44	-	-	14,338.47	988.86	15,327.33
110	304-00	331.4	T. Nelson	08/03/93	SL	N/A	1,000.50	-	-	437.11	30.32	467.43
111	304-00	331.4	Russell Road	09/01/93	SL	N/A	4,680.21	-	-	2,032.79	141.82	2,174.61
112	304-00	331.4	Mill Creek	09/15/93	SL	N/A	2,746.39	-	-	1,189.35	83.22	1,272.57
113	304-00	331.4	Long Branch	10/26/93	SL	N/A	18,476.81	-	-	7,931.92	559.90	8,491.82
114	304-00	331.4	Hwy 421-Parrish	11/10/93	SL	N/A	1,612.12	-	-	692.04	48.85	740.89
115	304-00	331.4	Watkins/bush	11/30/93	SL	N/A	5,108.36	-	-	2,180.10	154.80	2,334.90
116	304-00	331.4	Organ Creek	12/01/93	SL	N/A	2,806.31	-	-	1,197.65	85.04	1,282.69
117	304-00	331.4	Magruder/Shipma	12/17/93	SL	N/A	2,877.42	-	-	1,224.33	87.19	1,311.52
118	304-00	331.4	Martin Acres	02/18/94	SL	N/A	864.44	-	-	362.43	26.20	388.63
119	304-00	331.4	Corley Road	03/01/94	SL	N/A	926.66	-	-	388.44	28.08	416.52
120	304-00	331.4	Webb Lane	03/10/94	SL	N/A	816.24	-	-	342.14	24.73	366.87
121	304-00	331.4	421 to Six Mile	04/15/94	SL	N/A	2,999.55	-	-	1,253.66	90.90	1,344.56
122	304-00	331.4	Deerfield/Fantu	05/23/94	SL	N/A	2,637.27	-	-	1,085.58	79.92	1,165.50
123	304-00	331.4	Kidwell Pike	06/27/94	SL	N/A	7,274.70	-	-	2,976.08	220.45	3,196.53
124	304-00	331.4	Hwy 1606-Gaines	07/07/94	SL	N/A	6,914.59	-	-	2,828.65	209.53	3,038.18
125	304-00	331.4	Turners Sta.-Conr	07/12/94	SL	N/A	576.09	-	-	235.71	17.46	253.17
126	304-00	331.4	Dawkins Lane	08/01/94	SL	N/A	1,467.34	-	-	596.55	44.46	641.01
127	304-00	331.4	Pendleton Height	08/05/94	SL	N/A	295.56	-	-	120.21	8.96	129.17
128	304-00	331.4	Organ Creek	08/08/94	SL	N/A	2,135.22	-	-	868.06	64.70	932.76

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
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System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. 179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
129	304-00	331.4	Watkins	08/20/94	SL	N/A	2,355.12	-	-	951.60	71.37	1,022.97
130	304-00	331.4	Hwy 202	09/01/94	SL	N/A	19,659.35	-	-	7,943.20	595.74	8,538.94
131	304-00	331.4	Salt Creek	09/15/94	SL	N/A	3,755.66	-	-	1,517.47	113.81	1,631.28
132	304-00	331.4	Hillsboro/Harp	10/15/94	SL	N/A	10,007.03	-	-	4,005.30	303.24	4,308.54
133	304-00	331.4	Silvers	10/18/94	SL	N/A	4,005.58	-	-	1,603.23	121.38	1,724.61
134	304-00	331.4	Saw Mill	10/24/94	SL	N/A	2,233.36	-	-	891.12	67.68	958.80
135	304-00	331.4	Hwy 389	11/01/94	SL	N/A	3,064.84	-	-	1,222.79	92.87	1,315.66
136	304-00	331.4	Ditto Lane	11/25/94	SL	N/A	3,373.87	-	-	1,337.64	102.24	1,439.88
137	304-00	331.4	Deerfield	11/30/94	SL	N/A	3,416.70	-	-	1,354.65	103.54	1,458.19
138	304-00	331.4	Guthrie	12/05/94	SL	N/A	1,755.86	-	-	696.16	53.21	749.37
40	304-00	304.3	Safety equipment	01/25/95	SL	N/A	5,702.65	-	-	5,702.65	-	5,702.65
41	304-00	304.3	Clear modification	07/13/95	SL	N/A	12,888.00	-	-	12,888.00	-	12,888.00
139	304-00	331.4	Barton Lane	08/28/95	SL	N/A	921.07	-	-	344.22	27.91	372.13
140	304-00	331.4	1606 & Wolf Pen	11/10/95	SL	N/A	5,144.13	-	-	1,890.05	155.88	2,045.93
35	304-00	311.2	Telemetry radio	04/17/96	SL	N/A	2,108.53	-	-	2,108.53	-	2,108.53
26	304-00	304.2	Fence at Lacie To	06/07/96	SL	N/A	4,743.00	-	-	4,743.00	-	4,743.00
36	304-00	311.2	Lightning Ground	06/17/96	SL	N/A	6,858.50	-	-	6,858.50	-	6,858.50
27	304-00	304.2	Campbellsburg t	05/01/98	SL	N/A	442,743.95	-	-	171,194.35	17,709.76	188,904.11
42	304-00	304.3	Plant-Tribble Co.	05/01/98	SL	N/A	5,596,339.00	-	-	1,545,655.53	159,895.40	1,705,550.93
43	304-00	304.3	In ground holding	05/01/98	SL	N/A	519,571.96	-	-	152,197.84	15,744.60	167,942.44
55	304-00	331.4	New Castle loop	05/01/98	SL	N/A	1,790,803.53	-	-	524,578.78	54,266.77	578,845.55
141	304-00	331.4	Davidson/Organ C	11/30/98	SL	N/A	52,505.42	-	-	14,452.22	1,591.07	16,043.29
271	304-00	331.4	Hwy 22 Extension	02/28/99	SL	N/A	4,795.00	-	-	1,283.49	145.30	1,428.79
270	304-00	331.4	Hwy 1606 Exten	06/30/99	SL	N/A	2,608.96	-	-	672.01	79.06	751.07
266	304-00	331.4	L-71 Extension	07/31/99	SL	N/A	593,999.83	-	-	151,499.96	17,999.99	169,499.95
267	304-00	331.4	Clements Bottom	07/31/99	SL	N/A	136,006.54	-	-	34,688.54	4,121.41	38,809.95
269	304-00	331.4	Rowlett Gap Exte	11/30/99	SL	N/A	5,610.50	-	-	1,374.34	170.02	1,544.36
265	304-00	304.2	Tower Climbing D	12/16/99	SL	N/A	1,750.00	-	-	560.00	70.00	630.00
268	304-00	304.2	Pleasureville Tank	12/31/99	SL	N/A	77,490.00	-	-	24,796.80	3,099.60	27,896.40
316	304-00	331.4	Brown Lane (892'	07/01/00	SL	N/A	6,320.66	-	-	1,436.55	191.54	1,628.09
317	304-00	331.4	Deerfield (1500' -	07/01/00	SL	N/A	6,246.69	-	-	1,419.68	189.29	1,608.97
318	304-00	331.4	Gullion Br. (2370'	07/01/00	SL	N/A	9,221.03	-	-	2,095.72	279.43	2,375.15
319	304-00	331.4	Kavanaugh (1060'	07/01/00	SL	N/A	5,523.09	-	-	1,255.27	167.37	1,422.64
320	304-00	331.4	Long Branch (81	07/01/00	SL	N/A	9,277.62	-	-	2,108.55	281.14	2,389.69
321	304-00	331.4	Morton Ridge (71	07/01/00	SL	N/A	4,173.02	-	-	948.45	126.46	1,074.91
322	304-00	331.4	Mt Olivet (500' - 3	07/01/00	SL	N/A	4,453.87	-	-	1,012.27	134.97	1,147.24
323	304-00	331.4	Raisor Lane (1140	07/01/00	SL	N/A	8,724.75	-	-	1,982.92	264.39	2,247.31
324	304-00	331.4	Russell Branch (	07/01/00	SL	N/A	5,234.90	-	-	1,189.73	158.63	1,348.36
325	304-00	331.4	Stucker Lane (10	07/01/00	SL	N/A	3,771.77	-	-	857.25	114.30	971.55
330	304-00	331.4	Cropper School (	07/01/00	SL	N/A	129,670.98	-	-	29,470.65	3,929.42	33,400.07
310	304-00	311.2	By-pass flowmeter	10/12/00	SL	N/A	6,668.00	-	-	2,417.15	333.40	2,750.55
327	304-00	304.2	42 Tower Fence	10/23/00	SL	N/A	4,551.00	-	-	3,261.55	455.10	3,716.65
328	304-00	304.3	Back door plant	11/08/00	SL	N/A	601.00	-	-	430.72	60.10	490.82
329	304-00	304.3	Plant alarm	11/08/00	SL	N/A	513.76	-	-	513.76	-	513.76

