

XXXV. ESTIMATED PROJECT COST - WATER

Development	\$ <u>1,200,000</u>
Land and Rights	\$ <u>0</u>
Legal	\$ <u>16,000</u>
Engineering	\$ <u>197,900</u>
Interest	\$ <u>21,000</u>
Contingencies	\$ <u>22,890</u>
Initial Operating and Maintenance	\$ <u>0</u>
Other	\$ <u>15,000</u>
TOTAL	\$ <u>1,472,790</u>

XXXVI. PROPOSED PROJECT FUNDING

Applicant - User Connection Fees	\$ <u>0</u>
Other Applicant Contribution	\$ <u>472,790</u>
RUS Loan	\$ <u>1,000,000</u>
RUS Grant	\$ <u>0</u>
ARC Grant (if applicable)	\$ <u>0</u>
Other (KIA Grant WX21113012)	\$ <u>0</u>
Other (KIA Grant WX21113015)	\$ <u>0</u>
TOTAL	\$ <u>1,472,790</u>

XXV.

FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS

For Period	<u>1/1/2022</u>	to	<u>12/31/2022</u>									
All Meter Sizes	<u>Monthly Water Usage</u>	<u>Average</u>	<u>Average Rate</u>	<u>Residential</u>			<u>Average</u>	<u>Average Rate</u>	<u>Non-Residential</u>			
				<u>No. of Users</u>	<u>Usage (Gallons)</u>	<u>Income</u>			<u>No. of Users</u>	<u>Usage (Gallons)</u>	<u>Income</u>	
	0 - 3,000 gallons	1,705	<u>\$29.75</u>	<u>8,313</u>	<u>14,170,716</u>	<u>\$247,312</u>	788	<u>\$29.75</u>	<u>4,060</u>	<u>3,197,419</u>	<u>\$120,785</u>	
	3,000 - 10,000 gallons	4,694	<u>\$41.27</u>	<u>13,635</u>	<u>64,007,838</u>	<u>\$562,741</u>	5,577	<u>\$47.27</u>	<u>971</u>	<u>5,415,048</u>	<u>\$45,901</u>	
	All Over 10,000 gallons	20,116	<u>\$143.92</u>	<u>1,031</u>	<u>20,740,004</u>	<u>\$148,377</u>	67,116	<u>\$453.17</u>	<u>1,246</u>	<u>83,626,074</u>	<u>\$564,651</u>	
		Sub-Total		<u>22,979</u>	<u>98,918,558</u>	<u>\$958,430</u>			<u>6,277</u>	<u>92,238,541</u>	<u>\$731,337</u>	
		TOTAL REVENUE						<u>\$1,689,767</u>				
	Average Monthly Rate		<u>\$41.71</u>						<u>\$116.51</u>			
	Average Monthly Usage			<u>4,305</u>		<u>\$79,869</u>				<u>14,695</u>	<u>\$60,945</u>	
	Overall Average Monthly Bill		<u>\$57.76</u>		Overall Monthly Average Usage					<u>6,534</u>		

* Breakdown of meter size usage is not required unless different water reates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

† 300 additional users at 3500 gallons per month included based on historic growth of approximately 100 meter settings per year.

	<u>Current</u>	<u>Proposed</u>
10,000 0 to 3,000	\$28.60	\$29.75
Next 7,000	\$6.80	\$6.80
Over 10,000	\$6.58	\$6.58
Avg Res Monthly Bill	\$43.86	\$41.71
Increase		-4.9%
4,000 Gal Bill	\$35.40	\$36.55
Increase		3.2%
Avg Com Monthly Bill	\$122.43	\$116.51
Increase		-4.8%
Overall Avg Monthly Bill	\$63.52	\$57.76
Increase		-9.1%

XXV.

FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS - MULTI-UNIT BILLINGS

For Period	<u>1/1/2022</u>	to	<u>12/31/2022</u>									
All Meter Sizes	Monthly Water Usage	Average	Average Rate	Residential			Average	Average Rate	Non-Residential			
				No. of Users	Usage (Gallons)	Income			No. of Users	Usage (Gallons)	Income	
	0 - 3,000 gallons	1,619	<u>\$29.75</u>	<u>151</u>	<u>244,535</u>	<u>\$4,492</u>	753	<u>\$29.75</u>	<u>331</u>	<u>249,080</u>	<u>\$9,847</u>	
	3,000 - 10,000 gallons	6,493	<u>\$50.89</u>	<u>348</u>	<u>2,259,478</u>	<u>\$17,710</u>	6,109	<u>\$50.89</u>	<u>150</u>	<u>916,330</u>	<u>\$7,634</u>	
	All Over 10,000 gallons	51,610	<u>\$296.85</u>	<u>389</u>	<u>20,076,460</u>	<u>\$115,474</u>	43,358	<u>\$296.85</u>	<u>276</u>	<u>11,966,900</u>	<u>\$81,930</u>	
	Sub-Total			<u>888</u>	<u>22,580,473</u>	<u>\$137,676</u>			<u>757</u>	<u>13,132,310</u>	<u>\$99,411</u>	
	TOTAL REVENUE							<u>\$237,087</u>				
	Average Monthly Rate		<u>\$155.04</u>						<u>\$131.32</u>			
	Average Monthly Usage				<u>25,428</u>	<u>\$11,473</u>				<u>17,348</u>	<u>\$8,284</u>	
	Overall Average Monthly Bill		<u>\$144.13</u>		Overall Monthly Average Usage					<u>21,710</u>		

* Breakdown of meter size usage is not required unless different water rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

FIRE PROTECTION SYSTEM USER ANALYSIS

If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.

Name of Unit	Number of Units	Revenue Calculations						
		No. Units * Minimum Bill * 12 Months = Annual Revenue						
Wal-Mart	1	1	*	\$35.00	*	12	=	\$420.00
Champions	1	1	*	\$35.00	*	12	=	\$420.00
Howard Johnson	1	1	*	\$35.00	*	12	=	\$420.00
Feeders, Inc.	1	1	*	\$35.00	*	12	=	\$420.00
1021 N Main Bypass Plaza	1	1	*	\$35.00	*	12	=	\$420.00
Super 8 Motel	1	1	*	\$35.00	*	12	=	\$420.00
Holiday Inn Express	1	1	*	\$35.00	*	12	=	\$420.00
Jessamine Board of Education, 200 Computrex	1	1	*	\$35.00	*	12	=	\$420.00
Alltech, 3031 Catnip Hill	1	1	*	\$35.00	*	12	=	\$420.00
Alltech	1	1	*	\$35.00	*	12	=	\$420.00
Cardinal Office Supply	1	1	*	\$35.00	*	12	=	\$420.00
Sutherland Chevrolet	1	1	*	\$35.00	*	12	=	\$420.00
Jessamine Board of Education, 190 Computrex	1	1	*	\$35.00	*	12	=	\$420.00
JAH#6, 292 E Brannon (Pet Smart/Hobby Lobby)	1	1	*	\$35.00	*	12	=	\$420.00
Kohl's	1	1	*	\$35.00	*	12	=	\$420.00
Kroger	1	1	*	\$35.00	*	12	=	\$420.00
Amstar	1	1	*	\$35.00	*	12	=	\$420.00
JAH#7, 152 Langley (Grand Theatre)	1	1	*	\$35.00	*	12	=	\$420.00
Denger Hearth & Home	1	1	*	\$35.00	*	12	=	\$420.00
JAH#6, 290 E Brannon (Subway, Joy)	1	1	*	\$35.00	*	12	=	\$420.00
Goodwill Industries	1	1	*	\$35.00	*	12	=	\$420.00
Central Baptist	1	1	*	\$35.00	*	12	=	\$420.00
JAH#6 (Marshalls, Great Clips)	1	1	*	\$35.00	*	12	=	\$420.00
Suff's Furniture	1	1	*	\$35.00	*	12	=	\$420.00
Bethel Harvest Church	1	1	*	\$35.00	*	12	=	\$420.00
Wildcat Ford	1	1	*	\$35.00	*	12	=	\$420.00
JAH#3, 197 E Brannon (Florist)	1	1	*	\$35.00	*	12	=	\$420.00
Cracker Barrel	1	1	*	\$35.00	*	12	=	\$420.00
Providence Church	1	1	*	\$35.00	*	12	=	\$420.00
Toyota of Nicholasville	1	1	*	\$35.00	*	12	=	\$420.00
JAH#3, 263 E Brannon (Jake's Cigar Bar)	1	1	*	\$35.00	*	12	=	\$420.00
Sam's Club	1	1	*	\$35.00	*	12	=	\$420.00
Conemarra	1	1	*	\$35.00	*	12	=	\$420.00
Mi Pegena Hacienda Restaurant	1	1	*	\$35.00	*	12	=	\$420.00
Sam's Club	1	1	*	\$35.00	*	12	=	\$420.00
Dentist Office	1	1	*	\$35.00	*	12	=	\$420.00
Jordan Enterprises	1	1	*	\$35.00	*	12	=	\$420.00
Christian Home	1	1	*	\$35.00	*	12	=	\$420.00
Get Air	1	1	*	\$35.00	*	12	=	\$420.00
Chinese Christian Church	1	1	*	\$35.00	*	12	=	\$420.00
Kitchen Concepts	1	1	*	\$35.00	*	12	=	\$420.00
Racquet Club	1	1	*	\$35.00	*	12	=	\$420.00
Bob Evans	1	1	*	\$35.00	*	12	=	\$420.00
Oak Factory Outlet	1	1	*	\$35.00	*	12	=	\$420.00
Cynthia Way	1	1	*	\$35.00	*	12	=	\$420.00
TOTAL	45						\$18,900.00	

