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

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

Estill County Water District #1
(Name of Utility)

76 Cedar Grove Rd
(Business Mailing Address - Number and Street, or P.O. Box)

Irvine, KY 40336
(Business Mailing Address - City, State, and Zip)

(606)723-3795
(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:

Audrea Miller
(Name)

76 Cedar Grove Rd
(Address - Number and Street or P.O. Box)

Irvine, KY 40336
(Address - City, State, Zip)

(606)723-3795
(Telephone Number)

a.miller@estillcountywater.com
(Email Address)

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

- | | YES | NO | N/A |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|-----|
| 1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 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"/> | |
| 2. a. Applicant has filed an annual report with the Public Service Commission for the past year. | <input checked="" 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"/> | |
| 3. Applicant's records are kept separate from other commonly-owned enterprises. | <input checked="" 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, 2015.
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 \$ 404,537 and total revenues from service rates of \$ 1,937,914. 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 3,760 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 *Greg Wright*
Officer of the Company/Authorized Representative
 Title *Chairman*
 Date *5-2-17*

COMMONWEALTH OF KENTUCKY

COUNTY OF *ESSEX*

Before me appeared *Greg Wright*, 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.

Jessie B. Puckett
 Notary Public # *5-36649*
 My commission expires: *JUNE 25 2019*

Estill County Water District

List of Attachments

1. Customer Notice
2. Reasons for Rate Increase
3. Current and Proposed Rates
4. Statement of Adjusted Operations and Revenue Requirements Calculation with Attachments:
 - a. References
 - b. Table A – Depreciation Expense Adjustments
 - c. Table B – Debt Service Summary
 - d. Table C – Billing Adjustments
5. Billing Analysis
6. Depreciation Schedule
7. Outstanding Debt Instruments
8. Statement of Disclosure of Related Party Transactions
9. Board Resolution

Customer Notice

CUSTOMER NOTICE

Notice is hereby given that the Estill County Water District expects to file an application on or about April 28, 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. Estill County Water District proposes the following rates:

<u>5/8" x 3/4" Meter</u>		<u>Current Rates</u>		<u>Proposed Rates</u>		<u>Dollar Increase</u>	<u>Percent Increase</u>
First	2,000 gallons	\$ 17.20	Minimum Bill	\$ 21.07	Minimum Bill	\$ 3.87	22.5%
Next	3,000 gallons	8.37	per 1,000 gallons	10.25	per 1,000 gallons	1.88	22.5%
Next	5,000 gallons	8.17	per 1,000 gallons	10.01	per 1,000 gallons	1.84	22.5%
Over	10,000 gallons	6.28	per 1,000 gallons	7.69	per 1,000 gallons	1.41	22.5%
 <u>1" Meter</u>							
First	5,000 gallons	\$ 42.31	Minimum Bill	\$ 51.83	Minimum Bill	\$ 9.52	22.5%
Next	5,000 gallons	8.17	per 1,000 gallons	10.01	per 1,000 gallons	1.84	22.5%
Over	10,000 gallons	6.28	per 1,000 gallons	7.69	per 1,000 gallons	1.41	22.5%
 <u>2" Meter</u>							
First	16,000 gallons	\$ 120.84	Minimum Bill	\$ 148.03	Minimum Bill	\$ 27.19	22.5%
Over	16,000 gallons	6.28	per 1,000 gallons	7.69	per 1,000 gallons	1.41	22.5%
Bulk Loading Station		\$ 5.45	per 1,000 gallons	\$ 6.68	per 1,000 gallons	\$ 1.23	22.5%

The proposed rates will have the following effect on a customer's monthly bill:

<u>Meter</u>	<u>Average Monthly Usage</u>	<u>Current Monthly Bill</u>	<u>Proposed Rates Monthly Bill</u>	<u>Increase</u>	<u>Change</u>
5/8" x 3/4" Meter	3,611 gallons	\$30.68	\$37.58	\$6.90	22.5%
1" Meter	14,612 gallons	\$112.13	\$137.35	\$25.22	22.5%
2" Meter	29,027 gallons	\$202.65	\$248.21	\$45.56	22.5%

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

Any person may examine the application submitted to the Public Service Commission at Estill County Water District's office at 76 Cedar Grove Rd, Irvine, KY 40336 or 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.kv.gov>.

Comments regarding the application may be submitted to the Public Service Commission through its website at <http://psc.kv.gov> 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

Reasons for Rate Increase

Estill County Water District (ECWD) is requesting a 22.5% across-the-board rate increase. The district needs this rate increase for the following reasons:

1. To enable ECWD to pay its annual debt service payments on all outstanding long-term debts.
2. To re-establish its depreciation fund as required by its primary funder, Rural Development.
3. To restore ECWD to a sustainable financial condition so the district can continue to provide safe and clean drinking water to its customers.

Current and Proposed Rates

CURRENT RATES

5/8" x 3/4" Meter

First	2,000 gallons	\$ 17.20	Minimum Bill
Next	3,000 gallons	8.37	per 1,000 gallons
Next	5,000 gallons	8.17	per 1,000 gallons
Over	10,000 gallons	6.28	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 42.31	Minimum Bill
Next	5,000 gallons	8.17	per 1,000 gallons
Over	10,000 gallons	6.28	per 1,000 gallons

2" Meter

First	16,000 gallons	\$ 120.84	Minimum Bill
Over	16,000 gallons	6.28	per 1,000 gallons

Bulk Loading Station \$ 5.45 per 1,000 gallons

PROPOSED RATES

5/8" x 3/4" Meter

First	2,000 gallons	\$ 21.07	Minimum Bill
Next	3,000 gallons	10.25	per 1,000 gallons
Next	5,000 gallons	10.01	per 1,000 gallons
Over	10,000 gallons	7.69	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 51.83	Minimum Bill
Next	5,000 gallons	10.01	per 1,000 gallons
Over	10,000 gallons	7.69	per 1,000 gallons

2" Meter

First	16,000 gallons	\$ 148.03	Minimum Bill
Over	16,000 gallons	7.69	per 1,000 gallons

Bulk Loading Station \$ 6.68 per 1,000 gallons

Statement of Adjusted Operations

SCHEDULE OF ADJUSTED OPERATIONS - WATER UTILITY

TYE 12/31/20 15

	Test Year	Adjustment	Ref.	Pro Forma
Operating Revenues				
Sales of Water				
Unmetered Water Sales				0.00
Metered Water Sales	1,471,222.00	58,731.00	A	1,529,953.00
Bulk Loading Stations				0.00
Fire Protection Revenue	3,424.00			3,424.00
Sales for Resale				0.00
Total Sales of Water	1,474,646.00	58,731.00		1,533,377.00
Other Water Revenues				
Forfeited Discounts				0.00
Miscellaneous Service Revenues	65,885.00			65,885.00
Rents from Water Property				0.00
Other Water Revenues				0.00
Total Other Water Revenues	65,885.00	0.00		65,885.00
Total Operating Revenues	1,540,531.00	58,731.00		1,599,262.00
Operating Expenses				
Operation and Maintenance Expenses				
Salaries and Wages - Employees	296,946.00			296,946.00
Salaries and Wages - Officers	17,610.00			17,610.00
Employee Pensions and Benefits	165,889.00			165,889.00
Purchased Water	687,537.00	-123,602.00	B	563,935.00
Purchased Power	70,650.00	-13,139.00	C	57,511.00
Fuel for Power Production				0.00
Chemicals				0.00
Materials and Supplies	72,238.00			72,238.00
Contractual Services	37,570.00			37,570.00
Water Testing	4,418.00			4,418.00
Rents				0.00
Transportation Expenses	23,143.00			23,143.00
Insurance	31,986.00			31,986.00
Regulatory Commission Expenses	5,267.00			5,267.00
Bad Debt Expense	256.00			256.00

Miscellaneous Expenses	59,387.00			59,387.00
Total Operation and Maintenance Expenses	1,472,897.00	-136,741.00		1,336,156.00
Depreciation Expense	391,297.00	-137,907.00	D	253,390.00
Amortization Expense	272.00			272.00
Taxes Other Than Income	24,064.00			24,064.00
Income Tax Expense				0.00
Total Operating Expenses	1,888,530.00	-274,648.00		1,613,882.00
Utility Operating Income	-347,999.00	333,379.00		-14,620.00

Revenue Requirements

Calculation

REVENUE REQUIREMENT CALCULATION - DEBT COVERAGE METHOD

(This method is used commonly by non-profits that have long-term debts outstanding.)

Pro forma Operating Expenses	\$1,613,882.00
Plus: Average Annual Debt Principal and Interest Payments*	342,806.00
Debt Coverage Requirement**	47,345.00
Total Revenue Requirement	2,004,033.00
Less: Other Operating Revenue	-65,885.00
Non-operating Revenue	
Interest Income	-234.00
Revenue Required from Rates	1,937,914.00
Less: Revenue from Sales at Present Rates	-1,533,377.00
Required Revenue Increase	\$404,537.00

Required Revenue Increase stated as a Percentage of Revenue at Present Rates 26.38%

* This should be a 3 year average calculated using the debt principal and interest payments for the three years following the test year.

** This amount is calculated by multiplying the average annual debt principal and interest payments by the debt service requirement of the utility's lending agency.

References

References

A – Metered Water Sales

On July 20, 2015, Estill County Water District increased its water rates to reflect a wholesale water rate increase by Irvine Municipal Utilities. The Purchase Water Adjustment (Case # 2015-00223) was approved by the Public Service Commission on July 30, 2015. Water sales during the 2015 test year reflecting current rates totals \$1,554,253 (See page 12 of the billing analysis).

Estill County Water District reduced the test year sales by \$24,300 due to leak adjustments and billing errors. See Table C for a complete breakdown of billing adjustments.

Total sales from test year at current rates:	\$1,554,253
Less: Billing Adjustments	<u>-\$24,300</u>
Subtotal	\$1,529,953
Less: Actual sales from 2015 test year:	<u>-\$1,471,222</u>
Adjustment:	\$58,731

B – Purchased Water

During the test year, a Jackson Energy Cooperative invoice was incorrectly coded into the purchased water account, the following adjustment has been made to correct this entry error:

Total purchased water expense:	\$687,537
Less Jackson Energy invoice:	<u>-\$3,579</u>
Adjusted purchased water expense:	\$683,958

Estill County Water District's primary wholesale water provider, Irvine Municipal Utilities, increased its wholesale water rates from \$2.327 to \$2.552 per 1,000 gallons on July 19, 2015 and from \$2.571 to \$2.587 on July 19, 2016. This increase in purchased water expense is reflected below:

Test year wholesale water purchased:	264,869,799	<i>gallons</i>
Purchased water expense based on current rate:	\$685,219	
Purchased water expense based on test year period rate:	<u>\$683,958</u>	
Adjustment:	\$1,261	

During the test year Estill County Water District's unaccounted-for water loss exceeded the allowable limit by 17.7%. The following adjustment was made to correct for the excess cost of unaccounted-for water loss.

References

B – Purchased Water (*Continued*)

Water purchased during the test year:	264,869,799	<i>gallons</i>
Less: Water sold:	169,945,940	<i>gallons</i>
Less: Accounted for water loss:	8,303,593	<i>gallons</i>
Unaccounted-for water loss:	86,620,266	<i>gallons</i>
Water loss percentage:	32.7%	
Allowable water loss:	15%	
Excess water loss:	17.7%	

Test year purchased water expense:	\$685,219
Water loss not allowed:	<u>17.7%</u>
Adjustment:	-\$121,284

Purchased water adjustment summary

Accounting entry error adjustment:	-\$3,579
Wholesale water rate increase adjustment:	\$1,261
Excess water loss adjustment:	<u>-\$121,284</u>
Final Adjustment	-\$123,602

C – Purchased Power

During the test year, a Jackson Energy Cooperative invoice was incorrectly coded into the purchased water account, the following adjustment has been made to correct this entry error:

Total purchased power expense:	\$70,650
Add Jackson Energy invoice:	<u>+\$3,579</u>
Adjusted purchased power expense:	\$74,229

The following adjustment to purchased power expense was made to correct for the additional cost to pump water due to the excess water loss as described in section B.

Test year purchased power expense:	\$74,229
Water loss not allowed:	<u>17.7%</u>
Adjustment:	-\$13,139

References

D – Depreciation Expense

Depreciation expense was incorrectly reported on the 2015 PSC Annual report. The following adjustment was made to correct for this error:

Depreciation expense reported on 2015 PSC Annual report:	\$391,297
Actual depreciation expense for 2015:	<u>\$319,297</u>
Adjustment:	-\$72,000

The following adjustment was made to bring the asset useful lives to the average recommended range based on the NARUC in its publication titled "Depreciation Practices for Small Water Utilities". See Table A for detailed breakdown.

Depreciation expense based on audit amounts:	\$319,297
Depreciation expense based on pro-forma amounts:	<u>\$211,787</u>
Adjustment:	-\$107,510

A major line extension/upgrade project was completed in the beginning of 2017. The depreciation expense from this project will increase depreciation expense by \$41,603 per year.

Total project cost:	\$2,610,000
Asset life in years:	<u>62.5</u>
Yearly depreciation cost adjustment:	\$41,603

Total depreciation expense adjustment: **-\$137,907**

Depreciation Expense

Adjustments

Table A - Depreciation Expense Adjustment

Asset	Date Acquired	Original Cost	Asset Age	Audit Amounts		Pro-forma Amounts		Adjustment
				Asset Life	Depr. Exp.	Asset Life	Depr. Exp.	
Utility Plant	6/30/1975	523,542.96	42	50	10,471	40	-	(10,471)
Meter Installations	6/30/1976	12,127.82	41	15	-	15	-	-
Whispering Woods Line	6/30/1976	10,250.00	41	15	-	15	-	-
Meters	6/30/1976	11,642.87	41	15	-	15	-	-
New Lines	7/30/1977	11,437.26	40	40	286	62.5	183	(103)
New Extension Lines	7/31/1977	381,978.90	39	40	9,549	62.5	6,112	(3,437)
New Reservoir	7/31/1977	82,120.00	39	40	2,053	45	1,825	(228)
Capitalized Interest	7/31/1977	16,411.25	39	40	410	62.5	263	(147)
Easement	7/31/1977	2,754.34	39	7	-	7	-	-
Meter Installations	7/31/1977	17,766.49	39	15	-	15	-	-
New Extension Lines	7/31/1977	44,416.16	39	15	-	15	-	-
Systems	7/31/1977	3,882.78	39	15	-	15	-	-
Meters	1/1/1979	15,585.00	38	25	-	25	-	-
Systems	1/1/1979	101,056.65	38	25	-	25	-	-
Capitalized Interest	7/1/1979	6,408.77	38	25	-	25	-	-
Metal Detector	7/28/1979	258.00	38	5	-	5	-	-
Meters	7/28/1979	10,250.00	38	15	-	15	-	-
Systems	7/28/1979	15,731.59	38	15	-	15	-	-
Meters & Installations	6/1/1980	24,160.28	37	15	-	15	-	-
Pump Station	7/1/1980	21,651.72	37	25	-	25	-	-
Sand Hill Extensions	1/1/1981	24,800.67	36	40	620	62.5	397	(223)
Doe Creek Extensions	1/1/1981	12,891.30	36	40	322	62.5	206	(116)
System	1/1/1981	990.75	36	25	-	25	-	-
Line Extensions	1/31/1981	13,870.04	36	40	347	62.5	222	(125)
New Meters Installed	1/1/1981	19,275.00	36	15	-	40	-	-
New Lines	7/31/1982	5,669.80	34	40	142	62.5	91	(51)
New Lines Installed	7/31/1982	17,417.00	34	15	-	15	-	-
Pump Station - Pea Ridge	6/30/1983	8,838.99	34	10	-	10	-	-
New Lines	7/31/1983	14,983.09	33	40	375	62.5	240	(135)
New Meters & Installations	7/31/1983	15,066.00	33	15	-	15	-	-
Easements	7/31/1983	290.00	33	7	-	7	-	-
Pump Station	6/30/1984	1,241.95	33	10	-	10	-	-
Meters & Installations	6/30/1984	15,666.40	33	15	-	15	-	-
Truck	6/30/1985	6,418.88	32	5	-	5	-	-
Air Conditioner	6/30/1985	700.00	32	5	-	5	-	-
Meter Testing System	7/31/1985	4,112.72	31	15	-	15	-	-
Copier	7/31/1985	1,697.74	31	5	-	5	-	-
Meters & Installations	7/31/1985	36,230.50	31	15	-	15	-	-
Additions to Plant Lines	7/31/1985	434,754.00	31	40	10,869	62.5	6,956	(3,913)
Tank 197 Gallon	7/31/1985	101,150.00	31	40	2,529	45	2,248	(281)
Pumping Station	7/31/1985	32,700.00	31	40	818	35	934	116
Master Meter 4	7/31/1985	6,280.00	31	40	157	40	157	-
Pooling Tray	7/31/1985	281.57	31	5	-	5	-	-
Telemeter	7/31/1985	15,000.00	31	40	375	62.5	240	(135)
Construction in Progress	7/31/1985	146,908.93	31	40	3,673	62.5	2,351	(1,322)
Additions	7/31/1986	45,567.86	30	40	1,139	62.5	729	(410)
Meters & Installations	7/31/1986	45,520.00	30	40	1,138	40	1,138	-
Additions	7/31/1987	46,986.82	29	40	1,175	62.5	752	(423)
Meters & Installations	7/31/1987	42,081.69	29	40	1,052	40	1,052	-
Additions	7/31/1988	43,420.67	28	40	1,086	62.5	695	(391)
Meters & Installations	7/31/1988	45,298.48	28	40	1,132	40	1,132	-
Meters & Installations	7/31/1989	21,804.50	27	40	545	40	545	-
Meters & Installations	7/31/1990	29,255.39	26	40	731	40	731	-
Tire Plug	7/31/1990	1,780.11	26	40	45	15	-	(45)
Hydrants	7/31/1990	510.00	26	40	13	50	10	(3)
Transfer & Distribution Main	6/15/1991	120,896.02	26	40	3,022	62.5	1,934	(1,088)
Meters & Installations	7/31/1991	27,991.88	25	40	700	40	700	-
Fencing/Tanks/Pumps	8/31/1991	5,313.00	25	15	-	15	-	-
Meters	1/1/1992	26,666.10	25	15	-	15	-	-
Construction in Progress	1/1/1992	13,721.16	25	40	343	62.5	220	(123)
6" PVC Pipe 5250 Feet	7/31/1992	33,360.00	24	40	834	62.5	534	(300)
10" Steel Cover Pipe 100 Feet	7/31/1992	3,000.00	24	40	75	62.5	48	(27)
6" Clawwa Gate Valve	7/31/1992	1,500.00	24	40	38	62.5	24	(14)
Crushed Stone	7/31/1992	1,548.00	24	10	-	10	-	-
Bituminous Paving Replacement	7/31/1992	1,000.00	24	10	-	10	-	-
Concrete Paving Replacement	7/31/1992	300.00	24	10	-	10	-	-
Dry Existing 6" Water Main	7/31/1992	4,000.00	24	10	-	10	-	-
Booster Pumping Station - Cedar Grove	7/31/1992	30,000.00	24	40	750	35	857	107
112000 Gal Tank - Cedar Grove	7/31/1992	120,000.00	24	40	3,000	45	2,667	(333)
Telemetering System - Cedar Grove	7/31/1992	15,000.00	24	40	375	62.5	240	(135)
Cathodic Protection System - Cedar Grove	7/31/1992	5,000.00	24	20	-	20	-	-
Telemetering System - Pea Ridge	7/31/1992	9,000.00	24	40	225	62.5	144	(81)

Table A - Depreciation Expense Adjustment

6" PVC Pipe 3700 Feet	7/31/1992	16,650.00	24	40	416	62.5	266	(150)
6" PVC Pipe 38070 Feet	7/31/1992	130,252.50	24	40	3,256	62.5	2,084	(1,172)
4" PVC Pipe 26250 Feet	7/31/1992	66,388.80	24	40	1,660	62.5	1,062	(598)
3" PVC Pipe 16780 Feet	7/31/1992	52,483.20	24	40	1,312	62.5	840	(472)
10" Steel Cover Pipe 380 Feet	7/31/1992	19,440.00	24	40	486	62.5	311	(175)
10" Bore Under Concrete Drive	7/31/1992	960.00	24	40	24	62.5	15	(9)
6" Clawwa NRS Gate Valve	7/31/1992	4,200.00	24	10	-	10	-	-
4" Clawwa NRS Gate Valve	7/31/1992	2,040.00	24	10	-	10	-	-
3" Clawwa NRS Gate Valve	7/31/1992	2,200.00	24	10	-	10	-	-
Customer Service Same Side	7/31/1992	23,230.00	24	40	581	62.5	372	(209)
Customer Service - Opposite Side	7/31/1992	18,724.00	24	40	468	62.5	300	(168)
Additional 1" Service Pipe	7/31/1992	20,896.00	24	40	522	62.5	334	(188)
Tandem Meter Service	7/31/1992	1,950.00	24	10	-	10	-	-
Manual Air Release Valve	7/31/1992	4,560.00	24	10	-	10	-	-
3" Blowoff Assembly	7/31/1992	4,230.00	24	10	-	10	-	-
6" Fire Hydrant	7/31/1992	1,500.00	24	40	38	50	30	(8)
Bidding & Backfill Rock	7/31/1992	5,000.00	24	10	-	10	-	-
Crushed Stone	7/31/1992	8,452.00	24	10	-	10	-	-
Bituminous Paving	7/31/1992	7,868.00	24	10	-	10	-	-
Concrete Paving	7/31/1992	1,440.00	24	10	-	10	-	-
Dry Lab 6", 4", 3" Water Mains	7/31/1992	3,600.00	24	40	90	62.5	58	(32)
Pressure Reducing Valve Vault	7/31/1992	4,700.00	24	10	-	10	-	-
Ivory Hill - Booster Pumping Valve Pit	7/31/1992	41,000.00	24	10	-	10	-	-
Telemeter System - Ivory Hill	7/31/1992	21,000.00	24	40	525	62.5	336	(189)
113000 Gallon tank	7/31/1992	160,000.00	24	40	4,000	45	3,556	(444)
6" PVC CI Pipe 6240 Feet	7/31/1992	28,959.50	24	40	724	62.5	463	(261)
Crossing White Oak Creek	7/31/1992	8,277.54	24	40	207	62.5	132	(75)
Engineering Cert	7/31/1992	107,178.51	24	40	2,679	62.5	1,715	(964)
Attorney Fees	7/31/1992	14,659.72	24	40	366	62.5	235	(131)
Sandhill Project	7/31/1992	4,452.02	24	40	111	62.5	71	(40)
Capitalized Interest	7/31/1992	21,192.24	24	40	530	62.5	339	(191)
Deed	7/31/1992	2,500.00	24	40	63	62.5	40	(23)
Pond Construction	7/31/1992	100.00	24	10	-	10	-	-
Easements	7/31/1992	52.50	24	7	-	7	-	-
Surveying	7/31/1992	2,000.00	24	40	50	62.5	32	(18)
Land	7/31/1992	6,000.00	24	7	-	7	-	-
Construction Acct Bond	7/31/1992	2,537.50	24	40	63	62.5	41	(22)
Advertising	7/31/1992	1,111.99	24	5	-	5	-	-
Appraisals	12/31/1992	1,050.00	24	40	26	62.5	17	(9)
Computer	12/31/1992	9,280.00	24	10	-	10	-	-
Meters & Installations	7/31/1993	25,407.90	23	40	635	40	635	-
Transmission & Dist Mains	7/31/1993	18,312.13	23	40	458	62.5	293	(165)
Fax Machine	7/31/1993	658.00	23	5	-	5	-	-
Tank Painting	5/31/1994	80,898.00	23	10	-	10	-	-
Distributions Main Meades Ext	6/1/1994	1,664.08	23	40	42	62.5	27	(15)
Distributions Mains - Powell/Tucker	6/1/1994	8,000.00	23	40	200	62.5	128	(72)
Easements	6/30/1994	22.50	23	7	-	7	-	-
Transmission & Distribution - Dennis	7/31/1994	1,740.00	22	40	44	62.5	28	(16)
Meters Installed	7/31/1994	25,386.81	22	15	-	15	-	-
Transmission Lines	7/31/1995	4,459.43	21	40	111	62.5	71	(40)
Meters	7/31/1995	24,426.81	21	15	-	15	-	-
Trailer	6/30/1996	1,000.00	21	5	-	5	-	-
Straeffer Pump	7/31/1996	479.87	20	7	-	7	-	-
Transmission & Distribution Mains	7/31/1996	9,325.32	20	40	233	62.5	149	(84)
Meters	7/31/1996	29,390.00	20	15	-	15	-	-
Backhoe	7/31/1996	32,400.00	20	7	-	7	-	-
Distribution Reserve & Sandpiper	7/31/1996	635.25	20	7	-	7	-	-
Equipment	8/31/1996	964.06	20	7	-	7	-	-
Pumping Equipment	9/30/1996	389.15	20	7	-	7	-	-
Pumping Equipment	6/30/1997	8,153.00	20	7	-	7	-	-
Transmission & Distribution Mains	6/30/1997	21,231.00	20	40	531	62.5	340	(191)
Meters Installed	6/30/1997	27,076.00	20	15	-	15	-	-
Transportation Equipment	6/30/1997	6,432.00	20	5	-	5	-	-
Tools & Shop Equipment	6/30/1997	429.00	20	7	-	7	-	-
Communication Equipment	6/30/1997	3,488.00	20	7	-	7	-	-
Pumping Equipment - Winston Pump Ext	6/30/1998	5,383.80	19	15	-	15	-	-
Transmission & Dist Mains	6/30/1998	2,978.70	19	40	74	62.5	48	(26)
Meters & Installations	6/30/1998	27,864.00	19	40	697	40	697	-
Transportation Equipment	6/30/1998	10,957.12	19	5	-	5	-	-
Pumping Equipment - Phase V	12/31/1998	158,000.00	18	15	-	15	-	-
Distribution Reserve & Standp	12/31/1998	289,498.00	18	40	7,237	45	6,433	(804)
Trans & Dist Mains - Phase V	12/31/1998	1,648,090.49	18	40	48,202	62.5	26,369	(21,833)
Meters & Installations	6/30/1999	18,218.16	18	40	455	40	455	-
Pumping Equipment	6/30/1999	1,729.00	18	15	-	20	-	-

Table A - Depreciation Expense Adjustment

Pumping Equipment	6/30/2000	1,285.92	17	15	36	20	-	(36)
Meters & Installations	6/30/2000	20,142.53	17	40	504	40	504	-
Radio Communication System	7/28/2000	3,977.15	16	7	-	7	-	-
Dodge 4x4 Truck	4/30/2001	15,783.00	16	5	-	5	-	-
Meters & Installations	6/30/2001	39,632.29	16	40	991	40	991	-
Radio - Dodge Truck	7/31/2001	638.00	15	5	-	5	-	-
2002 Dodge 4x4 Dakota	11/6/2001	16,549.00	15	5	-	5	-	-
1999 Dump Truck	11/30/2001	30,500.00	15	5	-	5	-	-
Truck Trailer	12/15/2001	12,524.88	15	5	-	5	-	-
Meters & Installations	6/30/2002	35,605.50	15	40	890	40	890	-
Dell Computer	6/30/2002	1,689.59	15	5	-	5	-	-
Air Compressor & 2 Jacks	7/31/2002	11,995.00	14	7	-	7	-	-
Surface Boring Tool	8/30/2002	3,603.00	14	7	-	7	-	-
Meters & Installations	6/30/2003	5,628.50	14	40	141	40	141	-
Utility Truck	11/30/2003	14,800.00	13	5	-	5	-	-
Drive Thru Improvements	12/31/2003	10,021.00	13	40	251	40	251	-
Fencing - Inventory Building	3/31/2004	4,380.00	13	10	-	10	-	-
Pumping Equipment - Sandhill Pumping	12/31/2004	1,221.20	12	10	-	20	-	-
Radio - Utility Truck	12/31/2004	559.00	12	10	-	10	-	-
Utility Truck Radio, etc	2/28/2005	1,200.00	12	10	60	10	-	(60)
Laser Printer	12/15/2005	1,300.09	11	7	-	10	-	-
Sandhill Pump	4/9/2006	1,960.94	11	10	196	20	-	(196)
Account Receivable Software	1/26/2007	24,956.00	10	20	1,248	20	1,248	-
2007 GMC Truck	3/3/2007	17,281.50	10	7	-	7	-	-
2007 GMC Truck	3/27/2007	17,912.54	10	7	-	7	-	-
2007 GMC Truck	5/31/2007	17,043.58	10	7	-	7	-	-
Tank - Caldwell	7/1/2007	592,082.00	10	40	16,802	45	13,157	(3,645)
Chestnut Stand	7/1/2007	388,149.26	10	40	9,704	45	8,626	(1,078)
Water Meter	7/1/2007	698,606.18	10	40	19,645	40	17,465	(2,180)
Transmission & Distribution Mains	7/1/2007	1,000,027.79	10	40	25,001	62.5	16,000	(9,001)
Backhoe	8/31/2007	77,585.00	9	10	7,759	12.5	6,207	(1,552)
GP5 System	8/31/2007	1,238.72	9	7	-	10	-	-
Desk/Filing Cabinet	9/28/2007	2,288.10	9	7	-	22.5	-	-
Computer for Maintenance Dept	11/29/2007	1,025.00	9	7	-	10	-	-
Henry White Rd Upgrade	1/1/2008	19,498.96	9	40	487	62.5	312	(175)
1 Ton Utility Truck	1/31/2008	5,500.00	9	5	-	5	-	-
Phase IX Water Main Extension	1/31/2008	1,298.65	9	7	-	62.5	-	-
Dynasonics Unit	2/28/2009	5,214.00	8	7	745	15	-	(745)
Pumping Equip - Grundfos Pump	2/28/2009	3,822.53	8	7	546	20	-	(546)
Misc Equip - Dedicated Line Detector	4/13/2009	3,062.50	8	7	438	15	-	(438)
Misc Equip - PVC Locator	4/13/2009	4,494.00	8	7	642	15	-	(642)
Pumping Equip - Grundfos Pump	6/30/2009	1,553.65	8	7	222	20	-	(222)
Hargett/Clay City Rd - Utility Relocation	1/1/2010	5,884.72	7	25	235	62.5	94	(141)
Acer Computer Widescreen Laptop	3/25/2010	1,249.74	7	5	-	5	-	-
Computer 2.6 GHz 4 Quad Processor	4/28/2010	1,279.78	7	5	-	5	-	-
Lexmark X463 Printer	8/15/2010	1,059.99	6	5	-	5	-	-
3 High Back Leather Office Chairs	9/15/2010	628.38	6	7	90	22.5	28	(62)
Grundfos Multi-stage Pump - 5. Irvine P5	9/16/2010	3,800.00	6	15	253	20	190	(63)
River Crossing & 250 Linear Feet	8/16/2013	20,600.00	3	40	515	62.5	330	(185)
6" Ductile Iron Pipe 2725 Feet	1/15/2004	43,447.52	13	40	1,086	62.5	695	(391)
6" CI Ball & Socket 300 Feet	1/15/2004	37,035.84	13	40	926	62.5	593	(333)
6" PVC Pipe - 26850 Feet	1/15/2004	115,569.02	13	40	2,889	62.5	1,849	(1,040)
6" PVC 200 C-900 Pipe 52320 Feet	1/15/2004	299,868.25	13	40	7,497	62.5	4,798	(2,699)
6" PVC 150 C-900 Pipe 1220 Feet	1/15/2004	5,037.20	13	40	126	62.5	81	(45)
4" PVC 200 Pipe 6630 Feet	1/15/2004	26,500.24	13	40	663	62.5	424	(239)
4" PVC 150 C-900 Pipe 10410 Feet	1/15/2004	38,018.40	13	40	950	62.5	608	(342)
4" PVC 200 C-900 Pipe 8290 Feet	1/15/2004	34,932.00	13	40	873	62.5	559	(314)
3" PVC 200 Pipe 13685 Feet	1/15/2004	38,805.60	13	40	970	62.5	621	(349)
3" PVC 250 Pipe 2375 Feet	1/15/2004	6,978.80	13	40	174	62.5	112	(62)
3" PVC 250 Pipe 20770 Feet	1/15/2004	76,854.40	13	40	1,921	62.5	1,230	(691)
3" Ductile Iron Pipe 1670 Feet	1/15/2004	14,649.60	13	40	366	62.5	234	(132)
12" Steel Casing B&J	1/15/2004	14,960.00	13	40	374	62.5	239	(135)
8" Steel Casing B&J 367 Feet	1/15/2004	28,500.00	13	40	713	62.5	456	(257)
6" Gate Valve & Box	1/15/2004	12,094.65	13	10	-	62.5	-	-
4" Gate Valve & Box	1/15/2004	2,989.35	13	10	-	62.5	-	-
3" Gate Valve & Box	1/15/2004	3,724.92	13	10	-	62.5	-	-
3" Blowoff Assembly	1/15/2004	14,795.84	13	10	-	62.5	-	-
Roadways, Etc	1/15/2004	60,134.60	13	20	3,007	62.5	962	(2,045)
6" Flush Hydrant Assembly	1/15/2004	18,631.06	13	20	932	50	373	(559)
Customer Service Tandem Setter	1/15/2004	34,011.74	13	10	-	62.5	-	-
Customer Service Tandem Opposite	1/15/2004	25,584.35	13	10	-	62.5	-	-
Additional 1" Service Pipe 1000 Feet	1/15/2004	7,453.26	13	40	186	62.5	119	(67)
4" 200 PVC Pipe 28000 Feet	1/15/2004	124,558.70	13	40	3,114	62.5	1,993	(1,121)
3" 200 PVC Pipe 11500 Feet	1/15/2004	55,193.00	13	40	1,380	62.5	883	(497)