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial

For the Period 1/1/2008 - 12/31/2008

System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. 179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
311	304-00	311.2	Bypass flowmeter	12/30/00	SL	20.0	4,491.14	-	-	1,571.92	224.56	1,796.48
337	304-00	311.2	2 ladder gates for	01/22/01	SL	20.0	1,511.10	-	-	522.62	75.56	598.18
338	304-00	311.2	Flow meter	02/07/01	SL	20.0	3,292.96	-	-	1,138.83	164.65	1,303.48
341	304-00	331.4	Brocius Lane (3	07/01/01	SL	33.0	10,758.66	-	-	2,119.13	326.02	2,445.15
342	304-00	331.4	Galbraith Rd (4"	07/01/01	SL	33.0	22,881.94	-	-	4,507.04	693.39	5,200.43
343	304-00	331.4	Gilmer Rd (4"-1100	07/01/01	SL	33.0	2,546.78	-	-	501.67	77.18	578.85
344	304-00	331.4	Hiatt Ln (6"-4180	07/01/01	SL	33.0	24,550.83	-	-	4,835.75	743.96	5,579.71
345	304-00	331.4	Marathon/Speed	07/01/01	SL	33.0	154,463.19	-	-	30,424.55	4,680.70	35,105.25
346	304-00	331.4	Sweeney Lane P	07/01/01	SL	33.0	59,214.74	-	-	11,663.53	1,794.39	13,457.92
347	304-00	331.4	Wooded Hills (4	07/01/01	SL	33.0	23,585.00	-	-	4,645.55	714.70	5,360.25
333	304-00	304.2	Lacie Tower-PAint	10/12/01	SL	10.0	71,506.02	-	-	44,691.25	7,150.60	51,841.85
339	304-00	311.2	6 laddergates	11/20/01	SL	20.0	3,697.02	-	-	1,124.52	184.85	1,309.37
351	304-00	304.3	Plant gate	03/29/02	SL	15.0	6,127.00	-	-	2,348.70	408.47	2,757.17
357	304-00	331.4	Carron Creek - (	07/01/02	SL	33.0	13,567.23	-	-	2,261.21	411.13	2,672.34
372	304-00	331.4	Happy Ridge Upg	07/01/02	SL	33.0	51,191.78	-	-	8,531.98	1,551.27	10,083.25
373	304-00	331.4	Pendleton Height	07/01/02	SL	33.0	1,683.50	-	-	280.61	51.02	331.63
374	304-00	331.4	Hiatt Lane II - (6"	07/01/02	SL	33.0	23,917.89	-	-	3,986.29	724.78	4,711.07
375	304-00	331.4	Hwy 395 Elmburg	07/01/02	SL	33.0	8,330.69	-	-	1,388.47	252.45	1,640.92
376	304-00	331.4	Joe's Branch Roa	07/01/02	SL	33.0	30,023.74	-	-	5,003.96	909.81	5,913.77
377	304-00	331.4	Radcliff/Hickory C	07/01/02	SL	33.0	7,884.92	-	-	1,314.17	238.94	1,553.11
361	304-00	304.2	Metel shed	07/02/02	SL	10.0	15,673.24	-	-	8,620.26	1,567.32	10,187.58
369	304-00	304.5	Sealcoating and s	08/04/02	SL	15.0	1,973.92	-	-	712.78	131.59	844.37
368	304-00	331.4	Eminence Line H	11/22/02	SL	33.0	170,979.85	-	-	26,337.83	5,181.21	31,519.04
301	304-00	304.2	Campbellsburg	01/01/03	SL	10.0	12,470.00	-	-	6,235.00	1,247.00	7,482.00
360	304-00	331.4	Eminence II	01/01/03	SL	33.0	24,293.61	-	-	3,680.85	736.17	4,417.02
362	304-00	331.4	Elm Lane (Pendle	01/01/03	SL	33.0	1,413.49	-	-	214.15	42.83	256.98
349	304-00	311.2	High service pum	01/23/03	SL	20.0	9,319.85	-	-	2,291.12	465.99	2,757.11
350	304-00	311.2	New motor for pu	02/07/03	SL	20.0	9,769.89	-	-	2,401.74	488.49	2,890.23
303	304-00	304.5	AC Unit-Plant	04/16/03	SL	20.0	4,267.00	-	-	995.63	213.35	1,208.98
356	304-00	304.2	Pump Accessories	07/20/05	SL	7.0	1,118.53	-	-	399.48	159.79	559.27
366	304-00	331.4	Sweeney II	08/19/05	SL	7.0	5,600.00	-	-	1,933.33	800.00	2,733.33
378	304-00	331.4	Heron Creek	07/01/03	SL	33.0	29,888.27	-	-	4,075.70	905.71	4,981.41
379	304-00	331.4	Organ Creek	07/01/03	SL	33.0	2,619.34	-	-	357.17	79.37	436.54
380	304-00	331.4	Morton Ridge	07/01/03	SL	33.0	2,372.04	-	-	323.46	71.88	395.34
297	304-00	331.4	Ballardsville Rd	07/01/03	SL	33.0	1,846.85	-	-	251.87	55.97	307.84
300	304-00	311.2	157 booster pum	07/31/03	SL	20.0	3,551.42	-	-	715.05	158.90	873.95
254	304-00	304.2	Regionalization P	07/31/03	SL	25.0	3,001,566.28	-	-	784.27	177.57	961.84
298	304-00	311.2	Fence around off	09/26/03	SL	7.0	1,453.00	-	-	530,277.06	120,062.73	650,339.79
353	304-00	311.2	157 booster pum	09/26/03	SL	20.0	2,333.75	-	-	882.17	207.57	1,089.74
315	304-00	304.2	Pump platform	10/08/03	SL	20.0	7,700.00	-	-	495.93	116.69	612.62
332	304-00	311.2	Storage Bldg Wfri	11/19/03	SL	20.0	1,800.00	-	-	1,636.25	385.00	2,021.25
	304-00	304.2	Pump baseplate	11/19/03	SL	20.0	12,400.00	-	-	367.50	90.00	457.50
	304-00	304.2	Fence @ Well sites	04/08/04	SL	10.0	9,525.00	-	-	2,531.67	620.00	3,151.67
										3,333.75	952.50	4,286.25