XXXI. CURRENT OPERATING BUDGET - (WATER SYSTEM) - EXISTING SYSTEM
AND NEW USERS (1st Full Year of Operation) Year Ending **2022**

A.	Operating Income:	
	Water Sales	\$ <u>1,926,853</u>
	Fire Protection Charges	<u>18,900</u>
	Disconnect/Reconnect/Late Charge Fee	<u>26,000</u>
	Other (Service Charges)	<u>74,000</u>
	Total Operating Income	\$ <u>2,045,753</u>
B.	Operation and Maintenance Expenses: (Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)	
	Source of Supply Expense	\$ <u>828,800</u>
	Transmission and Distribution Expense	\$ <u>407,200</u>
	Administrative and General Expense	\$ <u>357,200</u>
	Total Operating Expense	\$ <u>1,593,200</u>
	Net Operating Expense	\$ <u>452,553</u>
C.	Non-Operating Income:	
	Interest(Expense) on Deposits	\$ <u>10,126</u>
	Other	<u>0</u>
	Total Non-Operating Income	\$ <u>10,126</u>
D.	Net Income	\$ <u>462,679</u>
E.	Debt Repayment:	
	RUS Proposed Project Payment	\$ <u>44,269 (1)</u>
	Total Principal	<u>91,200 (2)</u>
	Total Interest	<u>69,391 (2)</u>
	Total Debt Repayment	\$ <u>204,860</u>
F.	Balance Available	\$ <u>257,819</u>
G.	Short Lived Assets	\$ <u>238,167</u>
H.	Balance Available for Coverage	\$ <u>19,653</u>

(1) Based on \$1,000,000 loan @ 2.375% for 38 years.

(2) Based on 2019 Audit

Replacement Reserve - Short Lived Assets				
Type of Reserve	Use/Description	Replacement Cost	Reserve on Hand	Annual Reserve
1 - 5 Years	Misc. Repairs	\$25,000	\$0	\$5,000
1 - 5 Years	Pumps & Telemetry	\$20,000	\$0	\$4,000
1 - 5 Years	1 MG (Groggins Ferry) Tank Repaint	\$750,000	\$0	\$150,000
1 - 5 Years	250,000 Gallon (Dragstrip) Tank Repair	\$230,000	\$0	\$46,000
1 - 5 Years	Smaller Meters	\$20,000	\$0	\$4,000
1 - 5 Years	Large Meters (2")	\$20,000	\$0	\$4,000
Subtotal 1 - 5 Years				\$213,000
6 - 10 Years	Smaller Meters	\$20,000	\$0	\$2,000
6 - 10 Years	Computers & Software	\$30,000	\$0	\$3,000
6 - 10 Years	Pumps & Telemetry	\$15,000	\$0	\$1,500
Subtotal 6 - 10 Years				\$6,500
11 - 15 Years	1MG (Cracker Barrel) Tank Repaint	\$250,000	\$0	\$16,667
11 - 15 Years	Misc. Repairs	\$30,000	\$0	\$2,000
Subtotal 11 - 15 years				\$18,667
Replacement Reserve (Annual) - Short Lived Assets				\$238,167
Replacement Reserve (Monthly) - Short Lived Assets				\$19,847.22