Table A - Depreciation Expense Adjustment

Customer Service Same & Opposite Sides	1/15/2004	3,163.01	13	10	-	62.5	-	-
3" Blowoff Valve	1/15/2004	1,849.48	13	10	-	62.5	-	-
4" Gate Valves	1/15/2004	1,328.60	13	10	-	62.5	-	-
3" Gate Valves	1/15/2004	620.68	13	10	-	62.5	-	-
Road Bores w/Steel Casing	1/15/2004	2,640.00	13	20	132	62.5	42	(90)
Crushed Stone	1/15/2004	6,391.65	13	10	-	62.5	-	-
4" 51 Ductile Iron Pipe 2960 Feet	1/15/2004	23,788.05	13	40	595	62.5	381	(214)
4" 200 C-900 DR14 - 1900 Feet	1/15/2004	23,360.40	13	40	584	62.5	374	(210)
Cobhill Expansion Additions	1/15/2004	14,833.33	13	40	371	62.5	237	(134)
Creek Crossing w/Concrete Cap	1/15/2004	5,600.00	13	40	140	62.5	90	(50)
Creek Crossing w/Crushed rock	1/15/2004	11,525.00	13	40	288	62.5	184	(104)
12" PVC C-900 Pipe 850 Feet	1/31/2004	13,591.74	13	40	340	62.5	217	(123)
12" Ductile Iron B&S River 300 Feet	1/31/2004	63,777.21	13	40	1,594	62.5	1,020	(574)
6" PVC 200 Pipe 16700 Feet	1/31/2004	79,619.64	13	40	1,990	62.5	1,274	(716)
4" PVC 200 Pipe 31000 Feet	1/31/2004	72,339.40	13	40	1,808	62.5	1,157	(651)
3" PVC 200 Pipe 52200 Feet	1/31/2004	180,536.10	13	40	4,513	62.5	2,889	(1,624)
12" Steel Casing B&J 290 Feet	1/31/2004	7,425.00	13	40	186	62.5	119	(67)
8" Steel Casing B&J	1/31/2004	5,500.00	13	10	-	62.5	-	-
8" Steel Casing Bit	1/31/2004	3,250.00	13	10	-	62.5	-	-
8" PVC SDR 35 Casing	1/31/2004	700.00	13	10	-	62.5	-	-
Creek Crossing Concrete Cap	1/31/2004	2,240.00	13	10	-	62.5	-	-
Creek Crossing - Crushed Rock	1/31/2004	2,075.00	13	10	-	62.5	-	-
12" Gate Valve & Box	1/31/2004	1,983.60	13	10	-	62.5	-	-
6" Gate Valve & Box	1/31/2004	1,172.25	13	10	-	62.5	-	-
4" Gate Valve & Box	1/31/2004	2,325.05	13	10	-	62.5	-	-
3" Gate Valve & Box	1/31/2004	2,483.28	13	10	-	62.5	-	-
3" Blowoff Assembly	1/31/2004	18,494.80	13	10	-	62.5	-	-
Crushed Rock - Backfill	1/31/2004	34,241.85	13	40	856	62.5	548	(308)
Bituminous Paving	1/31/2004	9,400.00	13	20	470	62.5	150	(320)
Concrete Pavement Roads	1/31/2004	17,160.00	13	20	858	62.5	275	(583)
6" Flush Hydrant Assembly	1/31/2004	9,970.35	13	10	-	50	-	-
Meters & Installations	1/31/2004	9,703.52	13	20	485	40	243	(242)
Customer Service Tandem - Same Side	1/31/2004	17,649.52	13	40	441	62.5	282	(159)
Customer Service Tandem - Opposite Side	1/31/2004	13,955.10	13	40	349	62.5	223	(126)
Additional 1" Service Pipe 1000 Feet	1/31/2004	4,336.55	13	40	108	62.5	69	(39)
Telemetry System	1/31/2004	45,240.00	13	40	1,131	62.5	724	(407)
Cobhill Expansion Additions	1/31/2004	28,500.00	13	40	713	62.5	456	(257)
3" PVC 200 Pipe 11329 Feet	1/31/2004	32,572.41	13	40	814	62.5	521	(293)
Creek Crossing Concrete Cap	1/31/2004	4,900.00	13	10	-	62.5	-	-
Creek Crossing Crushed Rock	1/31/2004	2,914.74	13	10	-	62.5	-	-
6" C-900 PVC Pipe 3170 Feet	1/31/2004	19,244.40	13	40	481	62.5	308	(173)
6" SDR 21 PVC Pipe 39520 Feet	1/31/2004	191,345.70	13	40	4,784	62.5	3,062	(1,722)
4" SDR 21 PVC Pipe 6430 Feet	1/31/2004	22,177.60	13	40	554	62.5	355	(199)
3" SDR 21 PVC Pipe 11960 Feet	1/31/2004	37,543.80	13	40	939	62.5	601	(338)
6" Gate Valve & Box	1/31/2004	4,689.00	13	10	-	62.5	-	-
4" Gate Valve & Box	1/31/2004	1,884.20	13	10	-	62.5	-	-
8" Bore & Cover Pipe	1/31/2004	3,350.00	13	10	-	62.5	-	-
12" Bore & Cover Pipe	1/31/2004	9,405.00	13	10	-	62.5	-	-
3" Blowoff Assembly	1/31/2004	5,548.44	13	10	-	62.5	-	-
Crushed Rock Backfill	1/31/2004	18,088.00	13	40	452	62.5	289	(163)
10" Steel Cover Pipe	1/31/2004	5,640.00	13	40	141	62.5	90	(51)
Customer Service Opposite Side	1/31/2004	19,537.14	13	40	488	62.5	313	(175)
Customer Service Same Side	1/31/2004	2,430.16	13	40	61	62.5	39	(22)
Additional 1" Service Line	1/31/2004	5,054.59	13	40	126	62.5	81	(45)
Telemetry System Upgrade	1/31/2004	55,747.27	13	40	1,394	62.5	892	(502)
8" 200 PVC Pipe 4349 Feet	1/31/2004	30,858.00	13	40	771	62.5	494	(277)
100000 Gallon Water Storage Tank	1/31/2004	131,000.00	13	40	3,275	45	2,911	(364)
PRV Valves	1/31/2004	17,120.00	13	10	-	62.5	-	-
3" SDR 21 PVC Pipe 3200 Feet	1/31/2004	14,647.00	13	40	366	62.5	234	(132)
3" Gate Valve	1/31/2004	4,865.08	13	10	-	62.5	-	-
12" PVC C-900 DR18 Pipe 4800 Feet	1/31/2004	121,118.55	13	40	3,028	62.5	1,938	(1,090)
18" B&J Steel Casing	1/31/2004	23,700.00	13	40	593	62.5	379	(214)
River Pump Station	1/31/2004	66,274.00	13	20	3,314	35	1,894	(1,420)
Pearidge Pump Station	1/31/2004	64,586.30	13	20	3,229	35	1,845	(1,384)
14" Bore & Jack Cased	1/31/2004	30,030.00	13	10	-	62.5	-	-
8" Gate Valve & Box	1/31/2004	2,472.26	13	10	-	62.5	-	-
Meters & Installations	1/31/2004	11,165.78	13	40	279	40	279	-
12" B&S River Crossing Pipe	1/31/2004	19,370.75	13	40	484	62.5	310	(174)
Cobhill Extension Additions	1/31/2004	13,318.21	13	40	333	62.5	213	(120)
Cobhill Water Tank Installation	1/31/2004	210,838.00	13	40	5,271	45	4,685	(586)
Attorney Fees	1/31/2004	21,565.13	13	40	539	62.5	345	(194)
Engineering Design & Inspection	1/31/2004	423,697.81	13	40	10,592	62.5	6,779	(3,813)
Land Rights/Easements	1/31/2004	15,542.52	13	7	-	7	-	-
Capitalized Interest	1/31/2004	70,000.00	13	40	1,750	62.5	1,120	(630)

Table A - Depreciation Expense Adjustment

Cobhill Extension Additions	1/31/2004	168,364.17	13	40	4,209	62.5	2,694	(1,515)
Totals		<u>13,256,237</u>			<u>319,297</u>		<u>211,787</u>	<u>(107,510)</u>

Debt Service Summary

Table B - Debt Service Summary

<i>2014 Issue</i>	2017	2018	2019	3-Yr Avg
Principle	28,500	29,500	30,000	29,333
Interest	39,686	39,009	38,308	39,001
Total P&I	68,186	68,509	68,308	68,334
20% Coverage	13,637	13,702	13,662	13,667
Total	81,823	82,211	81,970	82,001

<i>2006 Issue</i>	2017	2018	2019	3-Yr Avg
Principle	14,500	15,500	16,000	15,333
Interest	34,938	34,340	33,701	34,326
Total P&I	49,438	49,840	49,701	49,660
20% Coverage	9,888	9,968	9,940	9,932
Total	59,326	59,808	59,641	59,592

<i>2002 Issue</i>	2017	2018	2019	3-Yr Avg
Principle	16,000	16,000	17,000	16,333
Interest	3,019	2,275	1,491	2,262
Total P&I	19,019	18,275	18,491	18,595
20% Coverage	-	-	-	-
Total	19,019	18,275	18,491	18,595

<i>2000 Issue</i>	2017	2018	2019	3-Yr Avg
Principle	19,500	20,500	21,500	20,500
Interest	34,447	33,570	32,647	33,555
Total P&I	53,947	54,070	54,147	54,055
20% Coverage	10,789	10,814	10,829	10,811
Total	64,736	64,884	64,976	64,866

<i>1996 Issue</i>	2017	2018	2019	3-Yr Avg
Principle	11,500	12,000	12,500	12,000
Interest	16,335	15,817	15,277	15,810
Total P&I	27,835	27,817	27,777	27,810
20% Coverage	5,567	5,563	5,555	5,562
Total	33,402	33,380	33,332	33,372

<i>1991 Issue A</i>	2017	2018	2019	3-Yr Avg
Principle	14,000	15,000	15,500	14,833
Interest	16,750	16,050	15,300	16,033
Total P&I	30,750	31,050	30,800	30,867
20% Coverage	6,150	6,210	6,160	6,173
Total	36,900	37,260	36,960	37,040

Table B - Debt Service Summary

1991 Issue B	2017	2018	2019	3-Yr Avg
Principle	2,500	3,000	3,000	2,833
Interest	3,300	3,175	3,025	3,167
Total P&I	5,800	6,175	6,025	6,000
20% Coverage	1,160	1,235	1,205	1,200
Total	6,960	7,410	7,230	7,200

Citizens Guaranty - 88196	2017	2018	2019	3-Yr Avg
Principle	128,280	-	-	42,760
Interest	3,819	-	-	1,273
Total P&I	132,099	-	-	44,033
20% Coverage	-	-	-	-
Total	132,099	-	-	44,033

Citizens Guaranty - 03387	2017	2018	2019	3-Yr Avg
Principle	11,750	12,211	55,030	26,330
Interest	2,835	2,374	180	1,796
Total P&I	14,585	14,585	55,210	28,127
20% Coverage	-	-	-	-
Total	14,585	14,585	55,210	28,127

Citizens Guaranty - 24597	2017	2018	2019	3-Yr Avg
Principle	9,704	12,333	12,848	11,628
Interest	3,820	3,895	3,380	3,698
Total P&I	13,524	16,228	16,228	15,327
20% Coverage	-	-	-	-
Total	13,524	16,228	16,228	15,327

Totals	2017	2018	2019	3-Yr Avg
Principle	256,234	136,044	183,378	191,885
Interest	158,949	150,506	143,309	150,921
Total P&I	415,182	286,549	326,687	342,806
20% Coverage	47,191	47,492	47,352	47,345
Total	462,374	334,042	374,039	390,151

Billing Adjustments

Table C - Billing Adjustments

Account	Billing Error	Leak Adjustment	Leak Adjustment - Regulator	Total
1010220001		-39.36		-39.36
1010260002		-26.74		-26.74
1010370002		-58.81		-58.81
1010640000			-168.14	-168.14
1010940000		-43.91		-43.91
1011115001		-286.24		-286.24
1011320000		-285.70		-285.70
1011440001		-27.03		-27.03
1011530003		-54.15		-54.15
1012046000		-18.66		-18.66
1012150001		-9.39		-9.39
1012570002		-123.74		-123.74
1012820006		-93.50		-93.50
1012830005		-42.79		-42.79
1013025005	-221.61			-221.61
1013500001		-37.38		-37.38
1013600001			-74.91	-74.91
1013730000		-24.44		-24.44
1013905000		-130.18		-130.18
1020160004		-59.20		-59.20
1020300001		-40.41		-40.41
1020400004		-40.50		-40.50
1020740005		-78.70		-78.70
1020780000		-119.09		-119.09
1020820000		-41.58		-41.58
1020940001		-65.90		-65.90
1021065002		-26.18		-26.18
1021080000		-128.55		-128.55
1021370005		-16.16		-16.16
1021510000			-10.92	-10.92
1021660004		-70.67		-70.67
1022420000		-26.83		-26.83
1022540003		-945.47		-945.47
1022860000		-32.66		-32.66
1022950006		-43.38		-43.38
1023000003		-215.67		-215.67
1023050003		-40.78		-40.78
1023270000	-38.57	-738.01		-776.58
1023272000		-70.45		-70.45
1023410002		-17.60	-43.72	-61.32
1030020001		-290.16		-290.16
1030025000	-118.20			-118.20
1030600000	-291.36			-291.36
1030620002		-223.22		-223.22
1031110000	-29.56			-29.56
1031380001			-5.18	-5.18
1031500002			-130.54	-130.54
1031820000	-24.83			-24.83
1031905001		-98.46		-98.46
1032260000		-275.96		-275.96
1032730001		-214.51		-214.51
1032810000		-27.87		-27.87

Table C - Billing Adjustments

1032930000		-61.52		-61.52
1032960000		-120.63		-120.63
1033015003		-38.95		-38.95
1033175200		-290.02		-290.02
1033278000	-3.55			-3.55
1033360000		-26.22		-26.22
1033417000		-92.60		-92.60
1033705000	-20.00		-13.67	-33.67
1033730000		-55.35		-55.35
1033860000		-317.58		-317.58
1034190000		-192.33		-192.33
1040310000		-156.85		-156.85
1040550000		-279.11		-279.11
1040722001			-31.11	-31.11
1040887701		-60.18		-60.18
1040970000			-139.84	-139.84
1041140000		-38.45		-38.45
1041365004		-56.70		-56.70
1041470000		-420.98		-420.98
1041690001		-49.32	-58.60	-107.92
1042450001		-206.62		-206.62
1042500004		-416.52		-416.52
1042890000		-115.05		-115.05
1042980000		-223.88		-223.88
1043420000		-66.85		-66.85
1050070002		-72.08		-72.08
1050240001		-28.30		-28.30
1050882000			-202.27	-202.27
1051080001		-341.35		-341.35
1051140003			-46.31	-46.31
1051320000		-38.09		-38.09
1051960000		-104.95		-104.95
1052365001		-139.83		-139.83
1052700002		-108.05		-108.05
1052735000		-23.13		-23.13
1060670001		-32.65		-32.65
1060860001		-39.07		-39.07
1060980001		-162.43		-162.43
1061185000	-6,440.76			-6,440.76
1061570000		-85.41		-85.41
1061630004		-51.34		-51.34
1070050001		-39.67		-39.67
1070170001		-63.60		-63.60
1070350000		-91.95		-91.95
1070480000		-178.62		-178.62
1070519004		-19.99		-19.99
1070630000		0.00	-42.53	-42.53
1070690000		-178.12		-178.12
1071082000		-449.58		-449.58
1071470000		-52.80		-52.80
1072640007		-40.46		-40.46
1073140000			-230.92	-230.92
1073260000		-63.29		-63.29
1073283000		-46.49		-46.49
1073290000		-70.31		-70.31

Table C - Billing Adjustments

1073435005		-119.76		-119.76
1073830000		-47.50		-47.50
1074330000		-156.96		-156.96
1075030001		-36.29		-36.29
1075380000		-34.69		-34.69
1075720001		-31.59		-31.59
1075890000		-23.30		-23.30
1076520000		-60.37		-60.37
1080200001		-60.33		-60.33
1080240000		-69.56		-69.56
1080839001		-110.81		-110.81
1082110002		-253.23		-253.23
1082190000		-264.90		-264.90
1090100001	-59.39			-59.39
1091330000		-85.33		-85.33
1091800000		-65.02		-65.02
1092180000	-531.71			-531.71
1100290000			-180.54	-180.54
1100430004		-21.50		-21.50
1101200000		-51.13		-51.13
1101210000		0.00	-178.37	-178.37
1101245005	-32.69			-32.69
1101370004		-94.62		-94.62
1101705000		-101.64		-101.64
1101745001		-64.06		-64.06
1995060000		-184.60		-184.60
1995130000		-109.70		-109.70
1995430000			-359.67	-359.67
1995690000		-38.85		-38.85
1995850000		0.00		0.00
1996400001	-81.87			-81.87
1996430000		-263.48		-263.48
1996440000		-157.75		-157.75
1996470000		-109.09		-109.09
1998030000		-39.83		-39.83
1998040000		-63.75		-63.75
1998230000		-68.16		-68.16
1998560000		-42.47		-42.47
1998670000		-93.22		-93.22
1998760000		-173.08		-173.08
1998820000		-34.94		-34.94
1998950000		-31.33		-31.33
1999290000		-268.08		-268.08
Total	-7,894.10	-14,488.18	-1,917.24	-24,299.52

Billing Analysis

Billing Analysis

Estill County Water District

Test Period: January – December 2015

Usage Table

January - July 2015

5/8" x 3/4" Meters

Class: Residential

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	8,185	7,776,910	7,776,910				7,776,910
Next 3,000 Gallons	11,015	36,244,220	22,030,000	14,214,220			36,244,220
Next 5,000 Gallons	3,885	25,718,170	7,770,000	11,655,000	6,293,170		25,718,170
Over 10,000 Gallons	882	15,520,860	1,764,000	2,646,000	8,820,000	2,290,860	15,520,860
Totals	23,967	85,260,160	39,340,910	28,515,220	15,113,170	2,290,860	85,260,160

Class: Residential w/surcharge

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	768	603,150	603,150				603,150
Next 3,000 Gallons	572	1,842,320	1,144,000	698,320			1,842,320
Next 5,000 Gallons	183	1,183,610	366,000	549,000	268,610		1,183,610
Over 10,000 Gallons	47	1,876,130	94,000	141,000	470,000	1,171,130	1,876,130
Totals	1,570	5,505,210	2,207,150	1,388,320	738,610	1,171,130	5,505,210

Class: Commerical

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	467	280,000	280,000				280,000
Next 3,000 Gallons	177	572,240	354,000	218,240			572,240
Next 5,000 Gallons	74	515,060	148,000	222,000	145,060		515,060
Over 10,000 Gallons	75	4,228,890	150,000	225,000	750,000	3,103,890	4,228,890
Totals	793	5,596,190	932,000	665,240	895,060	3,103,890	5,596,190

Usage Table (Continued)
January - July 2015

1" Meters

Class: Residential 1"

	Bills	Gallons	First 5,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	5	1,170	1,170			1,170
Next 3,000 Gallons	2	15,500	4,000	11,500		15,500
Over 10,000 Gallons	7	330,300	14,000	21,000	295,300	330,300
Totals	14	346,970	19,170	32,500	295,300	346,970

Class: Commercial 1"

	Bills	Gallons	First 5,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	25	28,700	28,700			28,700
Next 3,000 Gallons	4	29,400	8,000	21,400		29,400
Over 10,000 Gallons	20	479,560	40,000	60,000	379,560	479,560
Totals	49	537,660	76,700	81,400	379,560	537,660

2" Meters

Class: Residential 2"

	Bills	Gallons	First 16,000	Over 16,000	Total
First 2,000 Minimum Bill	2	22,100	22,100		22,100
Over 10,000 Gallons	12	795,100	24,000	771,100	795,100
Totals	14	817,200	46,100	771,100	817,200

Class: Commercial 2"

	Bills	Gallons	First 16,000	Over 16,000	Total
First 2,000 Minimum Bill	36	226,980	226,980		226,980
Over 10,000 Gallons	29	1,246,700	58,000	1,188,700	1,246,700
Totals	65	1,473,680	284,980	1,188,700	1,473,680

Usage Table

August - December 2015

5/8" x 3/4" Meters

Class: Residential

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	5,898	5,701,830	5,701,830				5,701,830
Next 3,000 Gallons	8,017	26,290,130	16,034,000	10,256,130			26,290,130
Next 5,000 Gallons	2,688	17,487,400	5,376,000	8,064,000	4,047,400		17,487,400
Over 10,000 Gallons	518	10,013,140	1,036,000	1,554,000	5,180,000	2,243,140	10,013,140
Totals	17,121	59,492,500	28,147,830	19,874,130	9,227,400	2,243,140	59,492,500

Class: Residential w/surcharge

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	556	410,720	410,720				410,720
Next 3,000 Gallons	426	1,379,530	852,000	527,530			1,379,530
Next 5,000 Gallons	123	770,350	246,000	369,000	155,350		770,350
Over 10,000 Gallons	23	1,164,080	46,000	69,000	230,000	819,080	1,164,080
Totals	1,128	3,724,680	1,554,720	965,530	385,350	819,080	3,724,680

Class: Commerical

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	341	213,380	213,380				213,380
Next 3,000 Gallons	120	403,570	240,000	163,570			403,570
Next 5,000 Gallons	56	401,070	112,000	168,000	121,070		401,070
Over 10,000 Gallons	52	2,432,830	104,000	156,000	520,000	1,652,830	2,432,830
Totals	569	3,450,850	669,380	487,570	641,070	1,652,830	3,450,850

Usage Table (Continued)
August - December 2015

1" Meters

Class: Residential 1"

	Bills	Gallons	First 5,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	4	9,890	9,890			9,890
Next 3,000 Gallons	1	6,240	2,000	4,240		6,240
Over 10,000 Gallons	5	327,740	10,000	15,000	302,740	327,740
Totals	10	343,870	21,890	19,240	302,740	343,870

Class: Commercial 1"

	Bills	Gallons	First 5,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	21	25,170	25,170			25,170
Next 3,000 Gallons	7	55,570	14,000	41,570		55,570
Over 10,000 Gallons	16	400,400	32,000	48,000	320,400	400,400
Totals	44	481,140	71,170	89,570	320,400	481,140

2" Meters

Class: Residential 2"

	Bills	Gallons	First 16,000	Over 16,000	Total
First 2,000 Minimum Bill	-	-	-		-
Over 10,000 Gallons	10	500,400	20,000	480,400	500,400
Totals	10	500,400	20,000	480,400	500,400

Class: Commercial 2"

	Bills	Gallons	First 16,000	Over 16,000	Total
First 2,000 Minimum Bill	25	188,970	188,970		188,970
Over 10,000 Gallons	20	909,350	40,000	869,350	909,350
Totals	45	1,098,320	228,970	869,350	1,098,320

Usage Table

Total Test Year 2015

5/8" x 3/4" Meters

Class: Residential

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	14,083	13,478,740	13,478,740				13,478,740
Next 3,000 Gallons	19,032	62,534,350	38,064,000	24,470,350			62,534,350
Next 5,000 Gallons	6,573	43,205,570	13,146,000	19,719,000	10,340,570		43,205,570
Over 10,000 Gallons	1,400	25,534,000	2,800,000	4,200,000	14,000,000	4,534,000	25,534,000
Totals	41,088	144,752,660	67,488,740	48,389,350	24,340,570	4,534,000	144,752,660

Class: Residential w/Surcharge

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	1,324	1,013,870	1,013,870				1,013,870
Next 3,000 Gallons	998	3,221,850	1,996,000	1,225,850			3,221,850
Next 5,000 Gallons	306	1,953,960	612,000	918,000	423,960		1,953,960
Over 10,000 Gallons	70	3,040,210	140,000	210,000	700,000	1,990,210	3,040,210
Totals	2,698	9,229,890	3,761,870	2,353,850	1,123,960	1,990,210	9,229,890

Class: Commercial

	Bills	Gallons	First 2,000	Next 3,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	808	493,380	493,380				493,380
Next 3,000 Gallons	297	975,810	594,000	381,810			975,810
Next 5,000 Gallons	130	916,130	260,000	390,000	266,130		916,130
Over 10,000 Gallons	127	6,661,720	254,000	381,000	1,270,000	4,756,720	6,661,720
Totals	1,362	9,047,040	1,601,380	1,152,810	1,536,130	4,756,720	9,047,040

Usage Table (Continued)
Total Test Year 2015

1" Meters

Class: Residential 1"

	Bills	Gallons	First 5,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	9	11,060	11,060			11,060
Next 3,000 Gallons	3	21,740	6,000	15,740		21,740
Over 10,000 Gallons	12	658,040	24,000	36,000	598,040	658,040
Totals	24	690,840	41,060	51,740	598,040	690,840

Class: Commercial 1"

	Bills	Gallons	First 5,000	Next 5,000	Over 10,000	Total
First 2,000 Minimum Bill	46	53,870	53,870			53,870
Next 3,000 Gallons	11	84,970	22,000	62,970		84,970
Over 10,000 Gallons	36	879,960	72,000	108,000	699,960	879,960
Totals	93	1,018,800	147,870	170,970	699,960	1,018,800

2" Meters

Class: Residential 2"

	Bills	Gallons	First 16,000	Over 16,000	Total
First 2,000 Minimum Bill	2	22,100	22,100		22,100
Over 10,000 Gallons	22	1,295,500	44,000	1,251,500	1,295,500
Totals	24	1,317,600	66,100	1,251,500	1,317,600

Class: Commercial 2"

	Bills	Gallons	First 16,000	Over 16,000	Total
First 2,000 Minimum Bill	61	415,950	415,950		415,950
Over 10,000 Gallons	49	2,156,050	98,000	2,058,050	2,156,050
Totals	110	2,572,000	513,950	2,058,050	2,572,000

Revenue Table – Test Year
January - July 2015

5/8" x 3/4" Meters

Class: Residential

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	23,967	39,340,910	\$ 16.44	\$ 394,017.48
Next 3,000 Gallons		28,515,220	\$ 7.99	\$ 227,836.61
Next 5,000 Gallons		15,113,170	\$ 7.79	\$ 117,731.59
Over 10,000 Gallons		2,290,860	\$ 5.90	\$ 13,516.07
Totals	23,967	85,260,160		\$ 753,101.76

Class: Residential w/Surcharge

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	1,570	2,207,150	\$ 16.44	\$ 25,810.80
Next 3,000 Gallons		1,388,320	\$ 7.99	\$ 11,092.68
Next 5,000 Gallons		738,610	\$ 7.79	\$ 5,753.77
Over 10,000 Gallons		1,171,130	\$ 5.90	\$ 6,909.67
Totals	1,570	5,505,210		\$ 49,566.92

Class: Commercial

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	793	932,000	\$ 16.44	\$ 13,036.92
Next 3,000 Gallons		665,240	\$ 7.99	\$ 5,315.27
Next 5,000 Gallons		895,060	\$ 7.79	\$ 6,972.52
Over 10,000 Gallons		3,103,890	\$ 5.90	\$ 18,312.95
Totals	793	5,596,190		\$ 43,637.66

1" Meters

Class: Residential 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	14	19,170	\$ 40.41	\$ 565.74
Next 5,000 Gallons		32,500	\$ 7.79	\$ 253.18
Over 10,000 Gallons		295,300	\$ 5.90	\$ 1,742.27
Totals	14	346,970		\$ 2,561.19

Revenue Table – Test Year (Continued)
January - July 2015

Class: Commercial 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	49	76,700	\$ 40.41	\$ 1,980.09
Next 5,000 Gallons		81,400	\$ 7.79	\$ 634.11
Over 10,000 Gallons		379,560	\$ 5.90	\$ 2,239.40
Totals	49	537,660		\$ 4,853.60

2" Meters

Class: Residential 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	14	46,100	\$ 114.76	\$ 1,606.64
Over 16,000 Gallons		771,100	\$ 5.90	\$ 4,549.49
Totals	14	817,200		\$ 6,156.13

Class: Commercial 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	65	284,980	\$ 114.76	\$ 7,459.40
Over 16,000 Gallons		1,188,700	\$ 5.90	\$ 7,013.33
Totals	65	1,473,680		\$ 14,472.73

Revenue Totals: Test Year (January – July 2015)