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial  
 For the Period 1/1/2008 - 12/31/2008

System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. 179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation	
304-00	330 4	2004	System Upgrade	07/01/04	SL	N/A	238,526.28	-	-	20,871.06	5,963.16	26,834.22	
304-00	331 4	Fox Creek Rd		07/01/04	SL	N/A	4,194.01	-	-	444.82	127.09	571.91	
304-00	331 4	Longbranch Ext		07/01/04	SL	N/A	2,663.80	-	-	282.52	80.72	363.24	
304-00	331 4	Bush Ext		07/01/04	SL	N/A	20,408.40	-	-	2,164.54	618.44	2,782.98	
304-00	331 4	Valley View Dr		07/01/04	SL	N/A	5,377.15	-	-	570.29	162.94	733.23	
304-00	331 4	New Cut Rd		07/01/04	SL	N/A	5,558.22	-	-	589.51	168.43	757.94	
304-00	331 4	Union church		07/01/05	SL	N/A	24,654.75	-	-	1,867.78	747.11	2,614.89	
304-00	331 4	Happy Ridge		07/01/05	SL	N/A	14,694.94	-	-	1,113.25	445.30	1,558.55	
304-00	331 4	Jackson Rd & Hwy 22		07/01/05	SL	N/A	65,724.69	-	-	4,979.15	1,991.66	6,970.81	
304-00	331 4	Hawkins Lane		07/01/05	SL	N/A	1,752.21	-	-	132.75	53.10	185.85	
304-00	331 4	St Estes Lane		07/01/05	SL	N/A	8,875.50	-	-	672.38	268.95	941.33	
304-00	331 4	Hwy 55 Project		07/01/05	SL	N/A	214,382.69	-	-	16,241.12	6,496.45	22,737.57	
304-00	331 4	Union church		07/01/05	SL	N/A	22,273.34	-	-	1,687.37	674.95	2,362.32	
304-00	331 4	Pleasureville		07/01/05	SL	N/A	17,768.35	-	-	1,346.08	538.43	1,884.51	
304-00	331 4	Happy Ridge		07/01/05	SL	N/A	803.25	-	-	60.85	24.34	85.19	
304-00	331 4	Jackson Rd & Hwy 22		07/01/05	SL	N/A	635.00	-	-	48.10	19.24	67.34	
304-00	331 4	Deerfield - Fox Run Rd		07/01/06	SL	N/A	3,692.24	-	-	167.83	111.89	279.72	
304-00	331 4	Deerfield - Arnold Ln		07/01/06	SL	N/A	2,262.74	-	-	102.85	68.57	171.42	
304-00	331 4	Lake Sherwood Norrell		07/01/06	SL	N/A	2,258.59	-	-	102.66	68.44	171.10	
304-00	331 4	Herron Creek Rd		07/01/06	SL	N/A	2,419.31	-	-	109.97	73.31	183.28	
304-00	331 4	System Betterment		07/01/07	SL	HY	755,660.78	-	-	11,449.41	11,449.41	22,898.82	
304-00	331 4	Bullit Hill		07/01/07	SL	HY	26,960.66	-	-	408.49	408.49	816.98	
304-00	331 4	Organ Creek		07/01/07	SL	HY	56,345.36	-	-	853.72	853.72	1,707.44	
304-00	331 4	Henry Co. Business Pa		07/01/07	SL	HY	4,944.06	-	-	74.91	74.91	149.82	
304-00	331 4	Chestnut Hill		07/01/07	SL	HY	6,150.35	-	-	93.19	93.19	186.38	
304-00	331 4	Various Lines		7/1/2008	SL	N/A	10,885.07	-	-	-	164.93	164.93	
304-00	331 4	Henry Co. Recreational		7/1/2008	SL	N/A	5,845.26	-	-	-	88.56	88.56	
304-00	331 4	Scoble Lane		7/1/2008	SL	N/A	8,670.97	-	-	-	131.38	131.38	
304-00	331 4	Carpenter Lane		7/1/2008	SL	N/A	4,193.55	-	-	-	63.54	63.54	
304-00	331 4	Lower Pattons Creek R		7/1/2008	SL	N/A	14,164.48	-	-	-	214.61	214.61	
304-00	331 4	McCarty Lane		7/1/2008	SL	N/A	41,607.56	-	-	-	630.42	630.42	
<b>Subtotal before dispositions:</b>							22,160,863.21	-	-	8,308,197.69	646,652.33	8,954,850.02	
Less dispositions and exchanges:							-	-	-	-	-	-	-
<b>Net for: 304-00</b>							22,160,863.21	-	-	8,308,197.69	646,652.33	8,954,850.02	
<b>304-01</b>							100,839.21	-	-	78,318.48	4,033.57	82,352.05	
142	304-01	304 5	Office and storag	08/01/88	SL	N/A	1,402.00	-	-	1,060.85	56.08	1,116.93	
143	304-01	304 5	Metal Door & sid	02/09/89	SL	N/A	10,544.60	-	-	7,414.89	421.78	7,836.67	
144	304-01	304 5	Paving at office	06/01/90	SL	N/A	1,098.80	-	-	747.15	43.95	791.10	
145	304-01	304 5	Tri co. overhead d	01/14/91	SL	N/A	578.00	-	-	578.00	-	578.00	
146	304-01	304 5	Phils landscaping	06/10/91	SL	N/A	186,809.48	-	-	62,892.53	7,472.38	70,364.91	
273	304-01	304 5	Building addition	07/31/99	SL	N/A	3,681.00	-	-	2,914.13	368.10	3,282.23	
312	304-01	304 5	Furnace & Door	02/10/00	SL	N/A	304,953.09	-	-	153,926.03	12,395.86	166,321.89	
<b>Subtotal before dispositions:</b>							304,953.09	-	-	153,926.03	12,395.86	166,321.89	