	Bills	Gallons	Revenue
Totals	26,472	99,537,070	\$874,350

Revenue Table – Test Year
August - December 2015

5/8" x 3/4" Meters

Class: Residential

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	17,121	28,147,830	\$ 17.14	\$ 293,453.94
Next 3,000 Gallons		19,874,130	\$ 8.34	\$ 165,750.24
Next 5,000 Gallons		9,227,400	\$ 8.14	\$ 75,111.04
Over 10,000 Gallons		2,243,140	\$ 6.25	\$ 14,019.63
Totals	17,121	59,492,500		\$ 548,334.85

Class: Residential w/Surcharge

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	1,128	1,554,720	\$ 17.14	\$ 19,333.92
Next 3,000 Gallons		965,530	\$ 8.34	\$ 8,052.52
Next 5,000 Gallons		385,350	\$ 8.14	\$ 3,136.75
Over 10,000 Gallons		819,080	\$ 6.25	\$ 5,119.25
Totals	1,128	3,724,680		\$ 35,642.44

Class: Commercial

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	569	669,380	\$ 17.14	\$ 9,752.66
Next 3,000 Gallons		487,570	\$ 8.34	\$ 4,066.33
Next 5,000 Gallons		641,070	\$ 8.14	\$ 5,218.31
Over 10,000 Gallons		1,652,830	\$ 6.25	\$ 10,330.19
Totals	569	3,450,850		\$ 29,367.49

1" Meters

Class: Residential 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	10	21,890	\$ 42.16	\$ 421.60
Next 5,000 Gallons		19,240	\$ 8.14	\$ 156.61
Over 10,000 Gallons		302,740	\$ 6.25	\$ 1,892.13
Totals	10	343,870		\$ 2,470.34

Revenue Table – Test Year (Continued)
August - December 2015

Class: Commercial 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	44	71,170	\$ 42.16	\$ 1,855.04
Next 5,000 Gallons		89,570	\$ 8.14	\$ 729.10
Over 10,000 Gallons		320,400	\$ 6.25	\$ 2,002.50
Totals	44	481,140		\$ 4,586.64

2" Meters

Class: Residential 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	10	20,000	\$ 120.36	\$ 1,203.60
Over 16,000 Gallons		480,400	\$ 6.25	\$ 3,002.50
Totals	10	500,400		\$ 4,206.10

Class: Commercial 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	45	228,970	\$ 120.36	\$ 5,416.20
Over 16,000 Gallons		869,350	\$ 6.25	\$ 5,433.44
Totals	45	1,098,320		\$ 10,849.64

Revenue Totals: Test Year (August – December 2015)

	Bills	Gallons	Revenue
Totals	18,927	69,091,760	\$635,457

Revenue Totals: Test Year (Full Year)

	Bills	Gallons	Revenue
Totals	45,399	168,628,830	\$1,509,807

Revenue Table – Current Rate

5/8" x 3/4" Meters

Class: Residential				
	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	41,088	67,488,740	\$ 17.20	\$ 706,713.60
Next 3,000 Gallons		48,389,350	\$ 8.37	\$ 405,018.86
Next 5,000 Gallons		24,340,570	\$ 8.17	\$ 198,862.46
Over 10,000 Gallons		4,534,000	\$ 6.28	\$ 28,473.52
Totals	41,088	144,752,660		\$ 1,339,068.44

Class: Residential w/Surcharge				
	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	2,698	3,761,870	\$ 17.20	\$ 46,405.60
Next 3,000 Gallons		2,353,850	\$ 8.37	\$ 19,701.72
Next 5,000 Gallons		1,123,960	\$ 8.17	\$ 9,182.75
Over 10,000 Gallons		1,990,210	\$ 6.28	\$ 12,498.52
Totals	2,698	9,229,890		\$ 87,788.60

Class: Commercial				
	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	1,362	1,601,380	\$ 17.20	\$ 23,426.40
Next 3,000 Gallons		1,152,810	\$ 8.37	\$ 9,649.02
Next 5,000 Gallons		1,536,130	\$ 8.17	\$ 12,550.18
Over 10,000 Gallons		4,756,720	\$ 6.28	\$ 29,872.20
Totals	1,362	9,047,040		\$ 75,497.80

1" Meters

Class: Residential 1"				
	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	24	41,060	\$ 42.31	\$ 1,015.44
Next 5,000 Gallons		51,740	\$ 8.17	\$ 422.72
Over 10,000 Gallons		598,040	\$ 6.28	\$ 3,755.69
Totals	24	690,840		\$ 5,193.85

Revenue Table – Current Rates (Continued)

Class: Commercial 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	93	147,870	\$ 42.31	\$ 3,934.83
Next 5,000 Gallons		170,970	\$ 8.17	\$ 1,396.82
Over 10,000 Gallons		699,960	\$ 6.28	\$ 4,395.75
Totals	93	1,018,800		\$ 9,727.40

2" Meters

Class: Residential 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	24	66,100	\$ 120.84	\$ 2,900.16
Over 16,000 Gallons		1,251,500	\$ 6.28	\$ 7,859.42
Totals	24	1,317,600		\$ 10,759.58

Class: Commercial 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	110	513,950	\$ 120.84	\$ 13,292.40
Over 16,000 Gallons		2,058,050	\$ 6.28	\$ 12,924.55
Totals	110	2,572,000		\$ 26,216.95

Revenue Totals: Current Rates

	Bills	Gallons	Revenue
Totals	45,399	168,628,830	\$1,554,253

Revenue Table - Proposed Rates

5/8" x 3/4" Meters

Class: Residential

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	41,088	67,488,740	\$ 21.07	\$ 865,724.16
Next 3,000 Gallons		48,389,350	\$ 10.25	\$ 495,990.84
Next 5,000 Gallons		24,340,570	\$ 10.01	\$ 243,649.11
Over 10,000 Gallons		4,534,000	\$ 7.69	\$ 34,866.46
Totals	41,088	144,752,660		\$ 1,640,230.56

Class: Residential w/Surcharge

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	2,698	3,761,870	\$ 21.07	\$ 56,846.86
Next 3,000 Gallons		2,353,850	\$ 10.25	\$ 24,126.96
Next 5,000 Gallons		1,123,960	\$ 10.01	\$ 11,250.84
Over 10,000 Gallons		1,990,210	\$ 7.69	\$ 15,304.71
Totals	2,698	9,229,890		\$ 107,529.38

Class: Commercial

	Bills	Gallons	Rates	Revenue
First 2,000 Minimum Bill	1,362	1,601,380	\$ 21.07	\$ 28,697.34
Next 3,000 Gallons		1,152,810	\$ 10.25	\$ 11,816.30
Next 5,000 Gallons		1,536,130	\$ 10.01	\$ 15,376.66
Over 10,000 Gallons		4,756,720	\$ 7.69	\$ 36,579.18
Totals	1,362	9,047,040		\$ 92,469.48

1" Meters

Class: Residential 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	24	41,060	\$ 51.83	\$ 1,243.92
Next 5,000 Gallons		51,740	\$ 10.01	\$ 517.92
Over 10,000 Gallons		598,040	\$ 7.69	\$ 4,598.93
Totals	24	690,840		\$ 6,360.77

Revenue Table - Proposed Rates (Continued)

Class: Commercial 1"

	Bills	Gallons	Rates	Revenue
First 5,000 Minimum Bill	93	147,870	\$ 51.83	\$ 4,820.19
Next 5,000 Gallons		170,970	\$ 10.01	\$ 1,711.41
Over 10,000 Gallons		699,960	\$ 7.69	\$ 5,382.69
Totals	93	1,018,800		\$ 11,914.29

2" Meters

Class: Residential 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	24	66,100	\$ 148.03	\$ 3,552.72
Over 16,000 Gallons		1,251,500	\$ 7.69	\$ 9,624.04
Totals	24	1,317,600		\$ 13,176.76

Class: Commercial 2"

	Bills	Gallons	Rates	Revenue
First 16,000 Minimum Bill	110	513,950	\$ 148.03	\$ 16,283.30
Over 16,000 Gallons		2,058,050	\$ 7.69	\$ 15,826.40
Totals	110	2,572,000		\$ 32,109.70

Revenue Totals – Proposed Rates

	Bills	Gallons	Revenue
Totals	45,399	168,628,830	\$1,903,791

Depreciation Schedules

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life	Status	New	Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 100 - UTILITY PLANT											
06/30/75	UTILITY PLANT SLMM MM 50	Active	New	Not Listed	41	523,542.96 43,205.23	523,542.96 0.00	523,542.96 0.00	10,470.86 0.00	469,866.87 480,337.73	
06/30/76	METER INSTALLATIONS SLP FM 15	Active	New	Not Listed	40	12,127.82 0.00	12,127.82 0.00	12,127.82 0.00	0.00 0.00	12,127.82 12,127.82	
06/30/76	WHISPERING WOODS LINE SLP FM 15	Active	New	Not Listed	40	10,250.00 0.00	10,250.00 0.00	10,250.00 0.00	0.00 0.00	10,250.00 10,250.00	
06/30/76	METERS SLP FM 15	Active	New	Not Listed	40	11,642.87 0.00	11,642.87 0.00	11,642.87 0.00	0.00 0.00	11,642.87 11,642.87	
07/30/77	NEW LINES SL MM 40	Active	New	Not Listed	39	11,437.26 428.94	11,437.26 0.00	11,437.26 0.00	285.93 0.00	10,722.39 11,008.32	
07/31/77	NEW EXTENSION LINES SL MM 40	Active	New	Not Listed	39	381,978.90 14,324.27	381,978.90 0.00	381,978.90 0.00	9,549.47 0.00	358,105.16 367,854.63	
07/31/77	NEW RESERVOIR SL MM 40	Active	New	Not Listed	39	82,120.00 3,079.50	82,120.00 0.00	82,120.00 0.00	2,053.00 0.00	76,987.50 79,040.50	
07/31/77	CAPITALIZED INTEREST SL MM 40	Active	New	Not Listed	39	16,411.25 615.46	16,411.25 0.00	16,411.25 0.00	410.28 0.00	15,385.51 15,795.79	
07/31/77	EASEMENT LAND NO 7	Active	New	Not Listed	39	2,754.34 2,754.34	2,754.34 0.00	2,754.34 0.00	0.00 0.00	0.00 0.00	
07/31/77	METER INSTALLATIONS SL MM 15	Active	New	Not Listed	39	17,766.49 0.00	17,766.49 0.00	17,766.49 0.00	0.00 0.00	17,766.49 17,766.49	
07/31/77	NEW EXTENSION LINES SL MM 15	Active	New	Not Listed	39	44,416.16 0.00	44,416.16 0.00	44,416.16 0.00	0.00 0.00	44,416.16 44,416.16	
07/31/77	SYSTEMS SL MM 15	Active	New	Not Listed	39	3,882.78 0.00	3,882.78 0.00	3,882.78 0.00	0.00 0.00	3,882.78 3,882.78	
01/01/79	METERS SL MM 25	Active	New	Not Listed	37	15,585.00 0.00	15,585.00 0.00	15,585.00 0.00	0.00 0.00	15,585.00 15,585.00	
01/01/79	SYSTEMS SL MM 25	Active	New	Not Listed	37	101,056.65 0.00	101,056.65 0.00	101,056.65 0.00	0.00 0.00	101,056.65 101,056.65	
07/01/79	CAPITALIZED INTEREST SL MM 25	Active	New	Not Listed	37	6,408.77 0.00	6,408.77 0.00	6,408.77 0.00	0.00 0.00	6,408.77 6,408.77	
07/28/79	METAL DETECTOR SL HY 5	Active	New	Not Listed	37	258.00 0.00	258.00 0.00	258.00 0.00	0.00 0.00	258.00 258.00	
07/28/79	METERS SL MM 15	Active	New	Not Listed	37	10,250.00 0.00	10,250.00 0.00	10,250.00 0.00	0.00 0.00	10,250.00 10,250.00	
07/28/79	SYSTEM SL MM 15	Active	New	Not Listed	37	15,731.59 0.00	15,731.59 0.00	15,731.59 0.00	0.00 0.00	15,731.59 15,731.59	
06/01/80	METERS & INSTALLATIONS SL MM 15	Active	New	Not Listed	36	24,160.28 0.00	24,160.28 0.00	24,160.28 0.00	0.00 0.00	24,160.28 24,160.28	
07/01/80	PUMP STATION SL MM 25	Active	New	Not Listed	36	21,651.72 0.00	21,651.72 0.00	21,651.72 0.00	0.00 0.00	21,651.72 21,651.72	
01/01/81	SAND HILL EXTENSIONS SL MM 40	Active	New	Not Listed	35	24,800.67 3,099.98	24,800.67 0.00	24,800.67 0.00	620.02 0.00	21,080.67 21,700.69	
01/01/81	DOE CREEK EXTENSIONS SL MM 40	Active	New	Not Listed	35	12,891.30 1,611.50	12,891.30 0.00	12,891.30 0.00	322.28 0.00	10,957.52 11,279.80	
01/01/81	SYSTEM SL MM 25	Active	New	Not Listed	35	990.75 0.00	990.75 0.00	990.75 0.00	0.00 0.00	990.75 990.75	
01/31/81	LINE EXTENSIONS SL MM 40	Active	New	Not Listed	35	13,870.04 1,733.79	13,870.04 0.00	13,870.04 0.00	346.75 0.00	11,789.50 12,136.25	
07/31/81	NEW METERS INSTALLED SL MM 15	Active	New	Not Listed	35	19,275.00 0.00	19,275.00 0.00	19,275.00 0.00	0.00 0.00	19,275.00 19,275.00	
07/31/82	NEW LINES SL MM 40	Active	New	Not Listed	34	5,669.80 921.19	5,669.80 0.00	5,669.80 0.00	141.75 0.00	4,606.86 4,748.61	
07/31/82	NEW LINES INSTALLED SL MM 15	Active	New	Not Listed	34	17,417.00 0.00	17,417.00 0.00	17,417.00 0.00	0.00 0.00	17,417.00 17,417.00	
06/30/83	PUMP STATION - PEA RIDGE SL HY 10	Active	New	Not Listed	33	8,838.99 0.00	8,838.99 0.00	8,838.99 0.00	0.00 0.00	8,838.99 8,838.99	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq	Description	Inv Credit	Cost	Valuation	Depr Basis	Current Depr	Bag A/Depr	Selling Price
Date Sold	Math Conv Life Status New Listed	Depr Year	Net Book Val	Salvage Value	Prior Bonus	Current Bonus	End A/Depr	Gain/Loss
Asset A/C#: 100 - UTILITY PLANT								
07/31/83	NEW LINES	0.00	14,983.09	14,983.09	14,983.09	374.58	11,799.28	
	SL MM 40 Active New Not Listed	33	2,809.23	0.00	0.00	0.00	12,173.86	
07/31/83	NEW METERS & INSTALLATIONS	0.00	15,066.00	15,066.00	15,066.00	0.00	15,066.00	
	SL MM 15 Active New Not Listed	33	0.00	0.00	0.00	0.00	15,066.00	
07/31/83	EASEMENTS	0.00	290.00	290.00	290.00	0.00	0.00	
	LAND NO 7 Active New Not Listed	33	290.00	0.00	0.00	0.00	0.00	
06/30/84	PUMP STATION	0.00	1,241.95	1,241.95	1,241.95	0.00	1,241.95	
	SL HY 10 Active New Not Listed	32	0.00	0.00	0.00	0.00	1,241.95	
06/30/84	METERS & INSTALLATION	0.00	15,666.40	15,666.40	15,666.40	0.00	15,666.40	
	SL MM 15 Active New Not Listed	32	0.00	0.00	0.00	0.00	15,666.40	
06/30/85	TRUCK	0.00	6,418.88	6,418.88	6,418.88	0.00	6,418.88	
	SL HY 5 Active New Not Listed	31	0.00	0.00	0.00	0.00	6,418.88	
06/30/85	AIR CONDITIONER	0.00	700.00	700.00	700.00	0.00	700.00	
	SL HY 5 Active New Not Listed	31	0.00	0.00	0.00	0.00	700.00	
07/31/85	METER TESTING SYSTEM	0.00	4,112.72	4,112.72	4,112.72	0.00	4,112.72	
	SL MM 15 Active New Not Listed	31	0.00	0.00	0.00	0.00	4,112.72	
07/31/85	COPIER	0.00	1,697.74	1,697.74	1,697.74	0.00	1,697.74	
	SL HY 5 Active New Not Listed	31	0.00	0.00	0.00	0.00	1,697.74	
07/31/85	METERS & INSTALLATIONS	0.00	36,230.50	36,230.50	36,230.50	0.00	36,230.50	
	SL MM 15 Active New Not Listed	31	0.00	0.00	0.00	0.00	36,230.50	
07/31/85	ADDITIONS TO PLANT LINES	0.00	434,754.00	434,754.00	434,754.00	10,868.85	320,637.09	
	SL MM 40 Active New Not Listed	31	103,248.06	0.00	0.00	0.00	331,505.94	
07/31/85	TANK 197 GALLON	0.00	101,150.00	101,150.00	101,150.00	2,528.75	74,598.13	
	SL MM 40 Active New Not Listed	31	24,023.12	0.00	0.00	0.00	77,126.88	
07/31/85	PUMPING STATION	0.00	32,700.00	32,700.00	32,700.00	817.50	24,116.25	
	SL MM 40 Active New Not Listed	31	7,766.25	0.00	0.00	0.00	24,933.75	
07/31/85	MASTER METER 4	0.00	6,280.00	6,280.00	6,280.00	157.00	4,631.50	
	SL MM 40 Active New Not Listed	31	1,491.50	0.00	0.00	0.00	4,788.50	
07/31/85	POOLING TRAY	0.00	281.57	281.57	281.57	0.00	281.57	
	SL HY 5 Active New Not Listed	31	0.00	0.00	0.00	0.00	281.57	
07/31/85	TELEMETER	0.00	15,000.00	15,000.00	15,000.00	375.00	11,062.50	
	SL MM 40 Active New Not Listed	31	3,562.50	0.00	0.00	0.00	11,437.50	
07/31/85	CONSTRUCTION IN PROGRESS	0.00	146,908.93	146,908.93	146,908.93	3,672.72	108,345.24	
	SL MM 40 Active New Not Listed	31	34,890.97	0.00	0.00	0.00	112,017.96	
07/31/86	ADDITIONS	0.00	45,567.86	45,567.86	45,567.86	1,139.20	32,467.19	
	SL MM 40 Active New Not Listed	30	11,961.47	0.00	0.00	0.00	33,606.39	
07/31/86	METERS & INSTALLATIONS	0.00	45,520.00	45,520.00	45,520.00	1,138.00	32,433.00	
	SL MM 40 Active New Not Listed	30	11,949.00	0.00	0.00	0.00	33,571.00	
07/31/87	ADDITIONS	0.00	46,986.82	46,986.82	46,986.82	1,174.67	32,303.43	
	SL MM 40 Active New Not Listed	29	13,508.72	0.00	0.00	0.00	33,478.10	
07/31/87	METERS & INSTALLATIONS	0.00	42,081.69	42,081.69	42,081.69	1,052.04	28,931.10	
	SL MM 40 Active New Not Listed	29	12,098.55	0.00	0.00	0.00	29,983.14	
07/31/88	ADDITIONS	0.00	43,420.67	43,420.67	43,420.67	1,085.52	28,766.27	
	SL MM 40 Active New Not Listed	28	13,568.88	0.00	0.00	0.00	29,851.79	
07/31/88	METERS & INSTALLATIONS	0.00	45,298.48	45,298.48	45,298.48	1,132.46	30,010.19	
	SL MM 40 Active New Not Listed	28	14,155.83	0.00	0.00	0.00	31,142.65	
07/31/89	METERS & INSTALLATIONS	0.00	21,804.50	21,804.50	21,804.50	545.11	13,900.41	
	SL MM 40 Active New Not Listed	27	7,368.98	0.00	0.00	0.00	14,445.52	
07/31/90	METERS & INSTALLATION	0.00	29,255.39	29,255.39	29,255.39	731.38	17,918.81	
	SL MM 40 Active New Not Listed	26	10,605.20	0.00	0.00	0.00	18,650.19	
07/31/90	TIRE PLUG	0.00	1,780.11	1,780.11	1,780.11	44.50	1,090.25	
	SL MM 40 Active New Not Listed	26	645.36	0.00	0.00	0.00	1,134.75	
07/31/90	HYDRANTS	0.00	510.00	510.00	510.00	12.75	312.37	
	SL MM 40 Active New Not Listed	26	194.88	0.00	0.00	0.00	325.12	
06/15/91	TRANSFER & DISTRIBUTION MAIN	0.00	120,896.02	120,896.02	120,896.02	3,022.40	72,201.75	
	SL MM 40 Active New Not Listed	25	45,671.87	0.00	0.00	0.00	75,224.15	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life	Status	New	Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 100 - UTILITY PLANT											
07/31/91	METERS & INSTALLATIONS				0.00	27,991.88	27,991.88	27,991.88	699.80	16,445.29	
	SL MM 40	Active	New	Not Listed	25	10,846.79	0.00	0.00	0.00	17,145.09	
08/31/91	FENCING/TANKS/PUMPS				0.00	5,313.00	5,313.00	5,313.00	0.00	5,313.00	
	SL MM 15	Active	New	Not Listed	25	0.00	0.00	0.00	0.00	5,313.00	
01/01/92	METERS				0.00	26,666.10	26,666.10	26,666.10	0.00	26,666.10	
	SL MM 15	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	26,666.10	
01/01/92	CONSTRUCTION IN PROGRESS				0.00	13,721.16	13,721.16	13,721.16	343.03	7,889.65	
	SL MM 40	Active	New	Not Listed	24	5,488.48	0.00	0.00	0.00	8,232.68	
07/31/92	6" PVC PIPE 5250 FEET				0.00	33,360.00	33,360.00	33,360.00	834.00	18,765.00	
	SL MM 40	Active	New	Not Listed	24	13,761.00	0.00	0.00	0.00	19,599.00	
07/31/92	10" STEEL COVER PIPE 100 FEET				0.00	3,000.00	3,000.00	3,000.00	75.00	1,687.50	
	SL MM 40	Active	New	Not Listed	24	1,237.50	0.00	0.00	0.00	1,762.50	
07/31/92	6" CIAWWA GATE VALVE				0.00	1,500.00	1,500.00	1,500.00	37.50	843.75	
	SL MM 40	Active	New	Not Listed	24	618.75	0.00	0.00	0.00	881.25	
07/31/92	CRUSHED STONE				0.00	1,548.00	1,548.00	1,548.00	0.00	1,548.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	1,548.00	
07/31/92	BITUMINIOUS PAVING REPLACEMENT				0.00	1,000.00	1,000.00	1,000.00	0.00	1,000.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	1,000.00	
07/31/92	CONCRETE PAVING REPLACEMENTS				0.00	300.00	300.00	300.00	0.00	300.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	300.00	
07/31/92	DRY EXISTING 6" WATER MAIN				0.00	4,000.00	4,000.00	4,000.00	0.00	4,000.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	4,000.00	
07/31/92	BOOSTER PUMPING STATION - CEDAR GROVE				0.00	30,000.00	30,000.00	30,000.00	750.00	16,875.00	
	SL MM 40	Active	New	Not Listed	24	12,375.00	0.00	0.00	0.00	17,625.00	
07/31/92	112000 GALLON TANK - CEDAR GROVE				0.00	120,000.00	120,000.00	120,000.00	3,000.00	67,500.00	
	SL MM 40	Active	New	Not Listed	24	49,500.00	0.00	0.00	0.00	70,500.00	
07/31/92	TELEMETERING SYSTEM - CEDAR GROVE				0.00	15,000.00	15,000.00	15,000.00	375.00	8,437.50	
	SL MM 40	Active	New	Not Listed	24	6,187.50	0.00	0.00	0.00	8,812.50	
07/31/92	CATHODIC PROTECTION SYSTEM - CEDAR GROVE				0.00	5,000.00	5,000.00	5,000.00	0.00	5,000.00	
	SL MM 20	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	5,000.00	
07/31/92	TELEMETERING SYSTEM - PEA RIDGE				0.00	9,000.00	9,000.00	9,000.00	225.00	5,062.50	
	SL MM 40	Active	New	Not Listed	24	3,712.50	0.00	0.00	0.00	5,287.50	
07/31/92	6" PVC PIPE 3700 FEET				0.00	16,650.00	16,650.00	16,650.00	416.25	9,365.63	
	SL MM 40	Active	New	Not Listed	24	6,868.12	0.00	0.00	0.00	9,781.88	
07/31/92	6" PVC PIPE 38070 FEET				0.00	130,252.50	130,252.50	130,252.50	3,256.31	73,267.00	
	SL MM 40	Active	New	Not Listed	24	53,729.19	0.00	0.00	0.00	76,523.31	
07/31/92	4" PVC PIPE 26250 FEET				0.00	66,388.80	66,388.80	66,388.80	1,659.72	37,343.70	
	SL MM 40	Active	New	Not Listed	24	27,385.38	0.00	0.00	0.00	39,003.42	
07/31/92	3" PVC PIPE 16780 FEET				0.00	52,483.20	52,483.20	52,483.20	1,312.08	29,521.72	
	SL MM 40	Active	New	Not Listed	24	21,649.40	0.00	0.00	0.00	30,833.80	
07/31/92	10" STEEL COVER PIPE 380 FEET				0.00	19,440.00	19,440.00	19,440.00	486.00	10,935.00	
	SL MM 40	Active	New	Not Listed	24	8,019.00	0.00	0.00	0.00	11,421.00	
07/31/92	10" BORE UNDER CONCRETE DRIVEWAY				0.00	960.00	960.00	960.00	24.00	540.00	
	SL MM 40	Active	New	Not Listed	24	396.00	0.00	0.00	0.00	564.00	
07/31/92	6" CIAWWA NRS GATE VALVE				0.00	4,200.00	4,200.00	4,200.00	0.00	4,200.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	4,200.00	
07/31/92	4" CIAWWA NRS GATE VALVE				0.00	2,040.00	2,040.00	2,040.00	0.00	2,040.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	2,040.00	
07/31/92	3" CIAWWA NRS GATE VALVE				0.00	2,200.00	2,200.00	2,200.00	0.00	2,200.00	
	SL HY 10	Active	New	Not Listed	24	0.00	0.00	0.00	0.00	2,200.00	
07/31/92	CUSTOMER SERVICE SAME SIDE				0.00	23,230.00	23,230.00	23,230.00	580.75	13,066.90	
	SL MM 40	Active	New	Not Listed	24	9,582.35	0.00	0.00	0.00	13,647.65	
07/31/92	CUSTOMER SERVICE - OPPOSITE SIDE				0.00	18,724.00	18,724.00	18,724.00	468.10	10,532.25	
	SL MM 40	Active	New	Not Listed	24	7,723.65	0.00	0.00	0.00	11,000.35	
07/31/92	ADDITIONAL 1" SERVICE PIPE				0.00	20,896.00	20,896.00	20,896.00	522.40	11,754.00	
	SL MM 40	Active	New	Not Listed	24	8,619.60	0.00	0.00	0.00	12,276.40	

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Assets: 295 of 295 Included
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 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq	Description	Inv Credit	Cost	Valuation	Depr Basis	Current Depr	Beg A/Depr	Selling Price
Date Sold	Math Conv Life Status New Listed	Depr Year	Net Book Val	Salvage Value	Prior Bonus	Current Bonus	End A/Depr	Gain/Loss
Asset A/C#: 100 - UTILITY PLANT								
07/31/92	TANDEM METER SETTER	0.00	1,950.00	1,950.00	1,950.00	0.00	1,950.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	1,950.00	
07/31/92	MANUAL AIR RELEASE VALVE	0.00	4,560.00	4,560.00	4,560.00	0.00	4,560.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	4,560.00	
07/31/92	3" BLOWOFF ASSEMBLY	0.00	4,230.00	4,230.00	4,230.00	0.00	4,230.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	4,230.00	
07/31/92	8" FIRE HYDRANT	0.00	1,500.00	1,500.00	1,500.00	37.50	843.75	
	SL MM 40 Active New Not Listed	24	618.75	0.00	0.00	0.00	881.25	
07/31/92	BIDDING & BACKFILL ROCK	0.00	5,000.00	5,000.00	5,000.00	0.00	5,000.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	5,000.00	
07/31/92	CRUSHED STONE	0.00	8,452.00	8,452.00	8,452.00	0.00	8,452.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	8,452.00	
07/31/92	BITUMINIOUS PAVING	0.00	7,868.00	7,868.00	7,868.00	0.00	7,868.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	7,868.00	
07/31/92	CONCRETE PAVING	0.00	1,440.00	1,440.00	1,440.00	0.00	1,440.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	1,440.00	
07/31/92	DRY LAB 6", 4", 3" WATER MAINS	0.00	3,600.00	3,600.00	3,600.00	90.00	2,025.00	
	SL MM 40 Active New Not Listed	24	1,485.00	0.00	0.00	0.00	2,115.00	
07/31/92	PRESSURE REDUCING VALVE VAULT	0.00	4,700.00	4,700.00	4,700.00	0.00	4,700.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	4,700.00	
07/31/92	IVORY HILL - BOOSTER PUMPING VALVE PIT	0.00	41,000.00	41,000.00	41,000.00	0.00	41,000.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	41,000.00	
07/31/92	TELEMETER SYSTEM - IVORY HILL	0.00	21,000.00	21,000.00	21,000.00	525.00	11,812.50	
	SL MM 40 Active New Not Listed	24	8,662.50	0.00	0.00	0.00	12,337.50	
07/31/92	113000 GALLON TANK	0.00	160,000.00	160,000.00	160,000.00	4,000.00	90,000.00	
	SL MM 40 Active New Not Listed	24	66,000.00	0.00	0.00	0.00	94,000.00	
07/31/92	8" PVC CI PIPE 6240 FEET	0.00	28,959.50	28,959.50	28,959.50	723.99	16,289.79	
	SL MM 40 Active New Not Listed	24	11,945.72	0.00	0.00	0.00	17,013.78	
07/31/92	CROSSING WHITE OAK CREEK	0.00	8,277.54	8,277.54	8,277.54	206.94	4,656.14	
	SL MM 40 Active New Not Listed	24	3,414.46	0.00	0.00	0.00	4,863.08	
07/31/92	ENGINEERING CERT	0.00	107,178.51	107,178.51	107,178.51	2,679.46	60,287.85	
	SL MM 40 Active New Not Listed	24	44,211.20	0.00	0.00	0.00	62,967.31	
07/31/92	ATTORNEY FEES	0.00	14,659.72	14,659.72	14,659.72	366.49	8,246.05	
	SL MM 40 Active New Not Listed	24	6,047.18	0.00	0.00	0.00	8,612.54	
07/31/92	SANDHILL PROJECT	0.00	4,452.02	4,452.02	4,452.02	111.30	2,504.25	
	SL MM 40 Active New Not Listed	24	1,836.47	0.00	0.00	0.00	2,615.55	
07/31/92	CAPITALIZED INTEREST	0.00	21,192.24	21,192.24	21,192.24	529.81	11,920.74	
	SL MM 40 Active New Not Listed	24	8,741.69	0.00	0.00	0.00	12,450.55	
07/31/92	DEED	0.00	2,500.00	2,500.00	2,500.00	62.50	1,406.25	
	SL MM 40 Active New Not Listed	24	1,031.25	0.00	0.00	0.00	1,468.75	
07/31/92	POND CONSTRUCTION	0.00	100.00	100.00	100.00	0.00	100.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	100.00	
07/31/92	EASEMENTS	0.00	52.50	52.50	52.50	0.00	0.00	
	LAND NO 7 Active New Not Listed	24	52.50	0.00	0.00	0.00	0.00	
07/31/92	SURVEYING	0.00	2,000.00	2,000.00	2,000.00	50.00	1,125.00	
	SL MM 40 Active New Not Listed	24	825.00	0.00	0.00	0.00	1,175.00	
07/31/92	LAND	0.00	6,000.00	6,000.00	6,000.00	0.00	0.00	
	LAND NO 7 Active New Not Listed	24	6,000.00	0.00	0.00	0.00	0.00	
07/31/92	CONSTRUCTION ACCT BOND	0.00	2,537.50	2,537.50	2,537.50	63.44	1,427.39	
	SL MM 40 Active New Not Listed	24	1,046.67	0.00	0.00	0.00	1,490.83	
07/31/92	ADVERTISING	0.00	1,111.99	1,111.99	1,111.99	0.00	1,111.99	
	SL HY 5 Active New Not Listed	24	0.00	0.00	0.00	0.00	1,111.99	
12/31/92	APPRAISALS	0.00	1,050.00	1,050.00	1,050.00	26.25	564.40	
	SL MM 40 Active New Not Listed	24	469.35	0.00	0.00	0.00	590.65	
12/31/92	COMPUTER	0.00	9,280.00	9,280.00	9,280.00	0.00	9,280.00	
	SL HY 10 Active New Not Listed	24	0.00	0.00	0.00	0.00	9,280.00	

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 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status New Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 100 - UTILITY PLANT								
07/31/93	METERS & INSTALLATIONS SL MM 40 Active New Not Listed	0.00 23	25,407.90 11,115.91	25,407.90 0.00	25,407.90 0.00	635.20 0.00	13,656.79 14,291.99	
07/31/93	TRANSMISSION & DIST MAINS SL MM 40 Active New Not Listed	0.00 23	18,312.13 8,011.63	18,312.13 0.00	18,312.13 0.00	457.80 0.00	9,842.70 10,300.50	
07/31/93	FAX MACHINE SL HY 5 Active New Not Listed	0.00 23	658.00 0.00	658.00 0.00	658.00 0.00	0.00 0.00	658.00 658.00	
05/31/94	TANK PAINTING SL HY 10 Active New Not Listed	0.00 22	80,898.00 0.00	80,898.00 0.00	80,898.00 0.00	0.00 0.00	80,898.00 80,898.00	
06/01/94	DISTRIBUTIONS MAIN MEADES EXT SL MM 40 Active New Not Listed	0.00 22	1,664.08 769.68	1,664.08 0.00	1,664.08 0.00	41.60 0.00	852.80 894.40	
06/01/94	DISTRIBUTION MAINS - POWELL/TUCKER SL MM 40 Active New Not Listed	0.00 22	8,000.00 3,700.00	8,000.00 0.00	8,000.00 0.00	200.00 0.00	4,100.00 4,300.00	
06/30/94	EASEMENTS LAND NO 7 Active New Not Listed	0.00 22	22.50 22.50	22.50 0.00	22.50 0.00	0.00 0.00	0.00 0.00	
07/31/94	TRANSMISSION & DISTRIBUTION - DENNIS SL MM 40 Active New Not Listed	0.00 22	1,740.00 804.75	1,740.00 0.00	1,740.00 0.00	43.50 0.00	891.75 935.25	
07/31/94	METERS INSTALLED SL MM 15 Active New Not Listed	0.00 22	25,386.81 0.00	25,386.81 0.00	25,386.81 0.00	0.00 0.00	25,386.81 25,386.81	
07/31/95	TRANSMISSION LINES SL MM 40 Active New Not Listed	0.00 21	4,459.43 2,229.64	4,459.43 0.00	4,459.43 0.00	111.49 0.00	2,118.30 2,229.79	
07/31/96	METERS SL MM 15 Active New Not Listed	0.00 21	24,426.81 0.00	24,426.81 0.00	24,426.81 0.00	0.00 0.00	24,426.81 24,426.81	
06/30/96	TRAILER SL HY 5 Active New Not Listed	0.00 20	1,000.00 0.00	1,000.00 0.00	1,000.00 0.00	0.00 0.00	1,000.00 1,000.00	
07/31/96	STRAEFFER PUMP SL HY 7 Active New Not Listed	0.00 20	479.87 0.00	479.87 0.00	479.87 0.00	0.00 0.00	479.87 479.87	
07/31/96	TRANSMISSION & DISTRIBUTION MAINS SL MM 40 Active New Not Listed	0.00 20	9,325.32 4,779.28	9,325.32 0.00	9,325.32 0.00	233.13 0.00	4,312.91 4,546.04	
07/31/96	METERS SL MM 15 Active New Not Listed	0.00 20	29,390.00 0.00	29,390.00 0.00	29,390.00 0.00	0.00 0.00	29,390.00 29,390.00	
07/31/96	BACKHOE SL HY 7 Active New Not Listed	0.00 20	32,400.00 0.00	32,400.00 0.00	32,400.00 0.00	0.00 0.00	32,400.00 32,400.00	
07/31/96	DISTRIBUTION RESERVE & SANDPIPER SL HY 7 Active New Not Listed	0.00 20	635.25 0.00	635.25 0.00	635.25 0.00	0.00 0.00	635.25 635.25	
08/31/96	EQUIPMENT SL HY 7 Active New Not Listed	0.00 20	964.06 0.00	964.06 0.00	964.06 0.00	0.00 0.00	964.06 964.06	
09/30/96	PUMPING EQUIPMENT SL HY 7 Active New Not Listed	0.00 20	389.15 0.00	389.15 0.00	389.15 0.00	0.00 0.00	389.15 389.15	
06/30/97	PUMPING EQUIPMENT SL HY 7 Active New Not Listed	0.00 19	8,153.00 0.00	8,153.00 0.00	8,153.00 0.00	0.00 0.00	8,153.00 8,153.00	
06/30/97	TRANSMISSION & DISTRIBUTION MAINS SL MM 40 Active New Not Listed	0.00 19	21,231.00 11,367.34	21,231.00 0.00	21,231.00 0.00	530.78 0.00	9,332.88 9,863.66	
06/30/97	METERS INSTALLED SL MM 15 Active New Not Listed	0.00 19	27,076.00 0.00	27,076.00 0.00	27,076.00 0.00	0.00 0.00	27,076.00 27,076.00	
06/30/97	TRANSPORTATION EQUIPMENT SL HY 5 Active New Not Listed	0.00 19	6,432.00 0.00	6,432.00 0.00	6,432.00 0.00	0.00 0.00	6,432.00 6,432.00	
06/30/97	TOOLS & SHOP EQUIPMENT SL HY 7 Active New Not Listed	0.00 19	429.00 0.00	429.00 0.00	429.00 0.00	0.00 0.00	429.00 429.00	
06/30/97	COMMUNICATION EQUIPMENT SL HY 7 Active New Not Listed	0.00 19	3,488.00 0.00	3,488.00 0.00	3,488.00 0.00	0.00 0.00	3,488.00 3,488.00	
06/30/98	PUMPING EQUIPMENT - WINSTON PUMP EXT SL MM 15 Active New Not Listed	0.00 18	5,383.80 0.00	5,383.80 0.00	5,383.80 0.00	0.00 0.00	5,383.80 5,383.80	
06/30/98	TRANSMISSIONS & DIST MAINS SL MM 40 Active New Not Listed	0.00 18	2,978.70 1,869.27	2,978.70 0.00	2,978.70 0.00	74.47 0.00	1,234.96 1,309.43	
06/30/98	METERS & INSTALLATIONS SL MM 40 Active New Not Listed	0.00 18	27,864.00 15,615.45	27,864.00 0.00	27,864.00 0.00	696.60 0.00	11,551.95 12,248.55	

ASSET DEPRECIATION REPORT
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Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status New Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 100 - UTILITY PLANT								
06/30/98	TRANSPORTATION EQUIPMENT SL HY 5 Active New Not Listed	0.00 18	10,957.12 0.00	10,957.12 0.00	10,957.12 0.00	0.00 0.00	10,957.12 10,957.12	
12/31/98	PUMPING EQUIPMENT - PHASE V SL MM 15 Active New Not Listed	0.00 18	158,000.00 0.00	158,000.00 0.00	158,000.00 0.00	0.00 0.00	158,000.00 158,000.00	
12/31/98	DISTRIBUTION RESERVE & STANDP SL MM 40 Active New Not Listed	0.00 18	289,498.00 165,858.23	289,498.00 0.00	289,498.00 0.00	7,237.45 0.00	116,402.32 123,639.77	
12/31/98	TRANS & DIST MAINS - PHASE V SL MM 40 Active New Not Listed	0.00 18	1,648,090.49 937,218.55	1,648,090.49 0.00	1,648,090.49 0.00	48,202.26 0.00	662,669.68 710,871.94	
06/30/99	METERS & INSTALLATIONS SL MM 40 Active New Not Listed	0.00 17	18,218.16 10,665.28	18,218.16 0.00	18,218.16 0.00	455.45 0.00	7,097.43 7,552.88	
06/30/99	PUMPING EQUIPMENT SL MM 15 Active New Not Listed	0.00 17	1,729.00 0.00	1,729.00 0.00	1,729.00 0.00	0.00 0.00	1,729.00 1,729.00	
06/30/00	PUMPING EQUIPMENT SL MM 15 Active New Not Listed	0.00 16	1,285.92 0.00	1,285.92 0.00	1,285.92 0.00	35.69 0.00	1,250.23 1,285.92	
06/30/00	METERS & INSTALLATION SL MM 40 Active New Not Listed	0.00 16	20,142.53 12,295.38	20,142.53 0.00	20,142.53 0.00	503.56 0.00	7,343.59 7,847.15	
07/28/00	RADIO COMMUNICATION SYSTEM SL HY 7 Active New Not Listed	0.00 16	3,977.15 0.00	3,977.15 0.00	3,977.15 0.00	0.00 0.00	3,977.15 3,977.15	
04/30/01	DODGE 4 X 4 TRUCK SL HY 5 Active New Not Listed	0.00 15	15,783.00 0.00	15,783.00 0.00	15,783.00 0.00	0.00 0.00	15,783.00 15,783.00	
06/30/01	METERS & INSTALLATION SL MM 40 Active New Not Listed	0.00 15	39,632.29 25,182.98	39,632.29 0.00	39,632.29 0.00	990.81 0.00	13,458.50 14,449.31	
07/31/01	RADIO - DODGE TRUCK SL HY 5 Active New Not Listed	0.00 15	638.00 0.00	638.00 0.00	638.00 0.00	0.00 0.00	638.00 638.00	
11/06/01	2002 DODGE 4 X 4 DAKOTA SL HY 5 Active New Not Listed	0.00 15	16,549.00 0.00	16,549.00 0.00	16,549.00 0.00	0.00 0.00	16,549.00 16,549.00	
11/30/01	1999 DUMP TRUCK SL HY 5 Active New Not Listed	0.00 15	30,500.00 0.00	30,500.00 0.00	30,500.00 0.00	0.00 0.00	30,500.00 30,500.00	
12/15/01	TRUCK TRAILER SL HY 5 Active New Not Listed	0.00 15	12,524.88 0.00	12,524.88 0.00	12,524.88 0.00	0.00 0.00	12,524.88 12,524.88	
06/30/02	METERS & INSTALLATION SL MM 40 Active New Not Listed	0.00 14	35,605.50 23,514.43	35,605.50 0.00	35,605.50 0.00	890.14 0.00	11,200.93 12,091.07	
06/30/02	DELL COMPUTER W/WINDOWS SL HY 5 Active New Not Listed	0.00 14	1,689.59 0.00	1,689.59 0.00	1,689.59 0.00	0.00 0.00	1,689.59 1,689.59	
07/31/02	AIR COMPRESSOR & 2 JACKS SL HY 7 Active New Not Listed	0.00 14	11,995.00 0.00	11,995.00 0.00	11,995.00 0.00	0.00 0.00	11,995.00 11,995.00	
08/30/02	SURFACE BORING TOOL SL HY 7 Active New Not Listed	0.00 14	3,603.00 0.00	3,603.00 0.00	3,603.00 0.00	0.00 0.00	3,603.00 3,603.00	
06/30/03	METERS & INSTALLATIONS SL MM 40 Active New Not Listed	0.00 13	5,628.50 3,857.90	5,628.50 0.00	5,628.50 0.00	140.71 0.00	1,629.89 1,770.60	
11/30/03	UTILITY TRUCK SL HY 5 Active New Not Listed	0.00 13	14,800.00 0.00	14,800.00 0.00	14,800.00 0.00	0.00 0.00	14,800.00 14,800.00	
12/31/03	DRIVE THRU IMPROVEMENTS SL MM 40 Active New Not Listed	0.00 13	10,021.00 8,993.76	10,021.00 0.00	10,021.00 0.00	250.53 0.00	2,776.71 3,027.24	
03/31/04	FENCING - INVENTORY BUILDING SL HY 10 Active New Not Listed	0.00 12	4,380.00 0.00	4,380.00 0.00	4,380.00 0.00	0.00 0.00	4,380.00 4,380.00	
12/31/04	PUMPING EQUIPMENT - SANDHILL PUMPING... SL HY 10 Active New Not Listed	0.00 12	1,221.20 0.00	1,221.20 0.00	1,221.20 0.00	0.00 0.00	1,221.20 1,221.20	
12/31/04	RADIO -UTILITY TRUCK SL HY 10 Active New Not Listed	0.00 12	559.00 0.00	559.00 0.00	559.00 0.00	0.00 0.00	559.00 559.00	
02/28/05	UTILITY TRUCK RADIO, ETC. SL HY 10 Active New Not Listed	0.00 11	1,200.00 0.00	300.00 0.00	1,200.00 0.00	60.00 0.00	1,140.00 1,200.00	
12/15/05	LASER PRINTER SL HY 7 Active New Not Listed	0.00 11	1,300.09 0.00	1,300.09 0.00	1,300.09 0.00	0.00 0.00	1,300.09 1,300.09	
04/09/06	Sandhill Pump SLP FM 10 Active New Not Listed	0.00 10	1,960.94 49.06	1,960.94 0.00	1,960.94 0.00	196.09 0.00	1,715.79 1,911.88	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status New Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 100 - UTILITY PLANT								
01/26/07	Accounts Receivable Software AMORT FM 20 Active New Not Listed	0.00 9	24,956.00 13,725.80	24,956.00 0.00	24,956.00 0.00	1,247.80 0.00	9,982.40 11,230.20	
03/03/07	2007 GMC Truck SLP FM 7 Active New Not Listed	0.00 9	17,281.50 0.00	17,281.50 0.00	17,281.50 0.00	0.00 0.00	17,281.50 17,281.50	
03/27/07	2007 GMC Truck SLP FM 7 Active New Not Listed	0.00 9	17,912.54 0.00	17,912.54 0.00	17,912.54 0.00	0.00 0.00	17,912.54 17,912.54	
05/31/07	2007 GMC Truck SLP FM 7 Active New Not Listed	0.00 9	17,043.58 0.00	17,043.58 0.00	17,043.58 0.00	0.00 0.00	17,043.58 17,043.58	
07/01/07	Tank-Caldwell SLP FM 40 Active New Not Listed	0.00 9	592,082.00 464,264.57	592,082.00 0.00	592,082.00 0.00	16,802.05 0.00	111,015.38 127,817.43	
07/01/07	Chestnut Stand SLP FM 40 Active New Not Listed	0.00 9	388,149.26 305,667.55	388,149.26 0.00	388,149.26 0.00	9,703.73 0.00	72,777.98 82,481.71	
07/01/07	Water Meter SLP FM 40 Active New Not Listed	0.00 9	698,606.18 547,972.40	698,606.18 0.00	698,606.18 0.00	19,645.15 0.00	130,988.63 150,633.78	
07/01/07	Transmission & Distribution Main's SLP FM 40 Active New Not Listed	0.00 9	1,000,027.79 787,521.92	1,000,027.79 0.00	1,000,027.79 0.00	25,000.69 0.00	187,505.18 212,505.87	
08/31/07	Backhoe SLP FM 10 Active New Not Listed	0.00 9	77,585.00 12,284.29	77,585.00 0.00	77,585.00 0.00	7,758.50 0.00	57,542.21 65,300.71	
08/31/07	GPS System SLP FM 7 Active New Not Listed	0.00 9	1,238.72 0.00	1,238.72 0.00	1,238.72 0.00	0.00 0.00	1,238.72 1,238.72	
09/28/07	Desk/Filing Cabinet SLP FM 7 Active New Not Listed	0.00 9	2,288.10 0.00	2,288.10 0.00	2,288.10 0.00	0.00 0.00	2,288.10 2,288.10	
11/29/07	Computer for Maintenance Dept SLP FM 7 Active New Not Listed	0.00 9	1,025.00 0.00	1,025.00 0.00	1,025.00 0.00	0.00 0.00	1,025.00 1,025.00	
01/01/08	HENRY WHITE ROAD UPGRADE SLP FM 40 Active New Not Listed	0.00 8	19,498.96 15,599.20	19,498.96 0.00	19,498.96 0.00	487.47 0.00	3,412.29 3,899.76	
01/31/08	1 TON UTILITY TRUCK SLP FM 5 Active New Not Listed	0.00 8	5,500.00 0.00	5,500.00 0.00	5,500.00 0.00	0.00 0.00	5,500.00 5,500.00	
01/31/08	PHAXE IX WATER MAIN EXTENSION SLP FM 7 Active New Not Listed	0.00 8	1,298.65 0.00	1,298.65 0.00	1,298.65 0.00	0.00 0.00	1,298.65 1,298.65	
02/28/09	DYNASONICS UNIT #DTFXP-A1NA-NN SLP FM 7 Active New Not Listed	0.00 7	5,214.00 62.05	0.00 0.00	5,214.00 0.00	744.86 0.00	4,407.09 5,151.95	
02/28/09	PUMPING EQUIP-GRUNDFOS PUMP CR32-7-2 SLP FM 7 Active New Not Listed	0.00 7	3,822.53 45.48	0.00 0.00	3,822.53 0.00	546.08 0.00	3,230.97 3,777.05	
04/13/09	MISC EQUIP-DEDICATED LINE DETECTOR SLP FM 7 Active New Not Listed	0.00 7	3,062.50 109.37	0.00 0.00	3,062.50 0.00	437.50 0.00	2,515.63 2,953.13	
04/13/09	MISC EQUIP- INSPECTOR 07# PVC LOCATOR SLP FM 7 Active New Not Listed	0.00 7	4,494.00 160.50	0.00 0.00	4,494.00 0.00	642.00 0.00	3,891.50 4,333.50	
06/30/09	PUMPING EQUIP-GRUNDFOS PUMP CR5-24 SLP FM 7 Active New Not Listed	0.00 7	1,553.65 92.48	0.00 0.00	1,553.65 0.00	221.95 0.00	1,239.22 1,461.17	
01/01/10	Hargett/Clay City Road-Utility Relocation SLP FM 25 Active New Not Listed	0.00 6	5,884.72 4,472.38	0.00 0.00	5,884.72 0.00	235.39 0.00	1,176.95 1,412.34	
03/25/10	Acer Computer 15.6" Widescreen Laptop SLP FM 3 Active New Not Listed	0.00 6	1,249.74 0.00	0.00 0.00	1,249.74 0.00	0.00 0.00	1,249.74 1,249.74	
04/28/10	Computer 2.6 GHz 4 Quad Processor SLP FM 3 Active New Not Listed	0.00 6	1,279.78 0.00	0.00 0.00	1,279.78 0.00	0.00 0.00	1,279.78 1,279.78	
08/15/10	Lexmark X463 Printer SLP FM 3 Active New Not Listed	0.00 6	1,059.99 0.00	0.00 0.00	1,059.99 0.00	0.00 0.00	1,059.99 1,059.99	
09/15/10	3 High Back Leather Office Chairs SLP FM 7 Active New Not Listed	0.00 6	628.38 149.61	0.00 0.00	628.38 0.00	89.77 0.00	389.00 478.77	
09/16/10	Grundfos Multi-stage Pump-South Irvine Pump Statio SLP FM 15 Active New Not Listed	0.00 6	3,800.00 2,448.91	0.00 0.00	3,800.00 0.00	253.33 0.00	1,097.76 1,351.09	
08/16/13	RIVER CROSSING & 250 LINEAR FEET SLP FM 40 Active New Not Listed	0.00 3	20,600.00 19,355.42	0.00 0.00	20,600.00 0.00	515.00 0.00	729.58 1,244.58	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Totals for Asset A/C#: 100 (195 assets)			9,470,532.61	9,416,983.32	9,470,532.61	224,928.92	5,024,308.22	0.00
			4,221,295.47	0.00	0.00	0.00	5,249,237.14	0.00
Summary for: 100			Cost		Section 179 + Accum Depr =		Total	
Beginning Balances (195 assets)			9,470,532.61		0.00	5,024,308.22	5,024,308.22	
+ Additions (A) (0 assets)			0.00	All Curr. Depr.	0.00	224,928.92	224,928.92	
Subtotals			9,470,532.61		0.00	5,249,237.14	5,249,237.14	
- Disposals (D) and Trades (T) (0 assets)			0.00		0.00	0.00	0.00	
Ending Balances (195 assets)			9,470,532.61		0.00	5,249,237.14	5,249,237.14	
Asset A/C#: 200 - COBHILL EXPANSION								
01/15/04	8" DUCTILE IRON PIPE-2725FT SL MM 40 Active New Not Listed	0.00 12	43,447.52 30,413.24	43,447.52 0.00	43,447.52 0.00	1,086.19 0.00	11,948.09 13,034.28	
01/15/04	6" CI BALL & SOCKET 300 FT SL MM 40 Active New Not Listed	0.00 12	37,035.84 25,925.04	37,035.84 0.00	37,035.84 0.00	925.90 0.00	10,184.90 11,110.80	
01/15/04	6" PVC PIPE-26,850 FT SL MM 40 Active New Not Listed	0.00 12	115,569.02 80,898.26	115,569.02 0.00	115,569.02 0.00	2,889.23 0.00	31,781.53 34,670.76	
01/15/04	8" PVC 200 C-900 PIPE-52,320 FT SL MM 40 Active New Not Listed	0.00 12	299,868.25 209,907.73	299,868.25 0.00	299,868.25 0.00	7,496.71 0.00	82,463.81 89,960.52	
01/15/04	6" PVC 150 C-900 PIPE-1220 FT SL MM 40 Active New Not Listed	0.00 12	5,037.20 3,526.04	5,037.20 0.00	5,037.20 0.00	125.93 0.00	1,385.23 1,511.16	
01/15/04	4" PVC 200 PIPE - 6,630 FT SL MM 40 Active New Not Listed	0.00 12	26,500.24 18,550.12	26,500.24 0.00	26,500.24 0.00	662.51 0.00	7,287.61 7,950.12	
01/15/04	4" PVC 150 C-900 PIPE-10,410 FT SL MM 40 Active New Not Listed	0.00 12	38,018.40 26,612.88	38,018.40 0.00	38,018.40 0.00	950.46 0.00	10,455.06 11,405.52	
01/15/04	4" PVC 200 C-900 PIPE - 8,290 FT SL MM 40 Active New Not Listed	0.00 12	34,932.00 24,452.40	34,932.00 0.00	34,932.00 0.00	873.30 0.00	9,606.30 10,479.60	
01/15/04	3" PVC 200 PIPE - 13,685 FT SL MM 40 Active New Not Listed	0.00 12	38,805.60 27,163.92	38,805.60 0.00	38,805.60 0.00	970.14 0.00	10,671.54 11,641.68	
01/15/04	3" PVC 250 PIPE - 2,375 FT SL MM 40 Active New Not Listed	0.00 12	6,978.80 4,885.16	6,978.80 0.00	6,978.80 0.00	174.47 0.00	1,919.17 2,093.64	
01/15/04	3" PVC 250 PIPE - 20,770 FT SL MM 40 Active New Not Listed	0.00 12	76,854.40 53,798.08	76,854.40 0.00	76,854.40 0.00	1,921.36 0.00	21,134.96 23,056.32	
01/15/04	3" DUCTILE IRON PIPE - 1,670 FT SL MM 40 Active New Not Listed	0.00 12	14,649.60 10,254.72	14,649.60 0.00	14,649.60 0.00	366.24 0.00	4,028.64 4,394.88	
01/15/04	12" STEEL CASING B&J SL MM 40 Active New Not Listed	0.00 12	14,960.00 10,472.00	14,960.00 0.00	14,960.00 0.00	374.00 0.00	4,114.00 4,488.00	
01/15/04	8" STEEL CASING B&J - 367FT SL MM 40 Active New Not Listed	0.00 12	28,500.00 19,950.00	28,500.00 0.00	28,500.00 0.00	712.50 0.00	7,837.50 8,550.00	
01/15/04	6" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	12,094.65 0.00	12,094.65 0.00	12,094.65 0.00	0.00 0.00	12,094.65 12,094.65	
01/15/04	4" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	2,989.35 0.00	2,989.35 0.00	2,989.35 0.00	0.00 0.00	2,989.35 2,989.35	
01/15/04	3" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	3,724.92 0.00	3,724.92 0.00	3,724.92 0.00	0.00 0.00	3,724.92 3,724.92	
01/15/04	3" BLOWOFF ASSEMBLY SL HY 10 Active New Not Listed	0.00 12	14,795.84 0.00	14,795.84 0.00	14,795.84 0.00	0.00 0.00	14,795.84 14,795.84	
01/15/04	ROADWAYS, ETC. SL MM 20 Active New Not Listed	0.00 12	60,134.60 24,053.84	60,134.60 0.00	60,134.60 0.00	3,006.73 0.00	33,074.03 36,080.76	
01/15/04	6" FLUSH HYDRANT ASSEMBLY SL MM 20 Active New Not Listed	0.00 12	18,631.06 7,452.46	18,631.06 0.00	18,631.06 0.00	931.55 0.00	10,247.05 11,178.60	
01/15/04	CUSTOMER SERVICE TANDEM SETTER SL HY 10 Active New Not Listed	0.00 12	34,011.74 0.00	34,011.74 0.00	34,011.74 0.00	0.00 0.00	34,011.74 34,011.74	
01/15/04	CUSTOMER SERVICE TANDEM OPPOSITE SL HY 10 Active New Not Listed	0.00 12	25,584.35 0.00	25,584.35 0.00	25,584.35 0.00	0.00 0.00	25,584.35 25,584.35	
01/15/04	ADDITIONAL 1" SERVICE PIPE-1,000 FT SL MM 40 Active New Not Listed	0.00 12	7,453.26 5,217.30	7,453.26 0.00	7,453.26 0.00	186.33 0.00	2,049.63 2,235.98	
01/15/04	4" 200 PVC PIPE - 28,000 FT SL MM 40 Active New Not Listed	0.00 12	124,558.70 87,191.06	124,558.70 0.00	124,558.70 0.00	3,113.97 0.00	34,253.67 37,367.64	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
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 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status New Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 200 - COBHILL EXPANSION								
01/15/04	3" 200 PVC PIPE - 11,500 FT SL MM 40 Active New Not Listed	0.00 12	55,193.00 38,635.04	55,193.00 0.00	55,193.00 0.00	1,379.83 0.00	15,178.13 16,557.96	
01/15/04	CUSTOMER SERVICE SAME & OPPOSITE SIDES SL HY 10 Active New Not Listed	0.00 12	3,163.01 0.00	3,163.01 0.00	3,163.01 0.00	0.00 0.00	3,163.01 3,163.01	
01/15/04	3" BLOWOFF VALVE SL HY 10 Active New Not Listed	0.00 12	1,849.48 0.00	1,849.48 0.00	1,849.48 0.00	0.00 0.00	1,849.48 1,849.48	
01/15/04	4" GATE VALVES SL HY 10 Active New Not Listed	0.00 12	1,328.60 0.00	1,328.60 0.00	1,328.60 0.00	0.00 0.00	1,328.60 1,328.60	
01/15/04	3" GATE VALVES SL HY 10 Active New Not Listed	0.00 12	620.68 0.00	620.68 0.00	620.68 0.00	0.00 0.00	620.68 620.68	
01/15/04	ROAD BORES W/STEEL CASING SL MM 20 Active New Not Listed	0.00 12	2,640.00 1,056.00	2,640.00 0.00	2,640.00 0.00	132.00 0.00	1,452.00 1,584.00	
01/15/04	CRUSHED STONE SL HY 10 Active New Not Listed	0.00 12	6,391.65 0.00	6,391.65 0.00	6,391.65 0.00	0.00 0.00	6,391.65 6,391.65	
01/15/04	4" 51 DUCTILE IRON PIPE-2,960 FT SL MM 40 Active New Not Listed	0.00 12	23,788.05 16,651.65	23,788.05 0.00	23,788.05 0.00	594.70 0.00	6,541.70 7,136.40	
01/15/04	4" 200 C900 DR14 - 1,900 FT SL MM 40 Active New Not Listed	0.00 12	23,360.40 16,352.28	23,360.40 0.00	23,360.40 0.00	584.01 0.00	6,424.11 7,008.12	
01/15/04	COBHILL EXPANSION ADDITIONS SL MM 40 Active New Not Listed	0.00 12	14,833.33 10,383.37	14,833.33 0.00	14,833.33 0.00	370.83 0.00	4,079.13 4,449.96	
01/15/04	CREEK CROSSING W/CONCRETE CAP SL MM 40 Active New Not Listed	0.00 12	5,600.00 3,920.00	5,600.00 0.00	5,600.00 0.00	140.00 0.00	1,540.00 1,680.00	
01/15/04	CREEK CROSSING W/CRUSHED ROCK SL MM 40 Active New Not Listed	0.00 12	11,525.00 8,067.44	11,525.00 0.00	11,525.00 0.00	288.13 0.00	3,169.43 3,457.56	
01/31/04	12" PVC C-900 PIPE - 850 FT SL MM 40 Active New Not Listed	0.00 12	13,591.74 9,514.26	13,591.74 0.00	13,591.74 0.00	339.79 0.00	3,737.89 4,077.48	
01/31/04	12" 51 DUCTILE IRON B&S RIVER-300FT SL MM 40 Active New Not Listed	0.00 12	63,777.21 44,644.05	63,777.21 0.00	63,777.21 0.00	1,594.43 0.00	17,538.73 19,133.16	
01/31/04	6" PVC 200 PIPE - 16,700 FT SL MM 40 Active New Not Listed	0.00 12	79,619.64 55,733.76	79,619.64 0.00	79,619.64 0.00	1,890.49 0.00	21,895.39 23,885.88	
01/31/04	4" PVC 200 PIPE - 31,000 FT SL MM 40 Active New Not Listed	0.00 12	72,339.40 50,637.52	72,339.40 0.00	72,339.40 0.00	1,808.49 0.00	19,893.39 21,701.88	
01/31/04	3" PVC 200 PIPE - 52,200 FT SL MM 40 Active New Not Listed	0.00 12	180,536.10 126,375.30	180,536.10 0.00	180,536.10 0.00	4,513.40 0.00	49,647.40 54,160.80	
01/31/04	12" STEEL CASING B&J - 290 FT SL MM 40 Active New Not Listed	0.00 12	7,425.00 5,197.44	7,425.00 0.00	7,425.00 0.00	185.83 0.00	2,041.93 2,227.56	
01/31/04	8" STEEL CASING B&J SL HY 10 Active New Not Listed	0.00 12	5,500.00 0.00	5,500.00 0.00	5,500.00 0.00	0.00 0.00	5,500.00 5,500.00	
01/31/04	8" STEEL CASING BIT SL HY 10 Active New Not Listed	0.00 12	3,250.00 0.00	3,250.00 0.00	3,250.00 0.00	0.00 0.00	3,250.00 3,250.00	
01/31/04	8" PVC SDR 35 CASING SL HY 10 Active New Not Listed	0.00 12	700.00 0.00	700.00 0.00	700.00 0.00	0.00 0.00	700.00 700.00	
01/31/04	CREEK CROSSING CONCRETE CAP SL HY 10 Active New Not Listed	0.00 12	2,240.00 0.00	2,240.00 0.00	2,240.00 0.00	0.00 0.00	2,240.00 2,240.00	
01/31/04	CREEK CROSSING - CRUSHED ROCK SL HY 10 Active New Not Listed	0.00 12	2,075.00 0.00	2,075.00 0.00	2,075.00 0.00	0.00 0.00	2,075.00 2,075.00	
01/31/04	12" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	1,983.60 0.00	1,983.60 0.00	1,983.60 0.00	0.00 0.00	1,983.60 1,983.60	
01/31/04	6" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	1,172.25 0.00	1,172.25 0.00	1,172.25 0.00	0.00 0.00	1,172.25 1,172.25	
01/31/04	4" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	2,325.05 0.00	2,325.05 0.00	2,325.05 0.00	0.00 0.00	2,325.05 2,325.05	
01/31/04	3" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	2,483.28 0.00	2,483.28 0.00	2,483.28 0.00	0.00 0.00	2,483.28 2,483.28	
01/31/04	3" BLOWOFF ASSEMBLY SL HY 10 Active New Not Listed	0.00 12	18,494.80 0.00	18,494.80 0.00	18,494.80 0.00	0.00 0.00	18,494.80 18,494.80	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status New Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 200 - COBHILL EXPANSION								
01/31/04	CRUSHED ROCK - BACKFILL SL MM 40 Active New Not Listed	0.00 12	34,241.85 23,969.25	34,241.85 0.00	34,241.85 0.00	856.05 0.00	9,416.55 10,272.60	
01/31/04	BITUMINIOUS PAVING SL MM 20 Active New Not Listed	0.00 12	9,400.00 3,760.00	9,400.00 0.00	9,400.00 0.00	470.00 0.00	5,170.00 5,640.00	
01/31/04	CONCRETE PAVEMENT ROADS SL MM 20 Active New Not Listed	0.00 12	17,160.00 6,864.00	17,160.00 0.00	17,160.00 0.00	858.00 0.00	9,438.00 10,296.00	
01/31/04	6" FLUSH HYDRANT ASSEMBLY SL HY 10 Active New Not Listed	0.00 12	9,970.35 0.00	9,970.35 0.00	9,970.35 0.00	0.00 0.00	9,970.35 9,970.35	
01/31/04	METERS & INSTALLATIONS SL MM 20 Active New Not Listed	0.00 12	9,703.52 3,881.36	9,703.52 0.00	9,703.52 0.00	485.18 0.00	5,336.98 5,822.16	
01/31/04	CUSTOMER SERVICE TANDEM-SAME SIDE SL MM 40 Active New Not Listed	0.00 12	17,649.52 12,354.64	17,649.52 0.00	17,649.52 0.00	441.24 0.00	4,853.64 5,294.88	
01/31/04	CUSTOMER SERVICE TANDEM OPPOSITE SIDE SL MM 40 Active New Not Listed	0.00 12	13,955.10 9,768.54	13,955.10 0.00	13,955.10 0.00	348.88 0.00	3,837.68 4,186.56	
01/31/04	ADDITIONAL 1" SERVICE PIPE-1,000 FT SL MM 40 Active New Not Listed	0.00 12	4,336.55 3,035.63	4,336.55 0.00	4,336.55 0.00	108.41 0.00	1,192.51 1,300.92	
01/31/04	TELEMETRY SYSTEM SL MM 40 Active New Not Listed	0.00 12	45,240.00 31,868.00	45,240.00 0.00	45,240.00 0.00	1,131.00 0.00	12,441.00 13,572.00	
01/31/04	COBHILL EXTENSION ADDITIONS SL MM 40 Active New Not Listed	0.00 12	28,500.00 19,950.00	28,500.00 0.00	28,500.00 0.00	712.50 0.00	7,837.50 8,550.00	
01/31/04	3" PVC 200 PIPE - 11,329 FT SL MM 40 Active New Not Listed	0.00 12	32,572.41 22,800.69	32,572.41 0.00	32,572.41 0.00	814.31 0.00	8,957.41 9,771.72	
01/31/04	CREEK CROSSING CONCRETE CAP SL HY 10 Active New Not Listed	0.00 12	4,900.00 0.00	4,900.00 0.00	4,900.00 0.00	0.00 0.00	4,900.00 4,900.00	
01/31/04	CREEK CROSSING CRUSHED ROCK SL HY 10 Active New Not Listed	0.00 12	2,914.74 0.00	2,914.74 0.00	2,914.74 0.00	0.00 0.00	2,914.74 2,914.74	
01/31/04	6" C-900 PVC PIPE - 3,170 FT SL MM 40 Active New Not Listed	0.00 12	19,244.40 13,471.08	19,244.40 0.00	19,244.40 0.00	481.11 0.00	5,292.21 5,773.32	
01/31/04	6" SDR 21 PVC PIPE - 39,520 FT SL MM 40 Active New Not Listed	0.00 12	191,345.70 133,942.02	191,345.70 0.00	191,345.70 0.00	4,783.64 0.00	52,620.04 57,403.68	
01/31/04	4" SDR 21 PVC PIPE - 6,430 FT SL MM 40 Active New Not Listed	0.00 12	22,177.60 15,524.32	22,177.60 0.00	22,177.60 0.00	554.44 0.00	6,098.84 6,653.28	
01/31/04	3" SDR 21 PVC PIPE - 11,960 FT SL MM 40 Active New Not Listed	0.00 12	37,543.80 26,280.60	37,543.80 0.00	37,543.80 0.00	938.60 0.00	10,324.60 11,263.20	
01/31/04	6" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	4,689.00 0.00	4,689.00 0.00	4,689.00 0.00	0.00 0.00	4,689.00 4,689.00	
01/31/04	4" GATE VALVE & BOX SL HY 10 Active New Not Listed	0.00 12	1,884.20 0.00	1,884.20 0.00	1,884.20 0.00	0.00 0.00	1,884.20 1,884.20	
01/31/04	8" BORE & COVER PIPE SL HY 10 Active New Not Listed	0.00 12	3,350.00 0.00	3,350.00 0.00	3,350.00 0.00	0.00 0.00	3,350.00 3,350.00	
01/31/04	12" BORE & COVER PIPE SL HY 10 Active New Not Listed	0.00 12	9,405.00 0.00	9,405.00 0.00	9,405.00 0.00	0.00 0.00	9,405.00 9,405.00	
01/31/04	3" BLOWOFF ASSEMBLY SL HY 10 Active New Not Listed	0.00 12	5,548.44 0.00	5,548.44 0.00	5,548.44 0.00	0.00 0.00	5,548.44 5,548.44	
01/31/04	CRUSHED ROCK BACKFILL SL MM 40 Active New Not Listed	0.00 12	18,088.00 12,661.60	18,088.00 0.00	18,088.00 0.00	452.20 0.00	4,974.20 5,426.40	
01/31/04	10" STEEL COVER PIPE SL MM 40 Active New Not Listed	0.00 12	5,640.00 3,948.00	5,640.00 0.00	5,640.00 0.00	141.00 0.00	1,551.00 1,692.00	
01/31/04	CUSTOMER SERVICE OPPOSITE SIDE SL MM 40 Active New Not Listed	0.00 12	19,537.14 13,675.98	19,537.14 0.00	19,537.14 0.00	488.43 0.00	5,372.73 5,861.16	
01/31/04	CUSTOMER SERVICE SAME SIDE SL MM 40 Active New Not Listed	0.00 12	2,430.16 1,701.16	2,430.16 0.00	2,430.16 0.00	60.75 0.00	668.25 729.00	
01/31/04	ADDITIONAL 1" SERVICE LINE SL MM 40 Active New Not Listed	0.00 12	5,054.59 3,538.27	5,054.59 0.00	5,054.59 0.00	126.36 0.00	1,389.96 1,516.32	
01/31/04	TELEMETRY SYSTEM UPGRADE SL MM 40 Active New Not Listed	0.00 12	55,747.27 39,023.11	55,747.27 0.00	55,747.27 0.00	1,393.68 0.00	15,330.48 16,724.16	