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial  
 For the Period 1/1/2008 - 12/31/2008

System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. Basis	179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
Less dispositions and exchanges:													
Net for: 304-01							304,953.09	-	-	-	153,926.03	12,395.86	166,321.89
<b>320-</b>													
253	320-	347.5	2100 Lab burner	03/03/96	SL	5.0	1,642.50	-	-	-	1,642.50	-	1,642.50
257	320-	320.3	Laboratory Equip	07/01/98	SL	5.0	4,338.82	-	-	-	4,338.82	-	4,338.82
274	320-	320.3	Laboratory Equip	02/05/99	SL	5.0	665.20	-	-	-	665.20	-	665.20
275	320-	320.3	Chlorine Detector	05/07/99	SL	5.0	1,380.00	-	-	-	1,380.00	-	1,380.00
262	320-	320.3	New panel for tr	01/15/03	SL	7.0	6,310.69	-	-	-	4,507.65	901.53	5,409.18
232	320-	320.3	Air conditioner for	07/16/03	SL	10.0	1,076.00	-	-	-	484.20	107.60	591.80
331	320-	320.3	Filter unit control	09/12/03	SL	7.0	1,550.70	-	-	-	959.96	221.53	1,181.49
354	320-	320.3	Chlorine regulator	11/13/03	SL	5.0	4,458.16	-	-	-	3,715.13	743.03	4,458.16
	320-	320.3	Chlorine Detector	03/23/04	SL	5.0	1,308.35	-	-	-	915.85	261.67	1,177.52
	320-	320.3	Pump platform	01/30/04	SL	10.0	14,562.67	-	-	-	5,096.94	1,456.27	6,553.21
	320-	320.3	Refrigerator	05/10/04	SL	7.0	379.00	-	-	-	189.49	54.14	243.63
	320-	320.3	Pump base	06/10/05	SL	10.0	12,000.00	-	-	-	3,100.00	1,200.00	4,300.00
	320-	320.3	Pumps (2)	05/05/05	SL	10.0	13,491.75	-	-	-	3,485.38	1,349.18	4,834.56
	320-	320.3	Chlorine Process Analy	7/1/2006	SL	5.0	2,754.50	-	-	-	826.35	550.90	1,377.25
Subtotal before dispositions:							65,918.34	-	-	-	31,307.47	6,845.85	38,153.32
Less dispositions and exchanges:							-	-	-	-	-	-	-
Net for: 320-							65,918.34	-	-	-	31,307.47	6,845.85	38,153.32
<b>334-04</b>													
147	334-04	333.4	Services	06/20/76	SL	40.0	19,251.19	-	-	-	15,172.63	481.28	15,653.91
148	334-04	334.4	Meter Installation	06/20/76	SL	40.0	3,750.00	-	-	-	2,955.52	93.75	3,049.27
149	334-04	334.4	Meters	06/20/76	SL	40.0	58,762.68	-	-	-	46,313.01	1,469.07	47,782.08
153	334-04	334.4	Meters	04/05/79	SL	33.0	181,241.25	-	-	-	157,502.37	5,492.16	162,994.53
150	334-04	334.4	Meters	07/01/85	SL	10.0	18,646.65	-	-	-	18,646.65	-	18,646.65
151	334-04	334.4	Meters	07/01/86	SL	10.0	10,961.87	-	-	-	10,961.87	-	10,961.87
154	334-04	334.4	Meters	07/01/86	SL	10.0	26,975.00	-	-	-	26,975.00	-	26,975.00
152	334-04	334.4	Meters	07/01/87	SL	10.0	6,700.00	-	-	-	6,700.00	-	6,700.00
155	334-04	334.4	Meters	07/01/87	SL	10.0	29,400.00	-	-	-	29,400.00	-	29,400.00
157	334-04	334.4	Meters	07/01/88	SL	10.0	60,200.00	-	-	-	60,200.00	-	60,200.00
156	334-04	339.4	Meter pickup reg	10/13/88	SL	7.0	1,133.93	-	-	-	1,133.93	-	1,133.93
158	334-04	334.4	Meters	07/01/89	SL	10.0	87,137.42	-	-	-	87,137.42	-	87,137.42
159	334-04	334.4	Meters	07/01/90	SL	10.0	82,975.00	-	-	-	82,975.00	-	82,975.00
160	334-04	334.4	Meters	07/01/91	SL	10.0	78,750.00	-	-	-	78,750.00	-	78,750.00
161	334-04	334.4	Meters	07/01/92	SL	10.0	80,150.00	-	-	-	80,150.00	-	80,150.00
162	334-04	334.4	Meters	07/01/93	SL	10.0	84,000.00	-	-	-	84,000.00	-	84,000.00
163	334-04	334.4	Meters	07/01/94	SL	10.0	80,500.00	-	-	-	80,500.00	-	80,500.00
164	334-04	334.4	Meters	07/01/95	SL	10.0	47,600.00	-	-	-	47,600.00	-	47,600.00
165	334-04	334.4	Meters	07/01/96	SL	10.0	55,300.00	-	-	-	55,300.00	-	55,300.00
166	334-04	334.4	Meters	07/01/97	SL	10.0	46,775.00	-	-	-	46,775.00	-	46,775.00
167	334-04	334.4	Meters	07/01/98	SL	10.0	90,275.00	-	-	-	85,761.25	4,513.75	90,275.00