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq Date Sold	Description Meth Conv Life Status	New Listed	Inv Credit Depr Year	Cost Net Book Val	Valuation Salvage Value	Depr Basis Prior Bonus	Current Depr Current Bonus	Beg A/Depr End A/Depr	Selling Price Gain/Loss
Asset A/C#: 200 - COBHILL EXPANSION									
01/31/04	8" 200 PVC PIPE - 4,349 FT		0.00	30,858.00	30,858.00	30,858.00	771.45	8,485.95	
	SL MM 40 Active	New Not Listed	12	21,600.60	0.00	0.00	0.00	9,257.40	
01/31/04	100,000 GALLON WATER STORAGE TANK		0.00	131,000.00	131,000.00	131,000.00	3,275.00	36,025.00	
	SL MM 40 Active	New Not Listed	12	91,700.00	0.00	0.00	0.00	39,300.00	
01/31/04	PRV VALVES		0.00	17,120.00	17,120.00	17,120.00	0.00	17,120.00	
	SL HY 10 Active	New Not Listed	12	0.00	0.00	0.00	0.00	17,120.00	
01/31/04	3" SDR 21 PVC PIPE - 3,200FT		0.00	14,647.00	14,647.00	14,647.00	366.18	4,027.98	
	SL MM 40 Active	New Not Listed	12	10,252.84	0.00	0.00	0.00	4,394.16	
01/31/04	3" GATE VALVE		0.00	4,865.08	4,865.08	4,865.08	0.00	4,865.08	
	SL HY 10 Active	New Not Listed	12	0.00	0.00	0.00	0.00	4,865.08	
01/31/04	12" PVC C900 DR 18 PIPE - 4,800 FT		0.00	121,118.55	121,118.55	121,118.55	3,027.98	33,307.56	
	SL MM 40 Active	New Not Listed	12	84,783.03	0.00	0.00	0.00	36,335.52	
01/31/04	18" B&J STEEL CASING		0.00	23,700.00	23,700.00	23,700.00	592.50	6,517.50	
	SL MM 40 Active	New Not Listed	12	16,590.00	0.00	0.00	0.00	7,110.00	
01/31/04	RIVER PUMP STATION		0.00	66,274.00	66,274.00	66,274.00	3,313.70	36,450.70	
	SL MM 20 Active	New Not Listed	12	26,509.60	0.00	0.00	0.00	39,764.40	
01/31/04	PEARIDGE PUMP STATION		0.00	64,586.30	64,586.30	64,586.30	3,229.32	35,522.52	
	SL MM 20 Active	New Not Listed	12	25,834.46	0.00	0.00	0.00	38,751.84	
01/31/04	14" BORE & JACK CASED		0.00	30,060.00	30,060.00	30,060.00	0.00	30,060.00	
	SL HY 10 Active	New Not Listed	12	0.00	0.00	0.00	0.00	30,060.00	
01/31/04	8" GATE VALVE & BOX		0.00	2,472.26	2,472.26	2,472.26	0.00	2,472.26	
	SL HY 10 Active	New Not Listed	12	0.00	0.00	0.00	0.00	2,472.26	
01/31/04	METERS & INSTALLATIONS		0.00	11,165.78	11,165.78	11,165.78	279.14	3,070.54	
	SL MM 40 Active	New Not Listed	12	7,816.10	0.00	0.00	0.00	3,349.68	
01/31/04	12" B&S RIVER CROSSING PIPE		0.00	19,370.75	19,370.75	19,370.75	484.27	5,326.97	
	SL MM 40 Active	New Not Listed	12	13,559.51	0.00	0.00	0.00	5,811.24	
01/31/04	COBHILL EXTENSION ADDITIONS		0.00	13,318.21	13,318.21	13,318.21	332.96	3,682.56	
	SL MM 40 Active	New Not Listed	12	9,322.69	0.00	0.00	0.00	3,995.52	
01/31/04	COBHILL WATER TANK INSTALLATION		0.00	210,838.00	210,838.00	210,838.00	5,270.95	57,980.45	
	SL MM 40 Active	New Not Listed	12	147,586.60	0.00	0.00	0.00	63,251.40	
01/31/04	ATTORNEY FEES		0.00	21,565.13	21,565.13	21,565.13	539.13	5,930.43	
	SL MM 40 Active	New Not Listed	12	15,095.57	0.00	0.00	0.00	6,469.56	
01/31/04	ENGINEERING DESIGN & INSPECTION		0.00	423,697.81	423,697.81	423,697.81	10,592.45	116,516.95	
	SL MM 40 Active	New Not Listed	12	296,568.41	0.00	0.00	0.00	127,109.40	
01/31/04	LAND RIGHTS/EASEMENTS		0.00	15,542.52	15,542.52	15,542.52	0.00	0.00	
	LAND NO 7 Active	New Not Listed	12	15,542.52	0.00	0.00	0.00	0.00	
01/31/04	CAPITALIZED INTEREST		0.00	70,000.00	70,000.00	70,000.00	1,750.00	19,250.00	
	SL MM 40 Active	New Not Listed	12	49,000.00	0.00	0.00	0.00	21,000.00	
01/31/04	COBHILL EXTENSION ADDITIONS		0.00	168,364.17	168,364.17	168,364.17	4,209.10	46,300.10	
	SL MM 40 Active	New Not Listed	12	117,854.97	0.00	0.00	0.00	50,509.20	
Totals for Asset A/C#: 200 (100 assets)				3,785,734.51	3,785,734.51	3,785,734.51	94,369.14	1,282,017.86	0.00
				2,409,347.51	0.00	0.00	0.00	1,376,387.00	0.00

Summary for: 200		Cost	Section 179 + Accum Depr =	Total
Beginning Balances	(100 assets)	3,785,734.51	0.00	1,282,017.86
+ Additions (A)	(0 assets)	0.00	All Curr. Depr. 0.00	94,369.14
Subtotals		3,785,734.51	0.00	1,376,387.00
- Disposals (D) and Trades (T)	(0 assets)	0.00	0.00	0.00
Ending Balances	(100 assets)	3,785,734.51	0.00	1,376,387.00

ASSET DEPRECIATION REPORT
 ECWDWATR - Dec. 31, 2015

Assets: 295 of 295 Included
 Include: All Assets
 Method: BOOK - Std Conventions Applied

Sort #1: Asset A/C#

Date Acq	Description		Inv Credit	Cost	Valuation	Depr Basis	Current Depr	Beg A/Depr	Selling Price		
Date Sold	Meth	Conv Life	Status	New Listed	Depr Year	Net Book Val	Salvage Value	Prior Bonus	Current Bonus	End A/Depr	Gain/Loss
Grand totals for all accounts: (295 assets)						13,256,267.12	13,202,717.83	13,256,267.12	319,298.06	6,306,326.08	0.00
						6,630,642.98	0.00	0.00	0.00	6,625,624.14	0.00

Summary for Grand Totals		Cost	Section 179 +	Accum Depr	=	Total
Beginning Balances	(295 assets)	13,256,267.12	0.00	6,306,326.08		6,306,326.08
+ Additions (A)	(0 assets)	0.00	All Curr. Depr.	0.00		319,298.06
Subtotals		13,256,267.12	0.00	6,625,624.14		6,625,624.14
- Disposals (D) and Trades (T)	(0 assets)	0.00	0.00	0.00		0.00
Ending Balances	(295 assets)	13,256,267.12	0.00	6,625,624.14		6,625,624.14

ACC
 END

	Cost	Curr Depr	End A/Depr
Depreciable Assets: (294 assets 0 disposed)	13,231,311.12	318,050.26	6,614,390.94
Amortizable Assets: (1 assets, 0 disposed)	24,956.00	1,247.80	11,230.20

Codes that may appear next to the date acquired include: A - Addition, D - Disposal, T - Traded, I - Inactive, C - Construction In Progress, MQ - Mid-Quarter Applied

Additional Summary Statistics:	Cost	Curr Yr Salv	Prior Yr Salv	Depr Basis	Beg A/Depr	Curr A/Depr	End A/Depr	Net Book Val
Grand Totals for All Assets	13,256,267.12	0.00	0.00	13,256,267.12	6,306,326.08	319,298.06	6,625,624.14	6,630,642.98
Inactive Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Disposed Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Traded Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Totals (Active & Inactive Assets)	13,256,267.12	0.00	0.00	13,256,267.12	6,306,326.08	319,298.06	6,625,624.14	6,630,642.98

Outstanding Debt Instruments



United States Department of Agriculture
 CPAP - Community Program Application Processing



CPAP - Bond Schedule Detail

Name of Borrower: Estill County Water District			
Amount of Loan	1699000	Annual Interest Rate	0.02375
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	No
Principal Payment Units	500	Interest Payment Units	1

Year	Period	Number	Payment	Interest	Principal	Balance
2014	1	1	40351	40351	0	1699000
2015	1	2	40351	40351	0	1699000
2016	1	3	68351	40351	28000	1671000
2017	1	4	68186	39686	28500	1642500
2018	1	5	68509	39009	29500	1613000
2019	1	6	68308	38308	30000	1583000
2020	1	7	68596	37596	31000	1552000
2021	1	8	68360	36860	31500	1520500
2022	1	9	68611	36111	32500	1488000
2023	1	10	68340	35340	33000	1455000
2024	1	11	68556	34556	34000	1421000
2025	1	12	68248	33748	34500	1386500
2026	1	13	68429	32929	35500	1351000
2027	1	14	68586	32086	36500	1314500
2028	1	15	68219	31219	37000	1277500
2029	1	16	68340	30340	38000	1239500
2030	1	17	68438	29438	39000	1200500
2031	1	18	68511	28511	40000	1160500
2032	1	19	68561	27561	41000	1119500
2033	1	20	68588	26588	42000	1077500
2034	1	21	68590	25590	43000	1034500
2035	1	22	68569	24569	44000	990500
2036	1	23	68524	23524	45000	945500
2037	1	24	68455	22455	46000	899500
2038	1	25	68363	21363	47000	852500
2039	1	26	68246	20246	48000	804500
2040	1	27	68606	19106	49500	755000
2041	1	28	68431	17931	50500	704500
2042	1	29	68231	16731	51500	653000
2043	1	30	68508	15508	53000	600000
2044	1	31	68250	14250	54000	546000
2045	1	32	68467	12967	55500	490500
2046	1	33	68149	11649	56500	434000
2047	1	34	68307	10307	58000	376000
2048	1	35	68430	8930	59500	316500
2049	1	36	68516	7516	61000	255500
2050	1	37	68568	6068	62500	193000
2051	1	38	68583	4583	64000	129000
2052	1	39	68563	3063	65500	63500
2053	1	40	65008	1508	63500	0
TOTALS			\$2,677,803.00	\$978,803.00	\$1,699,000.00	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.

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United States Department of Agriculture
 CPAP - Community Program Application Processing



CPAP - Bond Schedule Detail

Name of Borrower: Estill County Water District			
Amount of Loan	945000	Annual Interest Rate	0.04125
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	No
Principal Payment Units	500	Interest Payment Units.	1

Year	Period	Number	Payment	Interest	Principal	Balance
2007	1	1	38981	38981	0	945000
2008	1	2	38981	38981	0	945000
2009	1	3	49481	38981	10500	934500
2010	1	4	49548	38548	11000	923500
2011	1	5	49594	38094	11500	912000
2012	1	6	49620	37620	12000	900000
2013	1	7	49625	37125	12500	887500
2014	1	8	49609	36609	13000	874500
2015	1	9	49573	36073	13500	861000
2016	1	10	49516	35516	14000	847000
2017	1	11	49438	34938	14500	832500
2018	1	12	49340	34340	15000	817000
2019	1	13	49201	33701	16000	801000
2020	1	14	49041	33041	16500	784500
2021	1	15	48860	32360	17000	767000
2022	1	16	48638	31638	18000	749000
2023	1	17	48366	30896	19000	730000
2024	1	18	48012	30112	19500	710500
2025	1	19	47568	29308	20000	690000
2026	1	20	47032	28462	21000	669000
2027	1	21	46496	27596	22000	647000
2028	1	22	45968	26688	23000	624000
2029	1	23	45440	25740	24000	600000
2030	1	24	44912	24750	25000	575000
2031	1	25	44384	23718	26000	549000
2032	1	26	43856	22646	27000	522000
2033	1	27	43328	21532	28000	494000
2034	1	28	42800	20377	29000	464500
2035	1	29	42272	19160	30000	434000
2036	1	30	41744	17902	32000	402000
2037	1	31	41216	16582	33000	369000
2038	1	32	40688	15221	34500	334500
2039	1	33	40160	13798	36000	298500
2040	1	34	39632	12313	37500	261000
2041	1	35	39104	10766	39000	222000
2042	1	36	38576	9157	40500	181500
2043	1	37	38048	7486	42000	139500
2044	1	38	37520	5754	44000	95500
2045	1	39	36992	3939	45500	50000
2046	1	40	36464	2062	50000	0
TOTALS			\$1,967,511.00	\$1,022,511.00	\$945,000.00	

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KENTUCKY RURAL WATER FINANCE CORPORATION FLEXIBLE TERM FINANCE PROGRAM, SERIES 2002

Borrower:	Estill County Water District #1 - Refunding of 1984 Bonds
Dated Date:	07/31/02

Borrower Payment Schedule

Payment Date	Principal	Interest	Trustee Fees	Total	Fiscal Total
07/31/02					
01/01/03	8,000.00	4,673.57	0.00	12,673.57	
07/01/03	0.00	4,521.75	250.00	4,771.75	17,445.32
01/01/04	10,000.00	4,521.75	0.00	14,521.75	
07/01/04	0.00	4,364.25	250.00	4,614.25	19,136.00
01/01/05	10,000.00	4,364.25	0.00	14,364.25	
07/01/05	0.00	4,206.75	250.00	4,456.75	18,821.00
01/01/06	11,000.00	4,206.75	0.00	15,206.75	
07/01/06	0.00	4,033.50	250.00	4,283.50	19,490.25
01/01/07	11,000.00	4,033.50	0.00	15,033.50	
07/01/07	0.00	3,860.25	250.00	4,110.25	19,143.75
01/01/08	11,000.00	3,860.25	0.00	14,860.25	
07/01/08	0.00	3,673.25	250.00	3,923.25	18,783.50
01/01/09	12,000.00	3,673.25	0.00	15,673.25	
07/01/09	0.00	3,454.25	250.00	3,704.25	19,377.50
01/01/10	12,000.00	3,454.25	0.00	15,454.25	
07/01/10	0.00	3,227.75	250.00	3,477.75	18,932.00
01/01/11	13,000.00	3,227.75	0.00	16,227.75	
07/01/11	0.00	2,974.25	250.00	3,224.25	19,452.00
01/01/12	12,000.00	2,974.25	0.00	14,974.25	
07/01/12	0.00	2,732.75	250.00	2,982.75	17,957.00
01/01/13	12,000.00	2,732.75	0.00	14,732.75	
07/01/13	0.00	2,483.75	250.00	2,733.75	17,466.50
01/01/14	13,000.00	2,483.75	0.00	15,483.75	
07/01/14	0.00	2,214.00	250.00	2,464.00	17,947.75
01/01/15	14,000.00	2,214.00	0.00	16,214.00	
07/01/15	0.00	1,906.00	250.00	2,156.00	18,370.00
01/01/16	15,000.00	1,906.00	0.00	16,906.00	
07/01/16	0.00	1,568.50	250.00	1,818.50	18,724.50
01/01/17	16,000.00	1,568.50	0.00	17,568.50	
07/01/17	0.00	1,200.50	250.00	1,450.50	19,019.00
01/01/18	16,000.00	1,200.50	0.00	17,200.50	
07/01/18	0.00	824.50	250.00	1,074.50	18,275.00
01/01/19	17,000.00	824.50	0.00	17,824.50	
07/01/19	0.00	416.50	250.00	666.50	18,491.00
01/01/20	17,000.00	416.50	0.00	17,416.50	
07/01/20	0.00	0.00	250.00	250.00	17,666.50
Totals	230,000.00	99,998.57	4,500.00	334,498.57	

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
9/2-1/3	1,600.00	934.71	2,534.71
2/3-7/3	833.33	753.63	1,586.96
8/3-1/4	833.33	753.63	1,586.96
2/4-7/4	833.33	727.38	1,560.71
8/4-1/5	833.33	727.38	1,560.71
2/5-7/5	916.67	701.13	1,617.79
8/5-1/6	916.67	701.13	1,617.79
2/6-7/6	916.67	672.25	1,588.92
8/6-1/7	916.67	672.25	1,588.92
2/7-7/7	916.67	643.38	1,560.04
8/7-1/8	916.67	643.38	1,560.04
2/8-7/8	1,000.00	612.21	1,612.21
8/8-1/9	1,000.00	612.21	1,612.21
2/9-7/9	1,000.00	575.71	1,575.71
8/9-1/10	1,000.00	575.71	1,575.71
2/10-7/10	1,083.33	537.96	1,621.29
8/10-1/11	1,083.33	537.96	1,621.29
2/11-7/11	1,000.00	495.71	1,495.71
8/11-1/12	1,000.00	495.71	1,495.71
2/12-7/12	1,000.00	455.46	1,455.46
8/12-1/13	1,000.00	455.46	1,455.46
2/13-7/13	1,083.33	413.96	1,497.29
8/13-1/14	1,083.33	413.96	1,497.29
2/14-7/14	1,166.67	369.00	1,535.67
8/14-1/15	1,166.67	369.00	1,535.67
2/15-7/15	1,250.00	317.67	1,567.67
8/15-1/16	1,250.00	317.67	1,567.67
2/16-7/16	1,333.33	261.42	1,594.75
8/16-1/17	1,333.33	261.42	1,594.75
2/17-7/17	1,333.33	200.08	1,533.42
8/17-1/18	1,333.33	200.08	1,533.42
2/18-7/18	1,416.67	137.42	1,554.08
8/18-1/19	1,416.67	137.42	1,554.08
2/19-7/19	1,416.67	69.42	1,486.08
8/19-1-20	1,416.67	69.42	1,486.08
2/20-7/20	0.00	-	-
Totals	230,000.00	99,998.57	329,998.57



United States Department of Agriculture
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CPAP - Bond Schedule Detail

Name of Borrower: Estill County Water District			
Amount of Loan	975000	Annual Interest Rate	0.045
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	No
Principal Payment Units	500	Interest Payment Units.	1

Year	Period	Number	Payment	Interest	Principal	Balance
2000	1	1	43875	43875	0	975000
2001	1	2	43875	43875	0	975000
2002	1	3	53875	43875	10000	965000
2003	1	4	53925	43425	10500	954500
2004	1	5	53952	42952	11000	943500
2005	1	6	53957	42457	11500	932000
2006	1	7	53940	41940	12000	920000
2007	1	8	53900	41400	12500	907500
2008	1	9	53837	40837	13000	894500
2009	1	10	54252	40252	14000	880500
2010	1	11	54122	39622	14500	866000
2011	1	12	53970	38970	15000	851000
2012	1	13	53795	38295	15500	835500
2013	1	14	54097	37597	16500	819000
2014	1	15	53855	36855	17000	802000
2015	1	16	54090	36090	18000	784000
2016	1	17	53780	35280	18500	765500
2017	1	18	53947	34447	19500	746000
2018	1	19	54070	33570	20500	725500
2019	1	20	54147	32647	21500	704000
2020	1	21	54180	31680	22500	681500
2021	1	22	54167	30667	23500	658000
2022	1	23	54110	29610	24500	633500
2023	1	24	54007	28507	25500	608000
2024	1	25	53860	27360	26500	581500
2025	1	26	54167	26167	28000	553500
2026	1	27	53907	24907	29000	524500
2027	1	28	54102	23602	30500	494000
2028	1	29	54230	22230	32000	462000
2029	1	30	53790	20790	33000	429000
2030	1	31	53806	19306	34500	394500
2031	1	32	54252	17752	36500	358000
2032	1	33	54110	16110	38000	320000
2033	1	34	53900	14400	39500	280500
2034	1	35	54122	12622	41500	239000
2035	1	36	54255	10755	43500	195500
2036	1	37	53797	8797	45000	150500
2037	1	38	54272	6772	47500	103000
2038	1	39	54135	4635	49500	53500
2039	1	40	55907	2407	53500	0
TOTALS			\$2,142,336.00	\$1,167,336.00	\$975,000.00	

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CPAP - Bond Schedule Detail

Name of Borrower: Estill County Water District			
Amount of Loan	505000	Annual Interest Rate	0.045
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	No
Principal Payment Units	500	Interest Payment Units.	1

Year	Period	Number	Payment	Interest	Principal	Balance
1997	1	1	22725	22725	0	505000
1998	1	2	22725	22725	0	505000
1999	1	3	28225	22725	5500	499500
2000	1	4	27977	22477	5500	494000
2001	1	5	28230	22230	6000	488000
2002	1	6	27960	21960	6000	482000
2003	1	7	28190	21690	6500	475500
2004	1	8	27897	21397	6500	469000
2005	1	9	28105	21105	7000	462000
2006	1	10	27790	20790	7000	455000
2007	1	11	27975	20475	7500	447500
2008	1	12	28137	20137	8000	439500
2009	1	13	27777	19777	8000	431500
2010	1	14	27917	19417	8500	423000
2011	1	15	28035	19035	9000	414000
2012	1	16	28130	18630	9500	404500
2013	1	17	28202	18202	10000	394500
2014	1	18	27752	17752	10000	384500
2015	1	19	27802	17302	10500	374000
2016	1	20	27830	16830	11000	363000
2017	1	21	27835	16335	11500	351500
2018	1	22	27817	15817	12000	339500
2019	1	23	27777	15277	12500	327000
2020	1	24	28215	14715	13500	313500
2021	1	25	28107	14107	14000	299500
2022	1	26	27977	13477	14500	285000
2023	1	27	27825	12825	15000	270000
2024	1	28	28150	12150	16000	254000
2025	1	29	27930	11430	16500	237500
2026	1	30	28187	10687	17500	220000
2027	1	31	27900	9900	18000	202000
2028	1	32	28090	9090	19000	183000
2029	1	33	27735	8235	19500	163500
2030	1	34	27857	7357	20500	143000
2031	1	35	27935	6435	21500	121500
2032	1	36	27967	5467	22500	99000
2033	1	37	27955	4455	23500	75500
2034	1	38	27897	3397	24500	51000
2035	1	39	27795	2295	25500	25500
2036	1	40	28647	1147	25500	0
TOTALS			\$1,106,979.00	\$601,979.00	\$505,000.00	