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial

For the Period 1/1/2008 - 12/31/2008

System No.	G/L Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other		Sec. Basis	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation	
							Basis	179/Bonus						
264	334-04	334.4	Meters (211)	07/01/99	SL	N/A	121,325.00	-	-	-	103,126.25	12,132.50	115,258.75	
326	334-04	334.4	Meters (153-5/8")	07/01/00	SL	N/A	94,035.00	-	-	-	70,526.25	9,403.50	79,929.75	
334	334-04	334.4	Meters (155-5/8")	07/01/01	SL	N/A	93,075.00	-	-	-	60,498.75	9,307.50	69,806.25	
348	334-04	334.4	Meters (122-5/8")	07/01/02	SL	N/A	70,150.00	-	-	-	38,582.50	7,015.00	45,597.50	
302	334-04	334.4	Meters (129-5/8")	07/01/03	SL	N/A	74,175.00	-	-	-	33,378.75	7,417.50	40,796.25	
	334-04	334.4	Meters (117-5/8")	07/01/04	SL	N/A	67,275.00	-	-	-	23,546.25	6,727.50	30,273.75	
	334-04	334.4	Meters (133-5/8")	07/01/05	SL	N/A	77,050.00	-	-	-	19,262.50	7,705.00	26,967.50	
	334-04	334.4	Meters 1-1"	07/01/05	SL	N/A	675.00	-	-	-	168.75	67.50	236.25	
	334-04	334.4	Meters 96 - 5/8"	07/01/06	SL	N/A	55,200.00	-	-	-	8,280.00	5,520.00	13,800.00	
	334-04	334.4	Meters 3 - 1"	07/01/06	SL	N/A	2,025.00	-	-	-	303.75	202.50	506.25	
	334-04	334.4	Meters (81) 5/8"	07/01/07	SL	HY	46,575.00	-	-	-	2,328.75	2,328.75	4,657.50	
	334-04	334.4	Meters (2) 1"	07/01/07	SL	HY	1,350.00	-	-	-	67.50	67.50	135.00	
	334-04	334.4	Meters (1) 2"	07/01/07	SL	HY	1,300.00	-	-	-	65.00	65.00	130.00	
	334-04	334.4	Meters (62) 5/8"	07/01/08	SL	HY	35,650.00	-	-	-	-	1,782.50	1,782.50	
	334-04	334.4	Meters (1) 1"	07/01/08	SL	HY	675.00	-	-	-	-	33.75	33.75	
	334-04	334.4	Meters (1) 1"	07/01/08	SL	HY	125.00	-	-	-	-	6.25	6.25	
	334-04	334.4	Meters (1) Partial	07/01/08	SL	HY	1,891,144.99	-	-	-	1,465,044.65	81,832.26	1,546,876.91	
Subtotal before dispositions:							1,891,144.99	-	-	-	1,465,044.65	81,832.26	1,546,876.91	
Less dispositions and exchanges:							-	-	-	-	-	-	-	-
Net for: 334-04							1,891,144.99	-	-	-	1,465,044.65	81,832.26	1,546,876.91	

System No.	G/L Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other		Sec. Basis	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
							Basis	179/Bonus					
168	340-00	340.5	Various	06/27/79	SL	N/A	7,474.98	-	-	-	7,474.98	-	7,474.98
169	340-00	340.5	Various	07/15/80	SL	N/A	18,633.02	-	-	-	18,633.02	-	18,633.02
171	340-00	340.5	File cabinet	02/01/87	SL	N/A	50.00	-	-	-	50.00	-	50.00
170	340-00	340.5	Computer	02/01/87	SL	N/A	15,850.00	-	-	-	15,850.00	-	15,850.00
175	340-00	340.5	Misc office furnit	06/17/88	SL	N/A	241.57	-	-	-	241.57	-	241.57
176	340-00	340.5	Microwave oven	06/17/88	SL	N/A	119.62	-	-	-	119.62	-	119.62
177	340-00	340.5	Sweeper	06/25/88	SL	N/A	285.98	-	-	-	285.98	-	285.98
178	340-00	340.5	Refrigerator	06/25/88	SL	N/A	272.97	-	-	-	272.97	-	272.97
179	340-00	340.5	Desks, tables, et	06/25/88	SL	N/A	1,610.73	-	-	-	1,610.73	-	1,610.73
173	340-00	340.5	Typewriter	07/11/88	SL	N/A	584.00	-	-	-	584.00	-	584.00
174	340-00	340.5	Window shades	08/09/88	SL	N/A	194.75	-	-	-	194.75	-	194.75
180	340-00	340.5	Word processing	06/08/90	SL	N/A	575.00	-	-	-	575.00	-	575.00
181	340-00	340.5	Terminal	12/08/90	SL	N/A	525.00	-	-	-	525.00	-	525.00
182	340-00	340.5	Portable radios (	07/09/91	SL	N/A	1,000.00	-	-	-	1,000.00	-	1,000.00
183	340-00	340.5	CPU	09/18/92	SL	N/A	5,295.00	-	-	-	5,295.00	-	5,295.00
184	340-00	340.5	Printer	09/18/92	SL	N/A	2,590.00	-	-	-	2,590.00	-	2,590.00
185	340-00	340.5	Stand	11/05/92	SL	N/A	125.00	-	-	-	125.00	-	125.00
186	340-00	340.5	Compaq Pritnea	10/31/94	SL	N/A	1,269.00	-	-	-	1,269.00	-	1,269.00
187	340-00	340.5	Wyse 325 Color	03/14/95	SL	N/A	695.00	-	-	-	695.00	-	695.00
188	340-00	340.5	Telephone syste	03/14/95	SL	N/A	9,135.68	-	-	-	9,135.68	-	9,135.68
189	340-00	340.5	Panel & worksta	03/15/95	SL	N/A	9,969.12	-	-	-	9,969.12	-	9,969.12
190	340-00	340.5	Alpine XL 15 Clea	03/21/95	SL	N/A	595.00	-	-	-	595.00	-	595.00
191	340-00	340.5	Compaq 7452 HJ	03/27/95	SL	N/A	2,246.00	-	-	-	2,246.00	-	2,246.00

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**

**Depreciation Expense**

**Financial**

For the Period 1/1/2008 - 12/31/2008

System No.	G/L Code	PSC Code	Description	Date In Service	Method / Convention	Life	Cost or Other Basis	Sec. 179/Bonus	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
192	340-00	340.5	XL 120 Micro rea	11/09/95	SL	7.0	229.00	-	-	229.00	-	229.00
193	340-00	340.5	6 Viewers	11/09/95	SL	7.0	471.00	-	-	471.00	-	471.00
194	340-00	340.5	PWP-365 World P	12/18/95	SL	7.0	479.00	-	-	479.00	-	479.00
197	340-00	340.5	Motorola Radio	03/07/96	SL	7.0	1,134.50	-	-	1,134.50	-	1,134.50
195	340-00	340.5	Company 1024	07/05/96	SL	7.0	276.30	-	-	276.30	-	276.30
196	340-00	340.5	Kenwood TK-705	07/12/96	SL	7.0	424.15	-	-	424.15	-	424.15
198	340-00	340.5	Upright Vacuum	03/24/97	SL	7.0	199.00	-	-	199.00	-	199.00
199	340-00	340.5	Xerox 5624TA	04/24/97	SL	7.0	4,095.00	-	-	4,095.00	-	4,095.00
200	340-00	340.5	Color TV	03/10/98	SL	5.0	161.54	-	-	161.54	-	161.54
201	340-00	340.5	Altos 900	03/24/98	SL	5.0	6,490.00	-	-	6,490.00	-	6,490.00
202	340-00	340.5	Okidata laser	03/24/98	SL	5.0	1,490.00	-	-	1,490.00	-	1,490.00
203	340-00	340.5	HP officejet laser	06/05/98	SL	5.0	379.68	-	-	379.68	-	379.68
205	340-00	340.5	2 Pentium 233's	06/22/98	SL	5.0	3,934.00	-	-	3,934.00	-	3,934.00
204	340-00	340.5	Chairs & tables	07/01/98	SL	7.0	1,172.95	-	-	1,172.95	-	1,172.95
276	340-00	340.5	Chair	01/07/99	SL	7.0	212.40	-	-	212.40	-	212.40
277	340-00	340.5	Portable Radio S	03/05/99	SL	7.0	445.00	-	-	445.00	-	445.00
278	340-00	340.5	C530 Mobile Rad	03/05/99	SL	7.0	1,437.78	-	-	1,437.78	-	1,437.78
259	340-00	340.5	Desks (2)	05/03/99	SL	7.0	5,590.00	-	-	5,590.00	-	5,590.00
260	340-00	340.5	Meter readers - C	05/07/99	SL	7.0	335.00	-	-	335.00	-	335.00
281	340-00	340.5	Telephone	05/07/99	SL	7.0	407.25	-	-	407.25	-	407.25
283	340-00	340.5	Chairs (2)	06/09/99	SL	7.0	438.75	-	-	438.75	-	438.75
284	340-00	340.5	Mobile Radio SN	06/09/99	SL	7.0	1,197.76	-	-	1,197.76	-	1,197.76
261	340-00	340.5	Plant computer	06/28/99	SL	7.0	504.00	-	-	504.00	-	504.00
258	340-00	340.5	Blinds	07/12/99	SL	7.0	355.50	-	-	355.50	-	355.50
286	340-00	340.5	Portable Radio S	09/08/99	SL	7.0	574.63	-	-	574.63	-	574.63
287	340-00	340.5	Telephone	09/08/99	SL	7.0	404.50	-	-	404.50	-	404.50
288	340-00	340.5	Portable Radio S	10/05/99	SL	7.0	5,080.13	-	-	5,080.13	-	5,080.13
289	340-00	340.5	Expand Telephon	10/12/99	SL	7.0	2,220.00	-	-	2,220.00	-	2,220.00
335	340-00	340.5	Epson 8500 prin	07/27/01	SL	5.0	1,195.00	-	-	1,195.00	-	1,195.00
336	340-00	340.5	Software-Comput	09/10/01	SL	5.0	1,295.00	-	-	1,295.00	-	1,295.00
352	340-00	340.5	Software-Comput	01/23/02	SL	5.0	4,265.58	-	-	3,605.44	609.37	4,214.81
363	340-00	340.5	Office telephona	02/11/02	SL	7.0	1,041.00	-	-	879.87	148.71	1,028.58
370	340-00	340.5	Telephone box sy	02/15/02	SL	7.0	2,580.00	-	-	2,580.00	-	2,580.00
364	340-00	340.5	ACER computers	10/23/02	SL	3.0	1,818.27	-	-	1,818.27	-	1,818.27
365	340-00	340.5	Digital Xerox Cop	09/26/03	SL	7.0	4,210.00	-	-	2,556.08	601.43	3,157.51
306	340-00	340.5	(3) Dimension 240	10/28/03	SL	3.0	3,209.70	-	-	3,209.70	-	3,209.70
314	340-00	340.5	(2) Office XP Softw	11/17/03	SL	3.0	784.29	-	-	784.29	-	784.29
	340-00	340.5	Office Equipment	04/14/04	SL	7.0	2,003.90	-	-	1,001.95	286.27	1,288.22
	340-00	340.5	2 Workabouts	04/27/05	SL	7.0	2,200.00	-	-	811.91	314.29	1,126.20
	340-00	340.5	5 Computer Stations	12/20/05	SL	3.0	5,539.60	-	-	3,846.94	1,692.66	5,539.60
	340-00	340.5	Billing Software	01/15/06	SL	5.0	13,550.00	-	-	5,420.00	2,710.00	8,130.00
	340-00	340.5	GPS Equipment	03/01/06	SL	5.0	14,104.00	-	-	4,936.40	2,820.80	7,757.20
	340-00	340.5	Credit Card Machine	04/01/06	SL	5.0	895.00	-	-	298.33	179.00	477.33