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CPAP - Bond Schedule Detail

Name of Borrower: Estill County Water District			
Amount of Loan	521000	Annual Interest Rate	0.05
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	No
Principal Payment Units	500	Interest Payment Units.	1

Year	Period	Number	Payment	Interest	Principal	Balance
1993	1	1	26050	26050	0	521000
1994	1	2	26050	26050	0	521000
1995	1	3	31050	26050	5000	516000
1996	1	4	30800	25800	5000	511000
1997	1	5	31050	25550	5500	505500
1998	1	6	30775	25275	5500	500000
1999	1	7	31000	25000	6000	494000
2000	1	8	30700	24700	6000	488000
2001	1	9	30900	24400	6500	481500
2002	1	10	31075	24075	7000	474500
2003	1	11	30725	23725	7000	467500
2004	1	12	30875	23375	7500	460000
2005	1	13	31000	23000	8000	452000
2006	1	14	31100	22600	8500	443500
2007	1	15	30675	22175	8500	435000
2008	1	16	30750	21750	9000	426000
2009	1	17	30800	21300	9500	416500
2010	1	18	30825	20825	10000	406500
2011	1	19	30825	20325	10500	396000
2012	1	20	30800	19800	11000	385000
2013	1	21	30750	19250	11500	373500
2014	1	22	30675	18675	12000	361500
2015	1	23	31075	18075	13000	348500
2016	1	24	30925	17425	13500	335000
2017	1	25	30750	16750	14000	321000
2018	1	26	31050	16050	15000	306000
2019	1	27	30800	15300	15500	290500
2020	1	28	31025	14525	16500	274000
2021	1	29	30700	13700	17000	257000
2022	1	30	30850	12850	18000	239000
2023	1	31	30950	11950	19000	220000
2024	1	32	31000	11000	20000	200000
2025	1	33	31000	10000	21000	179000
2026	1	34	30950	8950	22000	157000
2027	1	35	30850	7850	23000	134000
2028	1	36	30700	6700	24000	110000
2029	1	37	31000	5500	25500	84500
2030	1	38	30725	4225	26500	58000
2031	1	39	30900	2900	28000	30000
2032	1	40	31500	1500	30000	0
TOTALS			\$1,226,000.00	\$705,000.00	\$521,000.00	

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United States Department of Agriculture
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CPAP - Bond Schedule Detail

Name of Borrower: Estill County Water District			
Amount of Loan	101000	Annual Interest Rate	0.05
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	No
Principal Payment Units	500	Interest Payment Units.	1

Year	Period	Number	Payment	Interest	Principal	Balance
1993	1	1	5050	5050	0	101000
1994	1	2	5050	5050	0	101000
1995	1	3	6050	5050	1000	100000
1996	1	4	6000	5000	1000	99000
1997	1	5	5950	4950	1000	98000
1998	1	6	5900	4900	1000	97000
1999	1	7	5850	4850	1000	96000
2000	1	8	5800	4800	1000	95000
2001	1	9	5750	4750	1000	94000
2002	1	10	6200	4700	1500	92500
2003	1	11	6125	4625	1500	91000
2004	1	12	6050	4550	1500	89500
2005	1	13	5975	4475	1500	88000
2006	1	14	5900	4400	1500	86500
2007	1	15	5825	4325	1500	85000
2008	1	16	5750	4250	1500	83500
2009	1	17	6175	4175	2000	81500
2010	1	18	6075	4075	2000	79500
2011	1	19	5975	3975	2000	77500
2012	1	20	5875	3875	2000	75500
2013	1	21	5775	3775	2000	73500
2014	1	22	6175	3675	2500	71000
2015	1	23	6050	3550	2500	68500
2016	1	24	5925	3425	2500	66000
2017	1	25	5800	3300	2500	63500
2018	1	26	6175	3175	3000	60500
2019	1	27	6025	3025	3000	57500
2020	1	28	5875	2875	3000	54500
2021	1	29	6225	2725	3500	51000
2022	1	30	6050	2550	3500	47500
2023	1	31	5875	2375	3500	44000
2024	1	32	6200	2200	4000	40000
2025	1	33	6000	2000	4000	36000
2026	1	34	5800	1800	4000	32000
2027	1	35	6100	1600	4500	27500
2028	1	36	5875	1375	4500	23000
2029	1	37	6150	1150	5000	18000
2030	1	38	5900	900	5000	13000
2031	1	39	6150	650	5500	7500
2032	1	40	7875	375	7500	0
TOTALS			\$239,325.00	\$138,325.00	\$101,000.00	

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AMORTIZATION SCHEDULE

Principal \$200,305.00	Loan Date 10-31-2013	Maturity 10-30-2017	Loan No 88196	Call / Coll 5	Account 10098348	Officer SLC	Initials
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: Estill Co Water District #1
76 Cedar Grove Rd
Irvine, KY 40338-7697

Lender: Citizens Guaranty Bank
River Drive Branch
25 River Drive
P.O. Box 630
Irvine, KY 40336-0630
(606) 723-2139

Disbursement Date: October 31, 2013
Interest Rate: 3.850

Repayment Schedule: Balloon
Calculation Method: 365/365 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	11-30-2013	2,427.34	633.84	1,793.50	198,511.50
2	12-30-2013	2,427.34	628.17	1,799.17	196,712.33
2013 TOTALS:		4,854.68	1,262.01	3,592.67	
3	01-30-2014	2,427.34	643.22	1,784.12	194,928.21
4	02-28-2014	2,427.34	596.27	1,831.07	193,097.14
5	03-30-2014	2,427.34	611.03	1,816.31	191,280.83
6	04-30-2014	2,427.34	625.46	1,801.88	189,478.95
7	05-30-2014	2,427.34	599.58	1,827.76	187,651.19
8	06-30-2014	2,427.34	613.59	1,813.75	185,837.44
9	07-30-2014	2,427.34	588.06	1,839.28	183,998.16
10	08-30-2014	2,427.34	601.65	1,825.69	182,172.47
11	09-30-2014	2,427.34	595.68	1,831.66	180,340.81
12	10-30-2014	2,427.34	570.67	1,856.67	178,484.14
13	11-30-2014	2,427.34	583.62	1,843.72	176,640.42
14	12-30-2014	2,427.34	558.96	1,868.38	174,772.04
2014 TOTALS:		29,128.08	7,187.79	21,940.29	
15	01-30-2015	2,427.34	571.48	1,855.86	172,916.18
16	02-28-2015	2,427.34	528.93	1,898.41	171,017.77
17	03-30-2015	2,427.34	541.17	1,886.17	169,131.60
18	04-30-2015	2,427.34	553.04	1,874.30	167,257.30
19	05-30-2015	2,427.34	529.27	1,898.07	165,359.23
20	06-30-2015	2,427.34	540.70	1,886.64	163,472.69
21	07-30-2015	2,427.34	517.29	1,910.05	161,562.64
22	08-30-2015	2,427.34	528.29	1,899.05	159,663.49
23	09-30-2015	2,427.34	522.08	1,905.26	157,758.23
24	10-30-2015	2,427.34	499.21	1,928.13	155,830.10
25	11-30-2015	2,427.34	509.64	1,917.80	153,912.30
26	12-30-2015	2,427.34	487.04	1,940.30	151,972.00
2015 TOTALS:		29,128.08	6,328.04	22,800.04	
27	01-30-2016	2,427.34	495.66	1,931.68	150,040.32
28	02-29-2016	2,427.34	473.49	1,953.85	148,086.47
29	03-30-2016	2,427.34	467.32	1,960.02	146,126.45
30	04-30-2016	2,427.34	476.51	1,950.83	144,176.62
31	05-30-2016	2,427.34	454.98	1,972.36	142,203.26
32	06-30-2016	2,427.34	463.71	1,963.63	140,239.63
33	07-30-2016	2,427.34	442.56	1,984.78	138,254.85
34	08-30-2016	2,427.34	450.84	1,976.50	136,278.35
35	09-30-2016	2,427.34	444.39	1,982.95	134,295.40
36	10-30-2016	2,427.34	423.80	2,003.54	132,291.85
37	11-30-2016	2,427.34	431.39	1,995.95	130,295.91
38	12-30-2016	2,427.34	411.18	2,016.16	128,279.75
2016 TOTALS:		29,128.08	5,435.83	23,692.25	
39	01-30-2017	2,427.34	419.38	2,007.96	126,271.79
40	02-28-2017	2,427.34	386.26	2,041.09	124,230.70
41	03-30-2017	2,427.34	393.11	2,034.23	122,196.47
42	04-30-2017	2,427.34	399.57	2,027.77	120,168.70
43	05-30-2017	2,427.34	380.26	2,047.08	118,121.62
44	06-30-2017	2,427.34	386.24	2,041.10	118,080.52
45	07-30-2017	2,427.34	367.32	2,060.02	114,020.50
46	08-30-2017	2,427.34	372.83	2,054.51	111,965.99
47	09-30-2017	2,427.34	366.11	2,061.23	109,904.76
48	10-30-2017	110,252.54	347.78	109,904.76	0.00
2017 TOTALS:		132,098.60	3,818.85	128,279.75	
TOTALS:		224,337.52	24,032.52	200,305.00	

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



AMORTIZATION SCHEDULE

Principal \$100,305.00	Loan Date 01-29-2015	Maturity 01-28-2019	Loan No 03387	Call / Coll 5	Account 10098348	Officer SLC	Initials
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: Estill Co Water District #1
76 Cedar Grove Rd
Irvine, KY 40336-7697

Lender: Citizens Guaranty Bank
River Drive Branch
25 River Drive
P.O. Box 630
Irvine, KY 40336-0630
(606) 723-2139

Disbursement Date: January 29, 2015
Interest Rate: 3.850

Repayment Schedule: Balloon
Calculation Method: 365/365 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	02-28-2015	1,215.44	317.40	898.04	99,406.96
2	03-28-2015	1,215.44	293.59	921.85	98,485.11
3	04-28-2015	1,215.44	322.03	893.41	97,591.70
4	05-28-2015	1,215.44	308.82	906.62	96,685.08
5	06-28-2015	1,215.44	316.15	899.29	95,785.79
6	07-28-2015	1,215.44	303.10	912.34	94,873.45
7	08-28-2015	1,215.44	310.22	905.22	93,968.23
8	09-28-2015	1,215.44	307.26	908.18	93,060.05
9	10-28-2015	1,215.44	294.48	920.96	92,139.09
10	11-28-2015	1,215.44	301.28	914.16	91,224.93
11	12-28-2015	1,215.44	288.67	926.77	90,298.16
2015 TOTALS:		13,369.84	3,363.00	10,006.84	
12	01-28-2016	1,215.44	294.58	920.88	89,377.28
13	02-28-2016	1,215.44	291.46	923.99	88,453.29
14	03-28-2016	1,215.44	269.83	946.61	87,507.68
15	04-28-2016	1,215.44	285.36	930.08	86,577.60
16	05-28-2016	1,215.44	273.22	942.22	85,635.38
17	06-28-2016	1,215.44	279.25	936.19	84,699.19
18	07-28-2016	1,215.44	267.29	948.15	83,761.04
19	08-28-2016	1,215.44	273.11	942.33	82,808.71
20	09-28-2016	1,215.44	270.03	945.41	81,863.30
21	10-28-2016	1,215.44	258.34	957.10	80,906.20
22	11-28-2016	1,215.44	263.83	951.61	79,954.59
23	12-28-2016	1,215.44	252.32	963.12	78,991.47
2016 TOTALS:		14,585.28	3,278.59	11,306.69	
24	01-28-2017	1,215.44	258.20	957.24	78,034.23
25	02-28-2017	1,215.44	255.16	960.28	77,073.95
26	03-28-2017	1,215.44	227.63	987.81	76,086.14
27	04-28-2017	1,215.44	248.79	966.65	75,119.49
28	05-28-2017	1,215.44	237.71	977.73	74,141.76
29	06-28-2017	1,215.44	242.43	973.01	73,168.75
30	07-28-2017	1,215.44	231.53	983.91	72,184.84
31	08-28-2017	1,215.44	236.03	979.41	71,205.43
32	09-28-2017	1,215.44	232.83	982.61	70,222.82
33	10-28-2017	1,215.44	222.21	993.23	69,229.59
34	11-28-2017	1,215.44	226.37	989.07	68,240.52
35	12-28-2017	1,215.44	215.94	999.50	67,241.02
2017 TOTALS:		14,585.28	2,834.83	11,750.45	
36	01-28-2018	1,215.44	219.87	995.57	66,245.45
37	02-28-2018	1,215.44	216.61	998.83	65,246.62
38	03-28-2018	1,215.44	192.70	1,022.74	64,223.88
39	04-28-2018	1,215.44	210.00	1,005.44	63,218.44
40	05-28-2018	1,215.44	200.05	1,015.39	62,203.05
41	06-28-2018	1,215.44	203.40	1,012.04	61,191.01
42	07-28-2018	1,215.44	193.63	1,021.81	60,169.20
43	08-28-2018	1,215.44	196.75	1,018.69	59,150.51
44	09-28-2018	1,215.44	193.41	1,022.03	58,128.48
45	10-28-2018	1,215.44	183.94	1,031.50	57,096.98
46	11-28-2018	1,215.44	186.70	1,028.74	56,068.24
47	12-28-2018	1,215.44	177.42	1,038.02	55,030.22
2018 TOTALS:		14,585.28	2,374.48	12,210.80	
48	01-28-2019	55,210.16	179.94	55,030.22	0.00
2019 TOTALS:		55,210.16	179.94	55,030.22	
TOTALS:		112,335.84	12,030.84	100,305.00	

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



AMORTIZATION SCHEDULE

Principal \$ 110,330.00	Loan Date 01-24-2017	Maturity 02-10-2021	Loan No 24597	Call / Coll 5	Account 10098348	Officer SLC	Initials
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: Estill Co Water District #1
76 Cedar Grove Rd
Irvine, KY 40336-7697

Lender: Citizens Guaranty Bank
River Drive Branch
25 River Drive
P.O. Box 630
Irvine, KY 40336-0630
(606) 723-2139

Disbursement Date: January 24, 2017
Interest Rate: 4.100

Repayment Schedule: Balloon
Calculation Method: 365/365 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	03-10-2017	1,352.35	557.70	794.65	109,535.35
2	04-10-2017	1,352.35	381.42	970.93	108,564.42
3	05-10-2017	1,352.35	365.85	986.50	107,577.92
4	06-10-2017	1,352.35	374.61	977.74	106,600.18
5	07-10-2017	1,352.35	359.23	993.12	105,607.06
6	08-10-2017	1,352.35	367.74	984.61	104,622.45
7	09-10-2017	1,352.35	364.32	988.03	103,634.42
8	10-10-2017	1,352.35	349.23	1,003.12	102,631.30
9	11-10-2017	1,352.35	357.38	994.97	101,636.33
10	12-10-2017	1,352.35	342.50	1,009.85	100,626.48
2017 TOTALS:		13,523.50	3,819.98	9,703.52	
11	01-10-2018	1,352.35	350.40	1,001.95	99,624.53
12	02-10-2018	1,352.35	346.91	1,005.44	98,619.09
13	03-10-2018	1,352.35	310.18	1,042.17	97,576.92
14	04-10-2018	1,352.35	339.78	1,012.57	96,564.35
15	05-10-2018	1,352.35	325.41	1,026.94	95,537.41
16	06-10-2018	1,352.35	332.68	1,019.67	94,517.74
17	07-10-2018	1,352.35	318.51	1,033.84	93,483.90
18	08-10-2018	1,352.35	325.53	1,026.82	92,457.08
19	09-10-2018	1,352.35	321.95	1,030.40	91,426.68
20	10-10-2018	1,352.35	308.10	1,044.25	90,382.43
21	11-10-2018	1,352.35	314.73	1,037.62	89,344.81
22	12-10-2018	1,352.35	301.08	1,051.27	88,293.54
2018 TOTALS:		16,228.20	3,895.26	12,332.94	
23	01-10-2019	1,352.35	307.46	1,044.89	87,248.65
24	02-10-2019	1,352.35	303.82	1,048.53	86,200.12
25	03-10-2019	1,352.35	271.12	1,081.23	85,118.89
26	04-10-2019	1,352.35	296.40	1,055.95	84,062.94
27	05-10-2019	1,352.35	283.28	1,069.07	82,993.87
28	06-10-2019	1,352.35	289.00	1,063.35	81,930.52
29	07-10-2019	1,352.35	276.09	1,076.26	80,854.26
30	08-10-2019	1,352.35	281.55	1,070.80	79,783.46
31	09-10-2019	1,352.35	277.82	1,074.53	78,708.93
32	10-10-2019	1,352.35	265.24	1,087.11	77,621.82
33	11-10-2019	1,352.35	270.29	1,082.06	76,539.76
34	12-10-2019	1,352.35	257.93	1,094.42	75,445.34
2019 TOTALS:		16,228.20	3,380.00	12,848.20	
35	01-10-2020	1,352.35	262.51	1,089.84	74,355.50
36	02-10-2020	1,352.35	258.21	1,094.14	73,261.36
37	03-10-2020	1,352.35	238.00	1,114.35	72,147.01
38	04-10-2020	1,352.35	250.54	1,101.81	71,045.20
39	05-10-2020	1,352.35	238.76	1,113.59	69,931.61
40	06-10-2020	1,352.35	242.85	1,109.50	68,822.11
41	07-10-2020	1,352.35	231.29	1,121.06	67,701.05
42	08-10-2020	1,352.35	235.10	1,117.25	66,583.80
43	09-10-2020	1,352.35	231.22	1,121.13	65,462.67
44	10-10-2020	1,352.35	220.00	1,132.35	64,330.32
45	11-10-2020	1,352.35	223.40	1,128.95	63,201.37
46	12-10-2020	1,352.35	212.40	1,139.95	62,061.42
2020 TOTALS:		16,228.20	2,844.28	13,383.92	
47	01-10-2021	1,352.35	215.69	1,136.66	60,924.76
48	02-10-2021	61,136.91	212.15	60,924.76	0.00
2021 TOTALS:		62,489.26	427.84	62,061.42	
TOTALS:		124,697.36	14,367.36	110,330.00	

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

BOND RESOLUTION

ESTILL COUNTY WATER DISTRICT NO. 1

AUTHORIZING

ESTILL COUNTY WATER DISTRICT NO. 1

WATERWORKS REVENUE BONDS, SERIES 2014

IN THE PRINCIPAL AMOUNT OF

\$1,699,000

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BOND RESOLUTION

RESOLUTION OF THE ESTILL COUNTY WATER DISTRICT NO. 1 AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$1,699,000 PRINCIPAL AMOUNT OF ESTILL COUNTY WATER DISTRICT NO. 1 WATERWORKS REVENUE BONDS, SERIES 2014 FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSION, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATER SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATER SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.

WHEREAS, the water system (the "System") of the Estill County Water District No. 1 (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the principal amount of \$1,699,000 (the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Bell Engineering and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued subject to the vested rights and priorities in favor of the owners of the outstanding Prior Bonds, and

WHEREAS, the District has filed an Application with the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity, authorizing the construction of said extensions, additions and improvements, and

WHEREAS, the proceeds of the Current Bonds will be supplemented by Grant Proceeds (as hereinafter defined) in the amount of approximately \$661,000, to provide the total cost of such construction,

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ESTILL COUNTY WATER DISTRICT NO. 1, AS FOLLOWS:

**ARTICLE 1. DEFINITIONS; PURPOSE; AUTHORIZATION OF BONDS;
SECURITY.**

Section 101. Definitions. As used in this Resolution, unless the context requires otherwise:

"Act" refers to Chapters 58 and 74 of the Kentucky Revised Statutes.

"Beginning Month" refers to the month following the month in which the Current Bonds authorized herein are issued, sold and delivered to the Purchaser thereof.

"Bond Counsel" refers to an attorney or firm of attorneys recognized nationally as experts in the field of municipal bond law and shall be deemed to refer to Rubin & Hays, Louisville, Kentucky, or their successors.

"Bondowner" or "Owner" refer to registered Owners of the Current Bonds at the time issued and outstanding hereunder.

"Bonds" collectively refers to the outstanding Current Bonds, Prior Bonds and the Parity Bonds.

"Bonds of 1976" or "Series 1976 Bonds" refer to the outstanding Estill County Water District No. 1 Waterworks Revenue Bonds of 1976, dated August 25, 1977, in the original authorized principal amount of \$350,000.

"Bonds of 1991" or "Series 1991 Bonds" refer to the outstanding Estill County Water District No. 1 Waterworks Revenue Bonds of 1991, dated September 3, 1992, in the original authorized principal amount of \$622,000.

"Bonds of 1996" or "Series 1996 Bonds" refer to the outstanding Estill County Water District No. 1 Waterworks Revenue Bonds, Series 1996, dated January 30, 1997, in the original authorized principal amount of \$505,000.

"Bonds of 2000" or "Series 2000 Bonds" refer to the outstanding Estill County Water District No. 1 Waterworks and Sewer Revenue Bonds, Series 2000, dated March 10, 2000, in the original authorized principal amount of \$975,000.

"Bonds of 2006" or "Series 2006 Bonds" refer to the outstanding Estill County Water District No. 1 Water and Sewer Revenue Bonds, Series 2006, dated December 22, 2006, in the original authorized principal amount of \$945,000.

"Bond Resolution of 1976" or "1976 Bond Resolution" refer to the Resolution authorizing the Bonds of 1976, duly adopted by the Board of Commissioners of the District on September 11, 1976.

"Bond Resolution of 1991" or *"1991 Bond Resolution"* refer to the Resolution authorizing the Series 1991 Water Bonds, duly adopted by the Board of Commissioners of the District on November 27, 1991.

"Bond Resolution of 1996" or *"1996 Bond Resolution"* refer to the Resolution authorizing the Bonds of 1996, duly adopted by the Board of Commissioners of the District on July 30, 1996.

"Bond Resolution of 2000" or *"2000 Bond Resolution"* refer to the Resolution authorizing the Bonds of 2000, duly adopted by the Board of Commissioners of the District on October 13, 1999.

"Bond Resolution of 2006" or *"2006 Bond Resolution"* refer to the Resolution authorizing the Bonds of 2006, duly adopted by the Board of Commissioners of the District on July 8, 2006.

"Chairman" refers to the elected or appointed Chairman or Chairperson of the Commission.

"Code" refers to the Internal Revenue Code of 1986, as amended, and the Treasury Regulations relating thereto.

"Commission" refers to the Board of Commissioners of the District, or such other body as shall be the governing body of said District under the laws of Kentucky at any given time.

"Construction Account" refers to the Estill County Water District No. 1 Construction Account, created in Section 301(B) of this Current Bond Resolution.

"Contractors" refers to the general contractors who have been employed by the District to construct the Project.

"Current Bond Resolution" or *"Resolution"* refer to this Resolution authorizing the Current Bonds.

"Current Bonds" refers to the \$1,699,000 of Estill County Water District No. 1 Waterworks Revenue Bonds, Series 2014 authorized by this Resolution, to be dated as of the date of issuance thereof.

"Current Sinking Fund" refers to the Estill County Waterworks District No. 1 Sinking Fund, described in Section 402 of this Resolution.

"Depository Bank" refers to the bank, which shall be a member of the FDIC, which bank is Citizens Guaranty Bank, Inc., Irvine, Kentucky, or its successor.

"Depreciation Fund" refers to the Estill County Water District No. 1 Depreciation Reserve Fund, described in Section 402 of this Resolution.

"District" refers to the Estill County Water District No. 1 of Estill County, Kentucky.

"Engineers" refers to the Engineers or any one of them, who prepared the plans and specifications for the construction of the Project and who will supervise the construction thereof and/or will furnish full time resident inspection of the construction of the Project, and shall be deemed to refer to Bell Engineering or a member of said firm, or their successors.

"Event of Default" refers to one or more of the Events of Default set forth in Section 701 of this Resolution.

"FDIC" refers to the Federal Deposit Insurance Corporation, or its successors.

"Fiscal Year" refers to the annual accounting period of the District, beginning on January 1, and ending on December 31, of each year.

"Funds" refers to the Construction Account, the Revenue Fund, the Prior Sinking Fund, the Current Sinking Fund, the Depreciation Fund and the Operation and Maintenance Fund.

"Government" refers to the United States of America, or any agency thereof, including RD.

"Grant Proceeds" refers to the proceeds of the RD Grant.

"Independent Consulting Engineer" refers to a consulting engineer or a firm of consulting engineers of recognized excellent reputation in the field of water and sewer system engineering, and such definition includes the Engineers named above.

"Interim Lender" refers to Kentucky Rural Water Finance Corporation, Bowling Green, Kentucky, its successors or assigns; or any other financial institution or governmental agency approved by the District.

"KRWFC Loan" refers to the loan from the Kentucky Rural Water Finance Corporation to the District in the principal amount of \$230,000, dated July 31, 2002.

"Local Counsel" refers to Garrett Fowles, Esq., Richmond, Kentucky, or any other attorney or firm of attorneys designated by the District.

"Multiple Advances" refers to the advance of loan funds from the RD as described in Section 302 of this Resolution.

"Note" refers to a single note or any number of notes, in such form as may be prescribed by the Interim Lender, including any revenue bond anticipation notes issued pursuant to Chapter 58 of the Kentucky Revised Statutes, including any renewal or extensions of the Note, issued by the District evidencing the interim financing for the Project as prescribed in Section 302 of this Resolution.

"Operation and Maintenance Fund" refers to the Estill County Water District No. 1 Operation and Maintenance Fund described in Section 401 of this Resolution.

"Outstanding Bonds" refers to the outstanding Bonds, and does not refer to, nor include, any Bonds for the payment of the principal and interest of which sufficient funds will have been deposited and earmarked for payment of Bonds; provided all Outstanding Bonds of any series held by the RD shall be deemed to constitute Outstanding Bonds until paid regardless of the deposit of funds to pay for same.

"Parity Bonds" refers to bonds which may be issued in the future which, pursuant to this Resolution, rank on a basis of parity with the outstanding Bonds, as to priority, security and source of payment, and does not refer to bonds which might be issued so as to rank inferior to the security and source of payment of the outstanding Bonds.

"Prior Bonds" refers collectively to the Series 1976 Bonds, the Series 1991 Bonds, the Series 1999 Bonds, the Series 2000 Bonds and the KRWFC Loan.

"Prior Bond Resolution" refers collectively to the 1976 Bond Resolution, the 1991 Bond Resolution, the 1999 Bond Resolution and the 2000 Bond Resolution.

"Prior Sinking Fund" refers to the Estill County Water District No. 1 Revenue Bond Sinking Fund, described in Section 401 of this Resolution.

"Project" refers specifically to the construction of the currently proposed extensions, additions and improvements to the System of the District, which Project is being financed by the Current Bonds and by other funds.

"Purchaser" refers to the agency, person, firm or firms, or their successors, to whom the Current Bonds herein authorized are awarded at the public sale of the Current Bonds.

"RD" refers to the Rural Development of the Department of Agriculture of the United States of America.

"RD Grant" refers to the RD grant described in Section 804 of this Resolution.

"Required Signatures" refers to the signatures necessary to be obtained with reference to the approval of the expenditures to be made from the Construction Account, which required signatures shall consist of the signatures of (1) the Chairman; (2) the Engineers; and (3) the Purchaser; provided, however, any expenditures for issuance and administrative costs and the costs of any equipment which is not permanently affixed to the real estate shall not require the signature or the approval of the Engineers.

"Revenue Fund" refers to the Estill County Water District No. 1 Revenue Fund, described in Section 401 of this Resolution.

"Secretary" refers to the elected or appointed Secretary of the Commission.

"System" refers to the existing water system of the District, together with all extensions, additions and improvements to said System.

"Treasurer" refers to the elected or appointed Treasurer of the Commission.

"U.S. Obligations" refers to bonds or notes which are the direct obligations of the United States of America, or obligations the principal of and interest on which are guaranteed by the United States of America.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa. Unless otherwise indicated, references to Articles or Sections refers to those in this Resolution.

Section 102. Purpose. The Current Bonds shall be issued for the purpose of financing the cost (not otherwise provided) of the Project, as set out in the plans and specifications prepared by the Engineers. The Commission hereby declares the System of the District, including the extensions, additions and improvements to be constructed, to constitute a revenue producing public project, and said System shall continue to be owned, controlled, operated and maintained by the District as a revenue producing public project pursuant to the Act, so long as any Bonds remain outstanding.

Section 103. Construction Award Approved; Work Authorized. The Commission hereby authorizes, approves, ratifies and confirms its previous action in advertising for and taking steps toward awarding the contracts for the construction of the Project to the lowest and best bidders, and further approves the action of the District officials in entering into formal contracts with said bidders, subject to the necessary approvals being obtained. Authority is hereby given for undertaking the construction of the Project according to the plans and specifications heretofore prepared by the Engineers for the District, after all necessary approvals have been obtained.

Section 104. Declaration of Period of Usefulness. The Commission hereby declares that the period of usefulness of the System is more than forty (40) years from the date of completion of the Project.

Section 105. Authorization of Bonds. The District has heretofore determined that the total cost of the Project, including preliminary expenses, land and rights-of-way, engineering expense, capitalized interest during construction, legal and administrative costs, publication costs, initial deposits required and all incidental expenses, will not exceed \$2,360,000. Therefore, it is hereby determined to be necessary in order for the District to finance the cost (not otherwise provided) of the Project that the District issue a total of \$1,699,000 of Current Bonds, based on the following calculation:

Total cost of Project		\$2,360,000
Less:		
RD Grant	\$661,000	
Total Non-Bond Funds:		<u>(661,000)</u>
Balance to be financed by Current Bonds		\$1,699,000

Accordingly, for the purpose of financing the cost (not otherwise provided) of the Project, under the provisions of the Act, there is hereby authorized to be issued and sold \$1,699,000 principal amount of Estill County Water District No. 1 Water Revenue Bonds, Series 2014.

The Current Bonds shall be dated as of the date of delivery to the Purchaser thereof; shall bear interest from such date at such interest rate as may be fixed by supplemental resolution as a result of the advertised sale and competitive bidding for such Current Bonds, as hereinafter provided; and shall be issued and delivered as prescribed in Section 202 hereof.

Interest on the Current Bonds shall be payable semiannually on February 1 and August 1 of each year, provided that the first interest payment period will cover interest only from the date of delivery of the Current Bonds to the ensuing February 1 or August 1, as the case may be. Principal of the Current Bonds shall be payable on February 1 of each of the respective years until maturity, as set out in Section 201 hereof.

Section 106. Recognition of Prior Bonds. The District hereby expressly recognizes and acknowledges that the District has previously created for the benefit and protection of the owners of the Prior Bonds, a certain lien and pledge and certain security rights relating to the System, all as set forth in the Prior Bonds and in the Prior Bond Resolution.