**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial

For the Period 1/1/2008 - 12/31/2008

System No.	GL Code	PSC Code	Description	Date in Service	Method / Convention	Life	Cost or Other Basis	Sec. 179E	Salvage / Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
<b>Subtotal before dispositions:</b>												
Less dispositions and exchanges:							188,527.84	-	-	155,421.17	10,998.34	166,419.51
Net for: 340-00							188,527.84	-	-	155,421.17	10,998.34	166,419.51
<b>343-00</b>												
207	343-00	343.5	Leak detector & c	03/11/88	SL	7.0	2,000.00	-	-	2,000.00	-	2,000.00
208	343-00	343.5	Lawnmower & wh	08/01/88	SL	7.0	174.95	-	-	174.95	-	174.95
209	343-00	343.5	Air compressor	08/01/88	SL	7.0	620.00	-	-	620.00	-	620.00
210	343-00	343.5	Trailer & tank	03/21/89	SL	7.0	775.00	-	-	775.00	-	775.00
211	343-00	343.5	Floorjack	11/10/89	SL	7.0	585.00	-	-	585.00	-	585.00
212	343-00	343.5	Makita skill saw	07/01/90	SL	7.0	130.00	-	-	130.00	-	130.00
213	343-00	343.5	Jackhammer & A	08/01/90	SL	7.0	400.00	-	-	400.00	-	400.00
214	343-00	343.5	Water pump	10/01/90	SL	7.0	346.75	-	-	346.75	-	346.75
215	343-00	343.5	Battery charger	11/01/90	SL	7.0	159.00	-	-	159.00	-	159.00
216	343-00	343.5	Arc welder	11/01/90	SL	7.0	299.00	-	-	299.00	-	299.00
217	343-00	343.5	Tool box & tools	03/07/91	SL	7.0	425.43	-	-	425.43	-	425.43
218	343-00	343.5	Chemical feeder &	03/19/91	SL	7.0	3,039.23	-	-	3,039.23	-	3,039.23
220	343-00	343.5	Press and brand s	04/04/92	SL	7.0	550.00	-	-	550.00	-	550.00
223	343-00	343.5	2 mobile radios	04/02/94	SL	7.0	858.80	-	-	858.80	-	858.80
226	343-00	343.5	Radio equipment	05/01/97	SL	7.0	1,335.50	-	-	1,335.50	-	1,335.50
227	343-00	343.5	225 R Weedeater	07/21/97	SL	7.0	340.00	-	-	340.00	-	340.00
229	343-00	343.5	Pipe saw	10/16/97	SL	7.0	775.00	-	-	775.00	-	775.00
228	343-00	343.5	Radio (12) and in	10/25/97	SL	7.0	9,546.65	-	-	9,546.65	-	9,546.65
224	343-00	343.5	Pipe rack	11/10/97	SL	7.0	176.40	-	-	176.40	-	176.40
225	343-00	343.5	Tool box	11/10/97	SL	7.0	299.00	-	-	299.00	-	299.00
230	343-00	343.5	Kenwood radio	01/16/98	SL	7.0	416.75	-	-	416.75	-	416.75
231	343-00	343.5	Radio TK-762H	08/26/98	SL	7.0	790.43	-	-	790.43	-	790.43
290	343-00	343.5	3" Trash Pump (2)	03/05/99	SL	7.0	1,410.92	-	-	1,410.92	-	1,410.92
291	343-00	343.5	Weedeater	05/07/99	SL	7.0	322.72	-	-	322.72	-	322.72
292	343-00	343.5	Ladders (2)	05/07/99	SL	7.0	900.00	-	-	900.00	-	900.00
293	343-00	343.5	Safety Equipment	07/06/99	SL	7.0	889.31	-	-	889.31	-	889.31
294	343-00	343.5	Weedeater	10/06/99	SL	7.0	384.73	-	-	384.73	-	384.73
295	343-00	343.5	TS350 Skill Saw &	12/08/99	SL	7.0	957.70	-	-	957.70	-	957.70
280	343-00	343.5	(2) line locators	05/09/03	SL	7.0	1,813.00	-	-	1,208.67	259.00	1,467.67
	343-00	343.5	Pressure Loggers	12/07/04	SL	7.0	1,041.00	-	-	520.49	148.71	669.20
	343-00	343.5	Water pump	07/21/04	SL	7.0	1,344.24	-	-	672.11	192.03	864.14
	343-00	343.5	Asphalt Saw	11/16/05	SL	7.0	899.95	-	-	278.55	128.56	407.11
<b>Subtotal before dispositions:</b>							34,006.46	-	-	31,588.09	728.30	32,316.39
Less dispositions and exchanges:							-	-	-	-	-	-
Net for: 343-00							34,006.46	-	-	31,588.09	728.30	32,316.39

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial

For the Period 1/1/2008 - 12/31/2008

No.	PLANT No.	PLANT	DESC	EXPIRES	DATE ACQ	CLASSIFICATION	LIFE	COST OR OTHER BASIS	SEC	Salvage / Ret. Val	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation	Disposition
233	345-00		Case 580K Backh		02/29/88	SL	10.0	24,220.00	-	-	24,220.00	-	24,220.00	Disposed of 2008
234	345-00		Used Case 450H		10/18/88	SL	10.0	14,000.00	-	-	14,000.00	-	14,000.00	Disposed of 2008
235	345-00		New Trencher		01/10/90	SL	10.0	30,690.00	-	-	30,690.00	-	30,690.00	
236	345-00		Truck 78 Ford 030		02/12/90	SL	10.0	6,000.00	-	-	6,000.00	-	6,000.00	
238	345-00		Backhoe bucket		08/09/90	SL	10.0	100.00	-	-	100.00	-	100.00	
239	345-00		Case 580		04/04/91	SL	10.0	27,492.00	-	-	27,492.00	-	27,492.00	Disposed of 2008
241	345-00		Case 580K JLG01		01/01/95	SL	10.0	39,900.00	-	-	39,900.00	-	39,900.00	
242	345-00		89 Ford F600 A30		08/08/86	SL	10.0	9,800.00	-	-	9,800.00	-	9,800.00	
272	345-00		Truck Motor (198		10/05/99	SL	10.0	2,250.00	-	-	1,856.25	225.00	2,081.25	
340	345-00		Backhoe		11/19/01	SL	10.0	55,819.00	-	-	33,956.57	5,581.90	39,538.47	
	345-00		Hoe Ram		10/17/05	SL	7.0	16,990.00	-	-	5,461.07	2,427.14	7,888.21	
	345-00		Case 560 Backhoe		01/01/06	SL	10.0	61,837.00	-	-	11,852.09	6,183.70	18,035.79	
	345-00		Case 550 Dozer		11/15/08	SL	10.0	42,107.00	-	-	-	2,105.35	2,105.35	
	345-00		Case 560 Super M		4/15/2008	SL	10.0	62,800.00	-	-	-	3,140.00	3,140.00	
Subtotal before dispositions:														
								394,005.00	-	-	205,327.98	19,663.09	224,991.07	
								65,712.00	-	-	65,712.00	-	65,712.00	
								328,293.00	-	-	139,615.98	19,663.09	159,279.07	
Less dispositions and exchanges:														
Net for: 345-00														
243	347-00		Various equipment		10/03/76	SL	25.0	9,135.66	-	-	9,135.66	-	9,135.66	
244	347-00		Cable loader		01/01/77	SL	7.0	1,575.00	-	-	1,575.00	-	1,575.00	
245	347-00		Power operated e		09/05/79	SL	20.0	4,756.84	-	-	4,756.84	-	4,756.84	
247	347-00		Communications		02/01/87	SL	20.0	7,049.38	-	-	7,049.38	-	7,049.38	
248	347-00		Meter test bench		05/08/87	SL	7.0	4,419.49	-	-	4,419.49	-	4,419.49	
249	347-00		Pipe loader		06/28/88	SL	7.0	450.00	-	-	450.00	-	450.00	
237	347-00		Trailer 85 0038		02/12/90	SL	10.0	500.00	-	-	500.00	-	500.00	
250	347-00		Double axle trailer		04/05/91	SL	7.0	800.00	-	-	800.00	-	800.00	
246	347-00		Service equipment		10/01/91	SL	20.0	10,045.00	-	-	10,045.00	-	10,045.00	
251	347-00		18 Trailer S1825		12/05/94	SL	7.0	750.00	-	-	750.00	-	750.00	
252	347-00		Push mower 050		01/06/95	SL	3.0	140.00	-	-	140.00	-	140.00	
255	347-00		10 T trailer 7806		01/26/98	SL	7.0	7,100.00	-	-	7,100.00	-	7,100.00	
256	347-00		Case 580L Backh		07/16/98	SL	7.0	4,000.00	-	-	4,000.00	-	4,000.00	
263	347-00		Case 580L Backh		03/22/99	SL	10.0	50,600.00	-	-	44,275.00	5,060.00	49,335.00	
307	347-00		Hydraulic Ramhoe		04/14/00	SL	10.0	17,308.00	-	-	13,413.70	1,730.80	15,144.50	
313	347-00		Trailer		08/10/00	SL	7.0	755.00	-	-	755.00	-	755.00	
309	347-00		Pipe Wagon		09/08/00	SL	7.0	1,159.80	-	-	1,159.80	-	1,159.80	
355	347-00		Loading forks-Hun		06/07/02	SL	5.0	1,160.00	-	-	1,160.00	-	1,160.00	
368	347-00		Dump bed for tr		10/02/02	SL	5.0	6,000.00	-	-	6,000.00	-	6,000.00	
282	347-00		(2) 2003 GMC truc		02/25/03	SL	10.0	77,746.00	-	-	37,577.23	7,774.60	45,351.83	
296	347-00		Toolboxes for ne		03/07/03	SL	10.0	1,800.00	-	-	870.00	180.00	1,050.00	
285	347-00		Stigers Trailer-12 Ton		05/09/03	SL	7.0	2,377.92	-	-	1,585.27	339.70	1,924.97	
	347-00		2005 Ford Dump Truck		09/30/04	SL	7.0	7,300.00	-	-	3,650.01	1,042.86	4,692.87	
	347-00		Dozer Trailer		06/01/05	SL	10.0	38,622.22	-	-	9,977.40	3,862.22	13,839.62	
	347-00				11/09/05	SL	7.0	4,100.00	-	-	1,269.04	585.71	1,854.75	

61-0679286  
 FY: 01/01/2008-12/31/2008  
 Sorted: GL Asset

**HENRY COUNTY WATER DISTRICT # 2 [4422-01]**  
**Depreciation Expense**  
 Financial  
 For the Period 1/1/2008 - 12/31/2008

No.	Code	Description	Service	Convention	Life	Basis	179/Bonus	Adjusted Basis Adj	Beg. Accum. Depreciation	Current Depreciation	Ending Accum. Depreciation
347-00	345.5	2007 Chevy 1500	1/16/2007	SL	N/A	9,450.00	-	-	1,732.50	1,890.00	3,622.50
347-00	345.5	2007 Chevy w/ Bed	06/05/07	SL	N/A	25,734.88	-	-	3,002.44	5,146.98	8,149.42
347-00		Handhelds	12/15/2008	SL	N/A	8,300.00	-	-	-	593.00	593.00
<b>Subtotal before dispositions:</b>						303,135.19	-	-	177,148.76	28,205.87	205,354.63
Less dispositions and exchanges:											
Net for: 347-00						303,135.19	-	-	177,148.76	28,205.87	205,354.63
<b>Subtotal before dispositions:</b>						25,517,171.37	-	-	10,527,961.84	807,321.90	11,335,283.74
Less dispositions and exchanges:						65,712.00	-	-	65,712.00	-	65,712.00
<b>Grand Total</b>						25,451,459.37	-	-	10,462,249.84	807,321.90	11,269,571.74