Section 107. Current Bonds Shall be Payable Out of Gross Revenues. The Current Bonds, and any additional Parity Bonds that may be issued under the conditions and restrictions hereinafter set forth, shall be secured by and payable on a parity with the Series 2006 Bonds solely out of the gross revenues of the System, after providing for all of the principal and interest requirements of the outstanding Prior Bonds.

Section 108. Lien on Contracts. In addition to the revenue pledge securing the Bonds, a lien is hereby created and granted in favor of the Bondowners on all contracts, and on all other rights of the District pertaining to the System, enforceable by assignment to any receiver or other operator proceeding by authority of any court.

ARTICLE 2. THE BONDS; BOND FORM; PREPAYMENT.

Section 201. Principal Payments. Principal payments due on the Current Bonds shall be as set forth in the schedule of maturities set out in **Exhibit A** attached to this Resolution and incorporated herein.

Section 202. Issuance of Current Bonds; Bond Form. The Purchaser of the Current Bonds at the public sale shall take delivery of the Current Bonds in the form of one or more fully registered bonds, as set forth in **Exhibit B** attached hereto and incorporated herein, amounting in the aggregate to the principal amount of the Current Bonds authorized herein, maturing as to principal as set out in Section 201. The Current Bonds shall be numbered R-1 and consecutively upward thereafter. Such Current Bonds shall, upon appropriate execution on behalf of the District as prescribed, constitute the entire bond issue herein authorized, shall be negotiable (subject to registration requirements as to transferability), registered as to principal and interest and payable as directed by the registered Owner.

Section 203. Place of Payment and Manner of Execution. Both principal of and interest on the Current Bonds shall be payable at the place and in the manner set out in the form of such Current Bond. The Current Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Chairman of the District, with the Corporate Seal of the District affixed thereto and attested by the manual or facsimile signature of the Secretary of said District.

If either of the officers whose signatures appear on the Current Bonds ceases to be such officer before delivery of said Current Bonds, such signatures shall nevertheless be valid for all purposes the same as if such officers had remained in office until delivery.

Section 204. Provisions as to Prepayment. Except when all of the Current Bonds are held by the Government, principal maturities falling due prior to February 1, 2023, shall not be subject to prepayment. Principal maturities falling due on and after February 1, 2023, shall be subject to prepayment by the District on any date falling on and after February 1, 2022, at par plus accrued interest, without any prepayment penalty.

So long as all of the Current Bonds are owned by the Government, all or any of the Current Bonds, or in a multiple of \$100, may be prepaid at any time in inverse chronological order of the principal maturities due, at par plus accrued interest without any prepayment penalty.

Notice of such prepayment shall be given by certified mail to the Bondowner or its assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the Bondowner.

**ARTICLE 3. CONSTRUCTION ACCOUNT; INTERIM FINANCING;
APPLICATION OF PROCEEDS; ARBITRAGE LIMITATIONS.**

Section 301. Construction Account; Application of Proceeds of Bonds; Other Transfers and Deposits. The Treasurer, or such other District official as shall be designated by the Commission, shall be the custodian of all funds belonging to and associated with the System. All moneys in excess of the amount insured by the FDIC in the Construction Account shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The officials of the District entrusted with the receipt and disbursement of revenues of the System and the custody of valuable property shall be covered by a fidelity bond in the amount of not less than \$250,000 (the "Fidelity Bond"), or such larger amount as the RD may require, which Fidelity Bond shall be effective and secured by a surety company approved by the RD so long as it is owner of any of the Current Bonds. The RD and the District shall be named co-obligees in such Fidelity Bond and the amount thereof shall not be reduced without the written consent of the RD. Whenever sums in the Funds shall exceed \$250,000, the Fidelity Bond shall be increased accordingly as requested by and with the approval of the RD.

A. Covenants Applicable if RD Purchases Current Bonds. It is acknowledged that all covenants herein with reference to the necessity for approval of the RD, the necessity of observing RD regulations and procedures and the necessity of using RD forms (the "RD Forms"), shall apply only if the RD is the Purchaser of the Current Bonds and only so long as the RD holds the Current Bonds thereafter. In the event that the RD shall not be the Purchaser of the Current Bonds, or, after purchasing same, shall sell or transfer the Current Bonds to an Owner who shall not be the Government, all covenants herein with reference to the necessity for approval of the RD, the necessity of observing RD regulations and procedures, and the necessity of using RD Forms, shall not be applicable.

B. Application of Proceeds of Current Bonds. The proceeds of the Current Bonds shall be applied as follows:

(1) Payment of Interim Financing, Costs of Project and Costs of Issuance. Simultaneously with the delivery of the Current Bonds, there shall immediately be paid to the Interim Lender (or the RD if Multiple Advances are made) an amount sufficient to pay principal of and interest on any temporary loans borrowed by the District in anticipation of the sale and delivery of the Current Bonds and/or of the receipt of Grant Proceeds. Also, at the time of delivery of the Current Bonds, there shall be paid all amounts then due and payable in connection with the costs of the Project and in connection with the issuance of the Current Bonds.

(2) Construction Account. If and to the extent that the proceeds of the Current Bonds shall be in excess of the amount necessary to pay the interest, principal and costs referred to in subparagraph B(1) of this Section, such excess amount shall immediately be deposited in the "Estill County Water District No. 1 Construction Account" hereby created, which shall be established at the Depository Bank. There shall also be deposited in said Construction Account the Grant Proceeds, as and when received, or said Grant Proceeds

may be applied, to the extent necessary, to liquidate or reduce any interim financing owed by the District at the time of receipt of Grant Proceeds.

(3) Withdrawal of Funds From Construction Account. Prior to the expenditure by the District of any moneys from the Construction Account, the District must obtain written approval from the RD as to such expenditures, if the RD is the Owner of any Outstanding Bonds. The proceeds of said Construction Account shall be withdrawn only on checks signed by the Chairman, the Treasurer (or by such other official of the District as may be authorized by the Commission), provided such official shall be covered by the Fidelity Bond required by Section 301 of this Resolution, in payment for services and/or materials supplied in connection with the Project, as evidenced by (1) a Requisition Certificate; and (2) invoices and/or partial payment estimates bearing the written approval of the Engineers and the Chairman (or by such other official of the District as may be authorized by the Commission), and which invoices and/or partial payment estimates must have been reviewed and approved for payment by the designated RD official.

Written approval or certification of the Engineers shall not be required for matters not under the jurisdiction of the Engineers, such as legal fees, land acquisition and related items.

During construction, the District shall disburse Construction Account funds in a manner consistent with RD Instruction 1780.

The District shall prepare and submit any and all RD Forms required by the RD. Periodic audits of the District's Construction Account records shall be made by RD as determined by it to be necessary.

(4) Transfer of Capitalized Interest to Current Sinking Fund. There shall be transferred from the Construction Account an amount sufficient to provide for capitalized interest (initially estimated at \$26,000) during the construction of the Project, as approved by the Engineers and by the RD. If and to the extent not theretofore expended in paying interest on interim financing and if and to the extent then needed to pay interest during the remaining period of construction of the Project, such amount so transferred from the Construction Account shall be deposited in the Current Sinking Fund.

(5) Investment of Funds in Construction Account. Pending disbursement of amounts on deposit in the Construction Account, all such funds, or such portion of said amounts on deposit in said Construction Account as is designated by the Commission, shall be invested for the benefit of such Construction Account in Certificates of Deposit, savings accounts or U.S. Obligations which may be converted readily into cash, having a maturity date prior to the date when the sums invested will be needed for costs of the Project (as determined by the Engineers, the Chairman and the RD), provided that to the extent that any amounts on deposit in said Depository Bank shall cause the total deposits of the District in said Depository Bank to exceed the amount insured by the FDIC, the same shall be continuously secured by a valid pledge of U.S. Obligations, having an equivalent

market value, in conformity with Section 66.480 of the Kentucky Revised Statutes. Investments in Certificates of Deposit or savings accounts may be made only in such Certificates or accounts of an FDIC bank. Any such investments will be a part of the Construction Account, and income from such investments will be credited to the Construction Account. All such investments shall be subject to the limitations set out in Section 303 hereof.

(6) **Statements of Contractors, Engineers and Attorneys as to Payment.** Prior to the delivery of the Current Bonds, if the RD is the Purchaser of the Current Bonds, the District will be required to provide the RD with statements from the Contractors, Engineers and attorneys for the District that they have been paid to date in accordance with their contract or other agreements and, in the case of any Contractor, that he has paid his suppliers and subcontractors. Any exceptions must be authorized under RD Instruction 1780.

(7) **Disposition of Balance in Construction Account After Completion of Project.** When the Project has been completed and all construction costs have been paid in full, as certified by the Engineers for the District and/or by the RD, any balance then remaining in the Construction Account may, with the consent of the RD, be applied to the cost of constructing additional extensions, additions and improvements to the System (the "Additional Construction"). If such Additional Construction is to be undertaken by the Contractors previously engaged in the Project, such Additional Construction may be authorized by a change order.

If there is a balance remaining in the Construction Account after such Additional Construction, such balance (subject to legal requirements as to possible refund of any allocated portion of the balance derived from Grant Proceeds) shall be transferred to the Current Sinking Fund, whereupon said Construction Account shall be closed. Such remaining balance in the Construction Account so transferred to the Current Sinking Fund shall be used by the District immediately to prepay principal installments due on the Current Bonds in the inverse order of maturities without prepayment penalty, provided further that any balance insufficient to prepay at least \$100 of the principal payment falling due in any year on the Bonds will be transferred to the Depreciation Fund.

Section 302. Interim Financing Authorization.

A. **Interim Financing.** The District shall use interim financing for the Project during construction of that portion of the cost of the Project financed by the Current Bonds, if available at reasonable rates and terms.

The borrowing of up to the aggregate sum of \$1,699,000 from the Interim Lender is hereby authorized; and the Chairman is hereby authorized to execute the Note in the name and on behalf of the District. Each advance under the Note shall evidence a loan by the Interim Lender to the District for services rendered and/or materials supplied in connection with the Project, as evidenced by a Requisition Certificate.

Interim financing shall be disbursed as follows:

- (1) At the direction of the District, the Interim Lender shall disburse the proceeds of the Note by cashier's checks directly to the parties entitled thereto as set forth in the Requisition Certificate; or
- (2) At the direction of the District, the Interim Lender shall deposit the proceeds of the Note in the Construction Account, in which event amounts of the District on deposit therein shall, until expended to the extent that same shall exceed the amount insured by the FDIC, be fully secured by a pledge of U.S. Obligations.

The aggregate of the principal amount of all Notes shall not exceed \$1,699,000. Each Note which is renewed or superseded shall be simultaneously cancelled by the Interim Lender and transmitted to the Treasurer. The rate of interest applicable to each Note shall not exceed a reasonable rate, which rate is subject to the approval of the RD.

The total authorized interim financing of \$1,699,000 shall be the maximum indebtedness which the District may owe at any one time to the Interim Lender for the purpose of providing temporary construction financing for the Project; provided, however, that the District may reduce the amount owed by the District to the Interim Lender from time to time as and when funds are available to the District, whether derived from the proceeds of the Grant Proceeds, the proceeds of the sale of the Current Bonds or otherwise, and may reborrow from the Interim Lender additional amounts in anticipation of the further receipt by the District of additional proceeds from the Current Bonds and/or Grant Proceeds.

The District hereby covenants and agrees with the Interim Lender that upon the issuance and delivery of the Current Bonds and/or the receipt of said Grant Proceeds, the District will apply the proceeds thereof, to whatever extent may be necessary, in payment of the principal amount of the Note, together with accrued interest thereon to the date of such payment; and the proceeds of the Current Bonds and Grant Proceeds are hereby pledged therefor, and such pledge shall constitute a first and prior charge against said proceeds.

Although the proceeds of the Current Bonds and Grant Proceeds are pledged to the repayment of said interim financing, it is recognized that the Grant Proceeds may be applied to the extent required at the time of receipt of the Grant Proceeds, to the payment of costs of the Project due and owing by the District at the time of receipt of such Grant Proceeds, rather than to the repayment of portions of the interim financing at that time. If and to the extent that the Grant Proceeds are in excess of any costs of the Project due and owing at the time of receipt thereof, such Grant Proceeds may be applied, in the same manner as set out hereinabove, to the reduction of the amount of the interim financing, after which, such interim financing may again be increased as theretofore. The District further pledges the revenues of the System to the repayment of said interim financing, subject to the vested rights and priorities of the pledges securing the Outstanding Bonds.

It is understood that the foregoing constitutes an alternative method of obtaining interim financing, and does not preclude the authorization and sale, by public advertisement or

otherwise, of bond anticipation notes and/or grant anticipation notes to the most favorable bidder on the open market, by concurrent or subsequent proceedings of the District.

B. Multiple Advances by RD. In the event the Current Bonds are purchased by the RD, and in the event the District is unable to obtain a commitment for interim financing for the Project from any Interim Lender at reasonable rates and terms, the Chairman is authorized to request Multiple Advances of loan funds from the RD.

If the RD agrees to make Multiple Advances to the District pending the delivery of the Current Bonds, the Chairman is hereby authorized to execute in the name and on behalf of the District any number of Notes. Each such Note, evidencing an advance of funds by the RD to the District, shall be in the form prescribed by the RD.

Each request for an advance from the RD shall be accompanied by a Requisition Certificate. The District will also furnish to the RD, prior to the receipt of each Multiple Advance, whatever additional documentation shall be requested by the RD, including an updated supplemental title opinion of Local Counsel and an updated supplemental preliminary legal opinion of Bond Counsel.

The proceeds of any Multiple Advances shall be either (i) disbursed directly to the parties entitled thereto for services and/or materials supplied in connection with the Project; or (ii) deposited into the Construction Account and disbursed in accordance with the provisions of Section 301 hereof, in which event amounts on deposit in such Construction Account shall, until expended, to the extent that same shall exceed the amount insured by the FDIC, be fully secured by a pledge of U.S. Obligations.

The proceeds of the Current Bonds are hereby pledged to the repayment of such Multiple Advances, and such pledge shall constitute a first and prior pledge against such proceeds. The District further pledges the revenues of the System to the repayment of said Multiple Advances, subject to the vested rights and priorities of the pledges securing the Outstanding Bonds.

Section 303. Arbitrage Limitations on Investment of Proceeds. The District covenants and certifies, in compliance with the Code, on the basis of known facts and reasonable expectations on the date of adoption of this Resolution, that it is not expected that the proceeds of the Current Bonds will be used in a manner which would cause the Current Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The District covenants to the Owners of the Current Bonds that (1) the District will make no use of the proceeds of said Current Bonds which, if such use had been reasonably expected on the date of issue of such Current Bonds, would have caused such Current Bonds to be "arbitrage bonds"; and (2) the District will comply with all of the requirements of the Code to whatever extent is necessary to assure that the Current Bonds shall not be treated as or constitute "arbitrage bonds" and that the interest on the Bonds shall be excludable from gross income for federal income tax purposes.

Prior to or at the time of delivery of the Current Bonds, the Chairman and/or the Treasurer (who are jointly and severally charged with the responsibility for the issuance of the Current Bonds)

are authorized to execute such certifications as shall be required by Bond Counsel, setting out all known and contemplated facts concerning the anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by Section 148 of the Code in order to assure that interest on the Current Bonds shall be excludable from gross income for federal income tax purposes and that the Current Bonds will not be treated as "arbitrage bonds".

ARTICLE 4. FLOW OF FUNDS.

Section 401. Funds. There was heretofore created in the Prior Bond Resolution the following funds and accounts:

- (a) Estill County Water District No. 1 Revenue Fund
- (b) Estill County Water District No. 1 Revenue Bond Sinking Fund
- (c) Estill County Water District No. 1 Depreciation Reserve Fund
- (d) Estill County Water District No. 1 Operation and Maintenance Fund

The was also created and established in the 2006 Bond Resolution the Estill County Water District No. 1 Sinking Fund of 2006.

All of the Funds shall be maintained with the Depository Bank so long as any Bonds remain outstanding.

Section 402. Flow of Funds. All proceedings preliminary to and in connection with the issuance of the Outstanding Bonds, including provisions made for (i) the receipt, custody and application of the proceeds of the Outstanding Bonds; (ii) the operation of the System on a revenue-producing basis; (iii) the segregation, allocation and custody of the revenues derived from the operation of the System; (iv) the enforcement and payment of the Outstanding Bonds and (v) the depreciation of the System; and all other covenants for the benefit of Bondowners set out in the Prior Bond Resolution, are hereby ratified and confirmed and shall continue in force and inure to the security and benefit of the Outstanding Bonds, the same as if such provisions and proceedings were set out in full herein; provided, further, that after the issuance of the Current Bonds, the income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

A. Revenue Fund. The District covenants and agrees that it will continue to deposit in the Revenue Fund, promptly as received from time to time, all revenues of the System, as same may be extended and improved from time to time. The moneys in the Revenue Fund shall continue to be used, disbursed and applied by the District only for the purpose and in the manner and order of priorities specified in the Prior Bond Resolution, as hereinafter modified by this Resolution, all as permitted by the Act, and in accordance with previous contractual commitments.

B. Prior Sinking Fund. There shall be transferred from the Revenue Fund and deposited into the Prior Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Prior Bonds, a sum equal to the total of the following:

- (1) A sum equal to one-sixth (1/6) of the next succeeding interest payment to become due on all Prior Bonds then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of all of the Prior Bonds maturing on the next succeeding principal payment date.

Said Prior Sinking Fund shall be used solely and only and is hereby pledged for the purpose of paying the principal of and interest on the Prior Bonds.

C. Current Sinking Fund. At or after the time that the Current Bonds have been delivered, there shall be transferred from the Construction Account into the Current Sinking Fund an amount sufficient (currently estimated at \$26,000) to provide for capitalized interest during the construction of the Project, if and to the extent not theretofore expended in paying interest on interim financing and if and to the extent then needed to pay interest during the remaining period of construction of the Project.

After the monthly transfers required in the preceding paragraphs have been paid from the Revenue Fund, there shall next be transferred monthly from said Revenue Fund and deposited into the Current Sinking Fund on or before the 20th day of each month, for payment of interest on and principal of the Current Bonds, a sum equal to the total of the following:

- (1) An amount equal to one-sixth (1/6) of the next succeeding six-month interest payment to become due on the Current Bonds and the Series 2006 Bonds then outstanding, plus
- (2) A sum equal to one-twelfth (1/12) of the principal of any Current Bonds and Series 2006 bonds maturing on the next succeeding principal payment date.

The Current Sinking Fund is hereby pledged for the payment of the interest and the principal of the Current Bonds and the Series 2006 Bonds, but subject to the vested rights and priorities of the Prior Bonds.

D. Depreciation Fund. Pursuant to the provisions of the 2006 Bond Resolution which requires that an adjustment be made in the Depreciation Fund upon the issuance of bonds ranking on a parity with the Series 2006 Bonds, it is hereby determined that upon the issuance of the Current Bonds, and upon completion of the Project, as certified by the Engineers and by the RD, there shall next be transferred from the Revenue Fund the sum of at least \$585 each month which shall be deposited into the Depreciation Fund until there is accumulated in such Depreciation Fund the sum of at least \$70,200, which amount shall be maintained, and when necessary, restored to said sum of \$70,200, so long as any of the Current Bonds are outstanding and unpaid. These deposits are in addition to the deposits required by the Prior Bond Resolution.

As further security for the Bondowners and for the benefit of the District, it has been and is hereby provided that in addition to the monthly transfers required to be made from the Revenue Fund into the Depreciation Fund, there shall be deposited into said Depreciation Fund all proceeds of connection fees collected from potential customers (except the amounts necessary to pay the actual costs and service connections applicable to said potential customers) to aid in the financing of the cost of future extensions, additions and improvements to the System, plus the proceeds of any property damage insurance (not otherwise used to replace damaged or destroyed property); and any such amounts or proceeds so deposited shall be used solely and only for the purposes intended.

Moneys in the Depreciation Fund may be withdrawn and used by the District, upon appropriate certification of the Commission, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals and replacements not included in the annual budget of current expenses and/or of paying the costs of constructing future extensions, additions and improvements to the System which will either enhance its revenue-producing capacity or will provide a higher degree of service, and when necessary, for the purpose of making payments of principal and interest on the Bonds if the amount on deposit in the Sinking Fund is not sufficient to make such payments.

E. Operation and Maintenance Fund. There shall next be transferred monthly from the Revenue Fund and deposited into said Operation and Maintenance Fund, sums sufficient to meet the current expenses of operating and maintaining the System. The balance maintained in said Operation and Maintenance Fund shall not be in excess of the amount required to cover anticipated System expenditures for a two-month period pursuant to the District's annual budget.

F. Monthly Principal and Interest Payments if Requested by the RD. So long as any of the Bonds are held or insured by the RD, the District shall, if requested by the RD, make the payments required by this Section 402, in monthly installments to the RD or to the insured Owners of the Bonds.

G. Surplus Funds. Subject to the provisions for the disposition of the income and revenues of the System as set forth hereinabove, which provisions are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred, within sixty days after the end of each fiscal year, the balance of excess funds in the Revenue Fund on such date, to the Depreciation Fund for application in accordance with the terms of this Resolution or to the Sinking Fund to be applied to the maximum extent feasible, to the prompt purchase or redemption of Outstanding Bonds.

H. Investment and Miscellaneous Provisions. All monies in the Sinking Fund and the Depreciation Fund shall be deposited in the Depository Bank, or such portion thereof as is designated by the Commission. All monies in the Sinking Fund and the Depreciation Fund shall be invested for the benefit of such respective Funds in Certificates of Time Deposit or savings accounts of the Depository Bank or in U.S. Obligations which may be converted readily into cash, having a maturity date prior to the date when the sums invested will be needed for the purposes for which such funds may be expended, provided that to the extent that any amount of the District on deposit in the Depository Bank shall cause the total deposits of the District in said Depository Bank to exceed the amount insured by the FDIC, such excess amount shall be continuously secured by a valid pledge of U.S. Obligations, having an equivalent market value, in conformity with Section 66.480 of the Kentucky Revised Statutes.

Any investments will be a part of the respective Funds from which the proceeds invested are derived, and income from such investments will be credited to such respective Funds. All investments of funds derived from proceeds of the Outstanding Bonds shall be subject to the applicable limitations set out in Section 303 hereof.

All payments into the Funds shall be made on or before the twentieth (20th) day of each month, except that when the twentieth (20th) day of any month shall be a Saturday, Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

All monies held in any of the Funds shall be kept apart from all other District funds and shall be deposited in the Depository Bank, and all such deposits which cause the aggregate of all deposits of the District therein to be in excess of the amount secured by FDIC, shall (unless invested as herein authorized) be secured by a surety bond or bonds or by a pledge of U.S. Obligations, having a market value equivalent to such deposit.

The Treasurer shall keep appropriate records as to payment of principal and interest installments and as to payment of principal of and interest on any Bonds.

Section 403. Current Bonds Rank on a Parity with the Series 2006 Bonds and are Subordinate to the Prior Bonds. It is hereby certified and declared that prior to the issuance of any of the Current Bonds, there will have been procured and filed with the District (i) a letter from RD to the effect that RD agrees to the issuance of the Current Bonds ranking on a parity as to security and source of payment with the Series 2006 Bonds, all of which are owned by RD, together with (ii) a certification signed by RD to the effect that a legend has been typed, stamped or otherwise affixed on each of the Series 2006 Bonds held by RD, evidencing the agreement of RD as the then Owner of the Series 2006 Bonds, to the issuance of the Current Bonds so as to rank on a parity with the Series 2006 Bonds, such legend to be in substantially the following form:

The holder of this Bond has consented to the issuance of \$1,699,000 of Estill County Water District No. 1 Waterworks Revenue Bonds, Series 2014 ranking on a parity as to security and source of payment with this Bond.

Accordingly, it is hereby found and declared that the Current Bonds shall rank and be payable on a parity with said outstanding Series 2006 Bonds from the gross income and revenues of the System, subordinate to the lien and pledge of the Prior Bonds.

ARTICLE 5. COVENANTS OF DISTRICT

Section 501. Rates and Charges. The District shall charge such rates and charges for all services and facilities rendered by the System, which rates and charges shall be reasonable, taking into account and consideration the cost and value of the System, the cost of maintaining, repairing and operating same and the amounts necessary for the payment of principal of and interest on Outstanding Bonds against the System. The District shall charge such rates and charges as shall be adequate to meet the requirements of Articles 4 and 5 hereof.

The District covenants that it will not reduce the rates and charges for the services rendered by the System without first filing with the Secretary a certification of an Independent Consulting Engineer that the annual net revenues (defined as gross revenues less operating expenses) of the then existing System for the fiscal year preceding the year in which such reduction is proposed, as such annual net revenues are adjusted, after taking into account the projected reduction in annual net revenues anticipated to result from any such proposed rate decrease, are equal to not less than 120% of the average annual debt service requirements for principal and interest on all of the then Outstanding Bonds payable from the revenues of the System, calculated in the manner specified in Section 603 hereof.

Section 502. Books and Accounts; Audit. The District shall maintain proper records and accounts relating to the operation of the System and the District's financial affairs; and the Bondowners, or their authorized representatives, shall have the right at all reasonable times to inspect the facilities of the System and all records, accounts and data relating thereto. An annual audit shall be made of the books and accounts pertinent to the System by a Certified Public Accountant licensed in Kentucky. No later than ninety (90) days after the close of each Fiscal Year, copies of such audit reports certified by such Certified Public Accountant shall be promptly mailed to the RD without request, so long as the Government is the Owner of any of the Bonds, and to any Bondowner that may have made a written request for same.

Monthly operating reports shall be furnished to the RD and to any Bondowner requesting same, during the first two (2) years of operation after completion of the Project, and whenever and so long as the District is delinquent in any of the covenants set out in the Prior Bond Resolution or this Current Bond Resolution. Thereafter, quarterly operating reports shall be furnished at all other times to the RD and to any Bondowner requesting the same.

Section 503. System to Continue to be Operated on Fiscal Year Basis; Annual Budget. While any of the Bonds are outstanding and unpaid, and to the extent permitted by law, the System shall continue to be operated and maintained on a Fiscal Year basis.

Not later than sixty (60) days before the end of each Fiscal Year, the District agrees to cause to be prepared a proposed annual budget of operating expenses (the "Proposed Budget") of the System for the then ensuing Fiscal Year, itemized on the basis of monthly requirements. A copy of said Proposed Budget shall be mailed to any Bondowner who may request in writing a copy of such Proposed Budget and to the RD without request, if the Government is the Owner of any of the Bonds.

For the purpose of the Proposed Budget, operating expenses shall include all reasonable and necessary expenses of operating, repairing, maintaining and insuring the System, but shall exclude depreciation and debt service payments. The District covenants that the operating expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that the District will not expend any amount or incur any obligation for operation or maintenance and repair in excess of the amounts provided for operating expenses in the annual budget, except upon resolution by the District that such expenses are necessary to operate and maintain the System.

Not later than sixty (60) days before the end of each Fiscal Year, the District shall prepare an estimate of gross revenues to be derived from the operation of the System for said Fiscal Year, and, to the extent that said gross revenues are insufficient (a) to pay debt service requirements on all Outstanding Bonds during the ensuing Fiscal Year, (b) to accumulate and maintain all required reserves enumerated herein and (c) to pay operating expenses, the District shall revise the rates and charges sufficiently to provide the funds so required.

If the Owners of at least 50% of the principal amount of the Outstanding Bonds, or the Government so long as it is the Owner of any of said Outstanding Bonds, so request, the Commission shall hold an open hearing not later than thirty (30) days before the beginning of the ensuing Fiscal Year, at which time any Bondowner may appear by agent or attorney and may file written objections to such proposed budget. Notice of the time and place of such hearing shall be mailed at least fifteen (15) days prior to the hearing to each registered Bondowner and to the Government.

The District covenants that annually before the first day of the Fiscal Year, the annual budget for the upcoming Fiscal Year will be adopted substantially in accordance with the Proposed Budget, and that no expenditures for operation and maintenance expenses of the System in excess of the budgeted amount shall be made during such Fiscal Year unless directed by said District by a specific resolution duly adopted.

Section 504. General Covenants. The District, through its Commission, hereby covenants and agrees with the Owners of the Bonds that:

- (1) It will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth of Kentucky;
- (2) It will make and collect reasonable and sufficient rates and charges for services and facilities rendered by the System;
- (3) It will segregate the revenues and income from the System and make application thereof consistent with and as provided by this Resolution;
- (4) Unless the written consent of the Owners of a majority of the principal amount of the Outstanding Bonds has been obtained, the District agrees not to sell, lease, mortgage or in any manner dispose of any integral part of the System, including any and all appurtenances thereto and extensions, additions

and improvements that may be made thereto, until all of the Outstanding Bonds shall have been paid or provided for in full, as provided herein; subject to the provisions of Section 607 hereof;

- (5) It will maintain in good condition and continuously operate the System and appurtenances thereto and will charge such rates and charges for the services rendered thereby so that the gross income and revenues will be sufficient at all times (i) to pay the interest on and principal of the Outstanding Bonds as same become due; (ii) to pay the cost of operating and maintaining the System; and (iii) to provide for an adequate depreciation account; and
- (6) It will carry and maintain insurance on properties of the System subject to loss or damage in amounts and against hazards substantially in accordance with the practices of other districts, cities or corporations which own and maintain water and sewer systems under similar conditions; and so long as the Government is the Owner of any of the Outstanding Bonds, the Government will be listed as co-beneficiary on any such policy; and the District shall further comply with the insurance requirements of Section 506 hereof (involving insurance on motors, tanks and structures).

Section 505. Other Covenants Applicable So Long as RD Owns Any Bonds. So long as the RD shall own any of the Bonds, the District shall comply with such RD regulations, requirements and requests as shall be made by the RD, including the furnishing of operating and other financial statements, in such form and substance and for such periods as may be requested by the RD, the carrying of insurance of such types and in such amounts as the RD may specify, with insurance carriers acceptable to the RD and compliance with all of the terms and conditions of the Loan Resolution (RD Form 1780-27) adopted and executed by the District, which is hereby authorized, approved, ratified and confirmed.

Section 506. Insurance on Motors, Tanks and Structures. The District shall (a) immediately after the adoption of this Resolution and (b) at the time of final acceptance of the Project, insure all electric motors, elevated water storage tanks, pumping stations and major structures of the System in an amount recommended by the Engineers and approved by the RD, so long as the RD is the Owner of any of the Bonds, for the hazards usually covered in such area, and shall similarly insure same in an amount recommended by the Engineers, without the necessity of approval by the RD if and whenever the District has Outstanding Bonds against the System and none of such Outstanding Bonds are owned by the RD.

ARTICLE 6. INFERIOR BONDS AND PARITY BONDS

Section 601. Inferior Bonds. Except as hereinafter provided below in this Article, the District shall not, so long as any Bonds are outstanding, issue any additional bonds payable from the revenues of the System unless the security and/or pledge of the revenues to secure such additional bonds are made inferior and subordinate in all respects to the security of the Bonds.

The District expressly reserves the right at any time to issue its bonds or other obligations payable from the revenues of the System and not ranking on a parity basis with the Current Bonds, without any proof of previous earnings or net revenues, provided that the consent of the RD must be obtained prior to the issuance of any inferior bonds so long as the RD owns any of the Bonds, and provided further that, after the initial completion of the Project, such inferior bonds may be issued only for the purpose of providing for future extensions, additions and improvements to the System, and only in express recognition of the priorities, liens and rights created and existing for the security, source of payment and protection of the Outstanding Bonds; provided further, that nothing in this Section is intended to restrict or shall be construed as a restriction upon, the ordinary refunding all or a portion of the Outstanding Bonds.

Section 602. Parity Bonds to Complete the Project. The District hereby certifies, covenants and agrees that in the event that the cost of completion of the construction of the Project shall exceed the moneys available to the District from any and all sources, the District shall have the right, if necessary, to provide for such excess, and only such excess, through the issuance of Parity Bonds, provided the District has obtained a certification from the Engineers to the effect that it is necessary to issue the desired amount of Parity Bonds in order to enable the District to pay the cost (not otherwise provided) of the completion of the Project, and provided the District has complied with the provisions of Section 603 below or has obtained:

- (a) the consent of the RD if the Government is as the Owner of the Prior Bonds at that time or the consent of any other Owners of the Prior Bonds, and
- (b) the consent of (1) the RD if the Government is the purchaser of the Current Bonds; or (2) the Owners of at least 75% of the principal amount of the Current Bonds outstanding, if the Current Bonds have been issued, sold and delivered and are held by Owners other than the Government.

Section 603. Parity Bonds to Finance Future Improvements. The District reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional Parity Bonds, but only under the conditions specified in the Current Bond Resolution, which conditions are as follows:

The District further reserves the right to add new water facilities and/or to finance future extensions, additions and improvements to the System by the issuance of one or more additional series of Parity Bonds to be secured by a parity lien on and ratably payable on a parity with the Current Bonds, from the revenues of the System, provided:

(a) The facilities to be constructed from the proceeds of the additional Parity Bonds are made a part of the System and their revenues are pledged as additional security for the additional Parity Bonds and for the Outstanding Bonds.

(b) The District is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds.

(c) The annual net revenues (defined as gross revenues less operating expenses), of the then existing System for the Fiscal Year preceding the year in which such Parity Bonds are to be issued, adjusted as hereinafter provided, shall be certified by an independent Certified Public Accountant to be equal at least one hundred twenty percent (120%) of the average annual debt service requirements for principal and interest on all Outstanding Bonds payable from the revenues of the System, plus the anticipated debt service requirements of any Parity Bonds then proposed to be issued. The calculation of average annual debt service requirements of principal and interest on the additional Parity Bonds to be issued shall, regardless of whether such additional Parity Bonds are to be serial or term bonds, be determined on the basis of the principal of and interest on such Parity Bonds being payable in approximately equal annual installments.

(d) The annual net revenues referred to above may be adjusted for the purpose of the foregoing computations to reflect:

(1) any revisions in the System's schedule of rates or charges being imposed on or before the time of the issuance of any such additional Parity Bonds, and

(2) any increase in the annual net revenues to be realized from the proposed extensions, additions and improvements being financed (in whole or in part) by such additional Parity Bonds;

provided all such adjustments shall be based upon and included in a certification of an Independent Consulting Engineer.

(e) Compliance with Section 603(a) through (d) shall not be necessary for the issuance of Parity Bonds if the District has obtained (1) the written consent of the RD for the issuance of such Parity Bonds, if the Government is the Owner of any Bonds at the time of issuance of such Parity Bonds; and (2) the written consent of the Owners of all of the then outstanding Prior Bonds, and no other prerequisite need be complied with by the District in order to issue Parity Bonds.

Section 604. Covenants to be Complied with at Time of Issuance of Parity Bonds. The District hereby covenants and agrees that in the event any Parity Bonds are issued, the District shall:

(a) Adjust the monthly amount to be deposited into the Sinking Fund on the same basis as that prescribed in the provisions establishing such Sinking Fund, to reflect the average annual debt service requirements of the Parity Bonds;

(b) Adjust the minimum annual amount to be deposited monthly into the Depreciation Fund on the same basis as that prescribed in the provisions establishing such Depreciation Fund, taking into account the future debt service requirements of all Bonds which will then be outstanding against the System; and

(c) Make such Parity Bonds payable as to principal on February 1 of each year in which principal falls due and payable as to interest on February 1 and August 1 of each year until the final maturity of such Parity Bonds.

Section 605. Prepayment Provisions Applicable to Parity Bonds. If, in connection with any subsequently issued series of Parity Bonds, it is provided that excess revenues in the Revenue Fund shall be used to prepay Outstanding Bonds in advance of scheduled maturity, or if the District at its option undertakes to prepay Outstanding Bonds in advance of scheduled maturity, it is agreed and understood, for so long as the Government owns any of the Outstanding Bonds, that no such prepayment will be effected without the approval of the RD.

Section 606. Consent of the RD Regarding Future Bonds. Notwithstanding any other provisions of this Resolution, the District agrees that so long as the Government owns any Outstanding Bonds against and/or payable from the revenues of the System, the District will not issue any future bonds, notes or other obligations against, secured by or payable from the revenues of the System without the written consent of the RD.

Section 607. Priority of Lien; Permissible Disposition of Surplus or Obsolete Facilities. The District covenants and agrees that so long as any of the Prior Bonds and/or Bonds are outstanding, the District will not sell or otherwise dispose of any of the facilities of the System, or any part thereof, and, except as provided above, the District will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the Outstanding Bonds. Notwithstanding the foregoing, the District may at any time permanently abandon the use of, or sell at fair market value, any part of the facilities of the System, provided that:

(a) The District is in compliance with all covenants and undertakings in connection with all of the Outstanding Bonds, and the required reserves for such Outstanding Bonds will have been accumulated;

(b) The District will, in the event of any such sale, apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing prepayment of bonds in advance of maturity; or (2) replacement of the facility so disposed of by another facility, the revenues of which shall be incorporated into the System, as hereinbefore provided;

- (c) The District certifies, in good faith, prior to any abandonment of use, that the facilities to be abandoned are no longer economically feasible of producing net revenues; and
- (d) The District certifies, in good faith, that the estimated net revenues of the remaining facilities of the System for the then next succeeding Fiscal Year, plus the estimated net revenues of the facilities, if any, to be added to the System, comply with the earnings requirements hereinbefore provided in the provisions and conditions governing the issuance of Parity Bonds.

Notwithstanding any other provisions hereof, so long as any Bonds are held by the Government, the District shall not dispose of its title to the System or to any part thereof, without first obtaining the written consent of the RD.

ARTICLE 7. DEFAULT AND CONSEQUENCES

Section 701. Events of Default. The following items shall constitute an Event of Default on the part of the District:

- (a) The failure to pay principal of the Bonds as and when same shall become due and payable, either at maturity or by proceedings for redemption.
- (b) The failure to pay any installment of interest on the Bonds when the same shall become due and payable or, if any or all of the Outstanding Bonds are owned by the RD, within thirty (30) days thereafter.
- (c) The default by the District in the due or punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds, the Prior Bond Resolution or in this Resolution.
- (d) The failure to promptly repair, replace or reconstruct facilities of the System that have been damaged and/or destroyed.
- (e) The entering of any order or decree with the consent or the acquiescence of the District, appointing a receiver of all or any part of the System or any revenues thereof; or if such order or decree shall be entered without the acquiescence or consent of the District, its failure to have the order vacated, discharged or stayed on appeal within sixth (60) days after entry.

Section 702. Consequences of Event of Default. Any Owner of the Current Bonds may enforce and compel the performance of all duties and obligations of the District set forth herein. Upon the occurrence of an Event of Default, then upon the filing of a suit by any Owner of said the Current Bonds, any court having jurisdiction of the action may appoint a receiver to administer said System on behalf of the District with power to charge and collect rates sufficient to provide for the payment of operating and maintenance expenses and for the payment of principal of and interest on the Outstanding Bonds and to provide and apply the income and revenues in conformity with this Resolution and with the laws of the Commonwealth of Kentucky.

The District hereby agrees to transfer to any bona fide receiver or other subsequent operator of the System, pursuant to any valid court order in a proceeding brought to enforce collection or payment of the District's obligations, all contracts and other rights of the District pertaining to the System, conditionally, for such time only as such receiver or operator shall operate by authority of the court. Upon the occurrence of an Event of Default, the Owner of any of the Outstanding Bonds may require the governing body of the District by appropriate order to raise the rates a reasonable amount consistent with the requirements of this Resolution.

**ARTICLE 8. CONTRACTUAL PROVISIONS; GRANT APPROVAL;
MISCELLANEOUS PROVISIONS.**

Section 801. Resolution Contractual with Bondowners. The provisions of this Resolution constitute a contract between the District and its Commission and the Owners of the Current Bonds as may be outstanding from time to time; and after the issuance of any of said Current Bonds, no change, alteration or variation of any kind of the provisions of this Resolution shall be made in any manner which will affect an Owner's rights except as herein provided or except with the written consent of all Bondowners until such time as all of the Current Bonds and the interest thereon have been paid in full or fully provided for; provided that the Commission may adopt any resolution for any purpose not inconsistent with the terms of this Resolution and which shall not impair the security of the Owners of the Current Bonds and/or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any resolution or other proceedings pertaining hereto.

It is further agreed that the Owners of 75% in principal amount of the Current Bonds at any time outstanding shall have the right to consent to and approve the adoption of resolutions or other proceedings, modifying or amending any of the terms or provisions contained in this Resolution, subject to the conditions that (a) this Resolution shall not be so modified in any manner that may adversely affect the rights of the Owners of any of the Prior Bonds, nor in any manner that may adversely affect the rights of any certain Owners of the Outstanding Bonds without similarly affecting the rights of all Owners of such Outstanding Bonds, or to reduce the percentage of the number of Owners whose consent is required to effect a further modification and (b) no such change may be effected without the consent of the RD so long as the RD owns any of the Outstanding Bonds.

Section 802. All Current Bonds are Equal. The Current Bonds authorized herein shall not be entitled to priority one over the other in the application of the income and revenues of the System, or with respect to the security for their payment, regardless of the time or times of their issuance, it being the intention that there shall be no priority among any of the Current Bonds regardless of the fact that they may be actually issued and delivered at different times.

Section 803. District Obligated to Refund Current Bonds Owned by Government Whenever Feasible; Defeasement Prohibited. So long as the Government is the Owner of any of the Current Bonds, if it appears to the Government that the District is able to refund such Current Bonds in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, or to sell bonds of the District in the open market, at reasonable rates and terms, for loans or bond issues for similar purposes and periods of time, the District will, upon request of the Government, obtain such loan and/or issue such bonds in sufficient amount to repay the Government and will take all such action as may be required in connection therewith.

In addition, so long as the Government is the Owner of any of the Current Bonds, the District shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of the Current Bonds without immediately prepaying all of the then outstanding Current Bonds.

Section 804. Approval and Acceptance of RD Grant Agreement. The RD has agreed to make a grant to the District in the amount of \$540,000 (the "RD Grant") to supplement the proceeds of the Current Bonds in order to provide the total cost of the Project, and the RD has requested the District to approve, accept and execute RD Form 1780-12 (the "RD Grant Agreement"), setting out the terms and conditions upon which said RD Grant will be made. Said RD Grant Agreement is hereby approved, and the Chairman and the Secretary are authorized to execute said RD Grant Agreement on behalf of the District. The Chairman and Secretary are also authorized on behalf of the District to accept any and all other RD Grants offered to the District in connection with the Project and to execute any and all RD Grant Agreements and any other documents as may be requested by the RD in connection with RD Grants which have been and/or which may hereafter be approved for such Project.

Section 805. Authorization, Ratification and Confirmation of Approval and Execution of Various Documents. The Commission hereby authorizes, approves, ratifies and confirms the previous action of the officers of the District in approving and executing various documents related to the financing of the Project, including the following:

- (a) Legal Services Agreement with Bond Counsel.
- (b) Legal Services Agreement with Local Counsel.
- (c) Letter of Intent to Meet Conditions of RD Letter of Conditions (RD Form 1942-46).
- (d) Loan Resolution (RD Form 1780-27).
- (e) Agreement for Engineering Services with the Engineers.

Section 806. Authorization of Condemnation to Acquire Easements and/or Sites. In the event that (a) any necessary deeds of easement to allow construction of the Project over the property of any property owner or (b) any necessary deed to the necessary site of any water and sewer facility of the Project shall not be obtained through negotiation within ten (10) days after the date of adoption of this Resolution and in the event that (1) such water lines cannot be located within the right-of-way of the State and/or County road involved; and/or (2) such water facilities cannot be located on a site already owned by the District, Local Counsel is hereby authorized and directed to file condemnation actions to obtain such necessary rights-of-way and/or sites forthwith, without further authorization or direction from the District or the Commission. Local Counsel is further directed to follow the same condemnation procedure in the event that it becomes necessary, through change orders, line extensions and/or errors in the location of property lines and/or property owners, to obtain additional easements, rights-of-way and/or sites for completion of the Project and whenever the necessary deed is not obtained by negotiation at least ten (10) days prior to the date on which construction is contemplated in the respective easement, right-of-way and/or site.

The District further approves the payment from the funds available therefor allocated to the costs of the Project to pay any judgment award, or compromise, determined by Local Counsel with

the acquiescence of the Commission, toward the costs of such easements, rights-of-way and/or sites; provided, in each instance, that the payment of such funds to satisfy any judgment, award or compromise must first be approved by the RD; and the Commission further determines that if and to whatever extent the funds available from the proceeds of the financing contemplated by this Resolution shall be inadequate to pay any judgment, award or compromise amount for such easements, rights-of-way and/or sites, or if the District is unable to obtain the approval of the RD for any such payment, the Commission shall take all reasonably necessary actions, within the powers and authority of the Commission, to make such additional amount available from all other available District resources.

ARTICLE 9. SALE OF CURRENT BONDS

Section 901. Sale of Current Bonds. The Current Bonds shall be offered publicly for sale upon the basis of sealed, competitive bids at such time as the Commission shall designate.

A suggested form of "Notice of Bond Sale", a suggested form of "Official Notice of Sale of Bonds" and a suggested form of "Bid Form", having been prepared in advance by Bond Counsel, and all of such documents having been found to be in satisfactory form, a copy of each is hereby ordered to be filed in the records of the Secretary with the Minutes of the meeting at which this Resolution is adopted. The Notice of Bond Sale shall be signed by the Secretary and may be used for the purpose of publishing notice of the sale of the Current Bonds. Copies of such documents shall be furnished to any interested parties who may request same.

In the event that there is no bid or that all bids are rejected, the District may readvertise the sale pursuant to this Resolution.

Section 902. Adjustment in Maturities, Prepayment Provisions and Other Dates, with Consent of Purchaser if Delivery is Delayed. In the event that delivery of the Current Bonds authorized herein is delayed for any reason and the District, with the consent of the Purchaser of the Current Bonds, determines it is in the District's best interest to change the maturities, the applicable prepayment date or any other dates, the District may adjust the same by a Resolution of the Commission approving the adjustments.

ARTICLE 10. CONCLUDING PROVISIONS

Section 1001. Covenant of District to Take All Necessary Action To Assure Compliance with the Code. In order to assure the Owners of the Current Bonds that such Current Bonds shall continue to be legal and that interest thereon will continue to be excludable from gross income for federal income tax purposes and exempt from all Kentucky income taxation, the District covenants to and with the Owners of the Current Bonds to take the following action:

(a) The District will (1) take all actions necessary to comply with the provisions of the Code necessary to assure that interest on the Current Bonds will be excludable from gross income for federal income tax purposes; (2) will take no actions which will violate any of the provisions of the Code; and (3) not use the proceeds of the Current Bonds for any purpose which will cause interest on the Current Bonds or on interim financing obligations, including, but not limited to the Note, issued pursuant to Section 302 hereof to become includable in gross income for federal income tax purposes.

(b) The District hereby certifies that it does not reasonably anticipate that the total principal amount of "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code which the District, or any subordinate entity of the District, will issue during the calendar year during which the Current Bonds are issued, will exceed \$10,000,000; and therefore the District hereby designates the Current Bonds and all interim financing obligations, including, but not limited to the Note, issued pursuant to Section 302 hereof as "qualified tax-exempt obligations".

(c) The District further certifies that the Current Bonds and any and all interim financing obligations of the District are not "private activity bonds" within the meaning of the Code.

(d) The District covenants and agrees to comply with the rebate requirements on certain excess earnings imposed by Section 148 of the Code, and in the event it is determined by the District, upon the advice of Bond Counsel, that the Construction Account, or any other Fund established hereunder, is subject to said rebate requirements and does in fact generate earnings from "non-purpose investments" in excess of the amount which said investments would have earned at a rate equal to the "yield" on the Current Bonds, plus any income attributable to such excess, there shall be established a separate and special fund with the Depository Bank, which fund shall be designated the "Excess Earnings and Rebate Fund", which shall be utilized for the collection and payment of any excess generated from investments and the remittance thereof to the United States of America on or before the anniversary of the fifth (5th) year from the date of the Current Bonds, and once every five (5) years thereafter until the final retirement of the Current Bonds; the last installment, to the extent required, to be made no later than sixty (60) days following the date on which funds sufficient for the complete retirement of the Current Bonds are deposited with any escrow agent. The District further covenants to file any and all reports, if any, as may be required to be filed with the Government with regard to the liability or non-liability of the District as

to any such rebate requirements and to maintain records in regard thereto for the period of time required by applicable Treasury regulations.

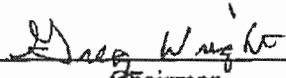
Section 1002. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, which shall continue in full force and effect.

Section 1003. All Provisions in Conflict Repealed. All motions, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are to the extent of such conflict hereby repealed. It is hereby specifically ordered and provided that any proceedings heretofore taken for the issuance of other bonds of the District payable or secured in any manner by all or any part of the income and revenues of said System or any part thereof, and which have not been heretofore issued and delivered, are hereby revoked and rescinded, and none of such other bonds shall be issued and delivered. The District covenants to correct by appropriate proceedings any required procedure previously taken invalidly.

Section 1004. Effective Immediately Upon Adoption. This Resolution shall take effect and be effective immediately upon its adoption.

Adopted this August 29, 2013.

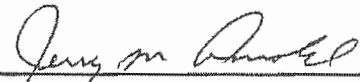
Estill County Water District No. 1



Chairman

(Seal of District)

Attest:



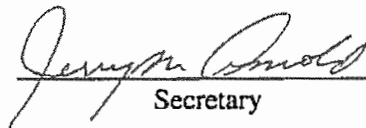
Secretary

CERTIFICATION

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Estill County Water District No. 1, and that the foregoing Resolution is a true copy of a Resolution duly adopted by the Board of Commissioners of said District, signed by the Chairman of said District and attested under Seal by me as Secretary, at a properly convened meeting of said Board of Commissioners held on August 29, 2013, as shown by the official records of said District in my custody and under my control.

I further certify that said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as Secretary and the official Seal of the District this August 29, 2013.


Secretary

(Seal of District)

EXHIBIT A

Schedule of Principal Payments

<u>Payment Due February 1</u>	<u>Principal Payment</u>	<u>Payment Due February 1</u>	<u>Principal Payment</u>
2016	\$27,500	2035	\$43,500
2017	28,000	2036	44,500
2018	28,500	2037	46,000
2019	29,500	2038	47,000
2020	30,000	2039	48,000
2021	31,000	2040	49,500
2022	31,500	2041	50,500
2023	32,500	2042	52,000
2024	33,500	2043	53,000
2025	34,000	2044	54,500
2026	35,000	2045	56,000
2027	36,000	2046	57,500
2028	36,500	2047	58,500
2029	37,500	2048	60,000
2030	38,500	2049	61,500
2031	39,500	2050	63,000
2032	40,500	2051	65,000
2033	41,500	2052	66,500
2034	42,500	2053	69,000

EXHIBIT B

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
ESTILL COUNTY WATER DISTRICT NO. 1
WATERWORKS REVENUE BONDS, SERIES 2014

No. R- _____ Interest Rate: _____ % \$ _____

KNOW ALL PERSONS BY THESE PRESENTS:

That the Estill County Water District No. 1 (the "District"), acting by and through its Board of Commissioners (the "Commission"), a public body corporate in Estill County, Kentucky, for value received, hereby promises to pay to

_____ the registered owner hereof, or to its registered assigns, solely from the fund hereinafter identified, the sum of

_____ DOLLARS (\$ _____),

on the first day of February, in years and installments as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
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[Here the printer of the Current Bond will print the maturities of the Current Bonds purchased by the registered Owner]

and in like manner, solely from said fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, at the Interest Rate specified above, semiannually on the first days of February and August in each year, beginning with the first February or August after the date of this Bond, until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable, without deduction for exchange or collection charges, in lawful money of the United States of America, at the address of the registered owner shown on the registration book of the District.

This Bond is issued by the District under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 58 and 74 of the Kentucky Revised

Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing water system of the District (said existing water and sewer system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond is issued on a parity with the outstanding Estill County Water District No. 1 Water and Sewer Revenue Bonds, Series 2006, dated December 22, 2006 (the "2006 Bonds"), authorized by a Resolution adopted by the Commission of the District on July 28, 2006 (the "2006 Bond Resolution"), subject to the vested rights and priorities in favor of the owners of the outstanding (i) Estill County Water District No. 1 Waterworks Revenue Bonds of 1976, dated August 25, 1977 (the "1976 Bonds"), authorized by a Resolution adopted by the Commission of the District on September 11, 1976; (ii) Estill County Water District No. 1 Waterworks Revenue Bonds of 1991, dated September 3, 1992 (the "1991 Bonds"), authorized by a Resolution adopted by the Commission of the District on November 27, 1991; (iii) Estill County Water District No. 1 Waterworks Revenue Bonds, Series 1996, dated January 30, 1997 (the "1996 Bonds"), authorized by a Resolution adopted by the Commission of the District on July 30, 1996; (iv) Estill County Water District No. 1 Waterworks and Sewer Revenue Bonds, Series 2000, dated March 10, 2000 (the "2000 Bonds"), authorized by a Resolution adopted by the Commission of the District on October 13, 1999; and (v) Kentucky Rural Water Finance Corporation loan to the District, dated July 31, 2002 (the "KRWFC Loan") [hereinafter the 1976 Bonds, the 1991 Bonds, the 1996 Bonds, the 2000 Bonds and the KRWFC Loan shall be collectively referred to as the "Prior Bonds"]. Accordingly, this Bond, the 2006 Bonds, together with any bonds ranking on a parity herewith, are payable from and secured by a pledge of the gross revenues to be derived from the operation of the System, after providing for the requirements of the Prior Bonds.

This Bond has been issued in full compliance with the 2006 Bond Resolution and the Current Bond Resolution and this Bond, the 2006 Bonds and any bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions of the 2006 Bond Resolution and the Current Bond Resolution are and will continue to be payable from revenues which shall be set aside in a fund for that purpose and identified as the "Estill County Water District No. 1 Revenue Bond Sinking Fund of 2006", created in the 2006 Bond Resolution.

This Bond does not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations and is payable solely out of the revenues of the System. As provided in the Current Bond Resolution, the District covenants that so long as any of the Bonds are outstanding, the System will be continuously owned and operated by the District as a revenue producing public undertaking within the meaning of the aforesaid Act for the security and source of payment of the Bonds, and that the District will fix, and if necessary adjust, from time to time, such rates for the services and facilities of the System and will collect and account for the revenues therefrom sufficient to pay promptly the principal of and interest on the Bonds and all other

bonds ranking on a parity therewith as may be outstanding from time to time, to pay the cost of operation and maintenance of the System and to provide for the depreciation thereof.

The District has reserved the right to issue additional bonds ranking on a parity as to security and source of payment with this Bond in order to complete the Project, and to finance future extensions, additions and improvements to the System, provided the necessary requirements of the Current Bond Resolution have been complied with by the District.

This Bond shall be registered as to principal and interest in the name of the owner hereof, after which it shall be transferable only upon presentation to the Secretary of the District as the Bond Registrar, with a written transfer duly acknowledged by the registered owner or its duly authorized attorney, which transfer shall be noted upon this Bond and upon the registration book of the District kept for that purpose.

The District, at its option, shall have the right to prepay, on any interest payment date on and after February 1, 2022, in inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof, in a multiple of One Hundred Dollars (\$100), as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered owner of this Bond or its assignee, at least 30 days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the registered owner of this Bond.

So long as the registered owner of this Bond is the United States of America, or any agency thereof, the entire principal amount of this Bond, or installments in multiples of \$100, may be prepaid at any time in inverse chronological order of the installments due.

Upon default in the payment of any principal or interest payment on this Bond, or upon failure by the District to comply with any other provision of this Bond or with any provision of the Current Bond Resolution, the registered owner may, at its option, institute all rights and remedies provided by law or by said Current Bond Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF said Estill County Water District No. 1, by its Board of Commissioners, has caused this Bond to be executed by its Chairman, its corporate seal to be hereunto affixed, and attested by its Secretary, on the date of this Bond, which is

ESTILL COUNTY WATER DISTRICT NO. 1

By _____
Chairman

Attest:

Secretary

(Seal of District)

PROVISION FOR REGISTRATION

This Bond shall be registered on the registration book of the District kept for that purpose by the Secretary, as Bond Registrar, upon presentation hereof to said Secretary, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered owner or its attorney, such transfer to be made on said book and endorsed hereon.

Date of Registration	Name of Registered Owner	Signature of Bond Registrar

ASSIGNMENT

For value received, this Bond is hereby assigned, without recourse and subject to all of its terms and conditions, unto _____, this ____ day of _____, _____.

By: _____

EXHIBIT C

REQUISITION CERTIFICATE

Re: Estill County Water District No. 1 Waterworks Revenue Bonds, Series 2014, in the principal amount of \$1,699,000

The undersigned hereby certify as follows:

1. That they are the signatories required for construction and/or administrative draws pursuant to the Bond Resolution adopted by the Estill County Water District No. 1 (the "District").
2. That the named firms and/or persons set forth on Exhibit A attached hereto are now entitled to the aggregate sum of \$_____, itemized as set forth in said Exhibit A and as per approved invoices attached hereto:
3. That upon said amount being lent to said District and/or obtained by said District from the proceeds of the Current Bonds and/or other sources, the undersigned approve such expenditure and the payment of said amounts to said firms and/or persons, either directly or from amounts deposit in the "Estill County Water District No. 1 Construction Account".
4. That we hereby certify that we have carefully inspected the work and, as a result of our inspection and to the best of our knowledge and belief, the amounts shown in this Requisition Certificate are correct and the work has been performed in accordance with the agreements between the District and the parties requesting payment.

IN TESTIMONY WHEREOF, witness the signature of the undersigned, this ____ day of _____, 20____.

Estill County Water District No. 1

Bell Engineering

By _____

By _____

Registered Professional Engineer
State of Kentucky No. _____

Approved on _____

Approved on _____

USDA, Rural Development

Amount expended heretofore \$_____

By _____
Authorized RD Official

Amount approved herein _____

Total _____

Approved on _____

EXHIBIT A TO REQUISITION CERTIFICATE

Name of Entity/Person

Amount

Statement of Disclosure of Related Party Transactions

**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 Estill County 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

- 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."

Greg Wright
(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 ESTLIE

Subscribed and sworn to before me by Greg Wright
(Name)

this 27 day of APRIL, 2017.

Lisa B Puckett
NOTARY PUBLIC
State-at-Large # 536648
JUNE 25 2019

**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 Estill County 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.

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William J Beard
(Print Name)

William J Beard
(Signed)

Treasurer
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF ESTEN

Subscribed and sworn to before me by William J. Beard
(Name)

this 27 day of APRIL, 2017.

Lisa B. Puchelt
NOTARY PUBLIC
State-at-Large # 536649

JUNE 25 2019

**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 Estill County 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.

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Audrea B Miller
(Print Name)

Audrea B Miller
(Signed)

Office Manager
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF ESTLIE

Subscribed and sworn to before me by Audrea B Miller
(Name)

this 27 day of APRIL, 2017.

Lisa B Puchett
NOTARY PUBLIC
State-at-Large # 536644
JUNE 25 2019

**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 Estill County Water District #1 ("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.

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Jerry Arnold
(Print Name)

Jerry M. Arnold
(Signed)

Secretary
(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF ESSEX

Subscribed and sworn to before me by Jerry Arnold
(Name)

this 27 day of APRIL, 2017.

Lisa B. Puchett
NOTARY PUBLIC
State-at-Large # 536649
JUNE 25 2019

Board Resolution

**ESTILL COUNTY WATER DISTRICT
RESOLUTION 2017-1**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
THE ESTILL COUNTY WATER DISTRICT PROPOSING
ADJUSTMENTS TO ITS WATER RATES AND CHARGES AND
AUTHORIZING ITS CHAIRMAN TO FILE AN APPLICATION
WITH THE PSC SEEKING APPROVAL OF THE PROPOSED
RATE ADJUSTMENT**

WHEREAS, the Estill County 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 ESTILL COUNTY 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 Chairman and Office Staff are 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, Office Staff, 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.

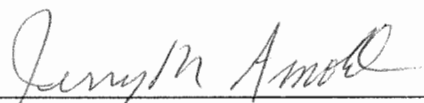
Section 5. This Resolution shall take effect upon its adoption.

**ADOPTED BY THE COMMISSION OF ESTILL COUNTY
WATER DISTRICT** at a meeting held on April 27, 2017, signed by the
Chairman, and attested by the Secretary.

ATTEST:



CHAIRMAN

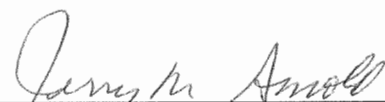


SECRETARY

CERTIFICATION

I, Secretary of the Estill County Water District (the "District"), 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 April 27, 2017, signed by the Chairman of the Commission, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 27th day of April, 2017.



SECRETARY

Appendix A

CURRENT RATES

5/8" x 3/4" Meter

First	2,000 gallons	\$ 17.20	Minimum Bill
Next	3,000 gallons	8.37	per 1,000 gallons
Next	5,000 gallons	8.17	per 1,000 gallons
Over	10,000 gallons	6.28	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 42.31	Minimum Bill
Next	5,000 gallons	8.17	per 1,000 gallons
Over	10,000 gallons	6.28	per 1,000 gallons

2" Meter

First	16,000 gallons	\$ 120.84	Minimum Bill
Over	16,000 gallons	6.28	per 1,000 gallons

Bulk Loading Station	\$ 5.45	per 1,000 gallons
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PROPOSED RATES

5/8" x 3/4" Meter

First	2,000 gallons	\$ 21.07	Minimum Bill
Next	3,000 gallons	10.25	per 1,000 gallons
Next	5,000 gallons	10.01	per 1,000 gallons
Over	10,000 gallons	7.69	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 51.83	Minimum Bill
Next	5,000 gallons	10.01	per 1,000 gallons
Over	10,000 gallons	7.69	per 1,000 gallons

2" Meter

First	16,000 gallons	\$ 148.03	Minimum Bill
Over	16,000 gallons	7.69	per 1,000 gallons

Bulk Loading Station	\$ 6.68	per 1,000 gallons
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