

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**ELECTRONIC APPLICATION OF )**  
**MOUNTAIN WATER DISTRICT FOR A ) CASE NO. 2022-00366**  
**GENERAL ADJUSTMENT OF WATER )**  
**RATES**

**APPLICATION**

Pursuant to KRS 278.030, KRS 278.180, and 807 KAR 5:001, Mountain Water District (“Mountain District”) applies to the Public Service Commission (“Commission”) for authority to adjust its rates for water service and to assess a Water Infrastructure Improvement Surcharge.

In support of its Application,<sup>1</sup> Mountain District states:

**Background**

1. The full name and post office address of Mountain District is: Mountain Water District, 6332 Zebulon Highway, P. O. Box 3157, Pikeville, Kentucky 41502-3157. Its e-mail address is rsawyers@mtwater.org.
2. Copies of all orders, pleadings and other communications related to this proceeding should be directed to:<sup>2</sup>

Roy Sawyers  
General Manager  
P. O. Box 3157  
Pikeville, Kentucky 41502-3157  
(606) 631-9162  
rsawyers@mtwater.org

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<sup>1</sup> To facilitate the Commission’s initial review of this Application, Mountain District has attached to this Application a document entitled “Filings Requirements List” that consists of four pages, lists each statutory and regulatory requirement for an application for general rate adjustment, identifies the exhibit or paragraph that satisfies the requirement, and contains a hyperlink to that exhibit or paragraph.

<sup>2</sup> On October 31, 2022 pursuant to 807 KAR 5:001, Section 8, Mountain District notified the Commission of its election of the use of electronic filing procedures for this proceeding.

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Stoll Keenon Ogden PLLC  
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3. Mountain District is not a corporation, limited liability company or limited partnership. It has no articles of incorporation or partnership agreements.

4. Mountain District is a water district created under the provisions of KRS Chapter 74.

5. As of December 31, 2021, Mountain District provides retail water service to approximately 16,574 customers in Pike County, Kentucky and wholesale water service to the cities of Elkhorn City and Jenkins, Kentucky; Martin County Water District; and Mingo County Public Service District.<sup>3</sup>

6. A copy of the Resolution of Mountain District's Board of Commissioners authorizing the filing of this Application is attached as **Exhibit 1** to this Application.

**Compliance with 807 KAR 5:001, Sections 16 and 17**

7. This Application requests a general adjustment of Mountain District's existing rates for water service and is supported by a twelve-month historical test period ending June 30, 2022. Mountain District has adjusted test period revenues and expenses to reflect known and measurable changes. **Section 16(1)(a)1.**

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<sup>3</sup> *Annual Report of Mountain County Water District to the Public Service Commission of the Commonwealth of Kentucky for the Calendar Year Ended December 31, 2021* ("2021 Annual Water Report") at Ref Page 27.

8. Mountain District submits this application to comply with the Commission's Order of December 13, 2021 in Case No. 2021-00412, in which the Commission directed Mountain District to apply for a general adjustment in base rates after expressing concern about its level of unaccounted-for water loss and extended period of operation with a negative net income.<sup>4</sup>

9. KRS 365.015 does not require Mountain District to file a certificate of assumed name. **Section 16(1)(b)2.**

10. Revised tariff sheets setting forth Mountain District's proposed rates and stating an effective date of March 20, 2023 are attached as **Exhibit 2** to this Application. **Section 16(1)(b)3.**

11. Mountain District's present and proposed revised tariff sheets in comparative form on the same sheet side-by-side are attached as **Exhibit 3** to this Application. **Section 16(1)(b)4.**

12. In accordance with 807 KAR 5:001, Section 17(2)(b), notice of Mountain District's filing of this Application was published in the February 17, 2023 edition of the *Appalachian News-Express*, the newspaper of general circulation in Mountain District's territory, and will be published in the February 24, 2023 and March 3, 2023 editions of that newspaper. A copy of this notice is attached to this Application as **Exhibit 4**. As of the filing of this Application, a copy of this notice was posted in Mountain District's office at 6332 Zebulon Highway, Pikeville, Kentucky and on Mountain District's website at mountainwaterdistrictky.com. These notices will remain posted until the conclusion of this proceeding. **Section 16(1)(b)5; Section 17(1) and (2).**

13. Pursuant to 807 KAR 5:001, Section 16(2), Mountain District filed with the Commission on October 31, 2022 notice of its intent to file an application for general rate

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<sup>4</sup> *Electronic Application of Mountain Water District to Issue Securities in the Approximate Principal Amount of \$5,930,000 for the Purpose of Refinancing Certain Outstanding Obligations of the District Pursuant to the Provisions of KRS 278.300 and 807 KAR 5:001*, Case No. 2021-00412 (Ky. PSC Dec. 13, 2021). The Commission originally ordered that an application for rate adjustment be filed by December 28, 2022. By its Order of December 20, 2022, the Commission extended the time period in which to file such application to January 27, 2023. Mountain District subsequently requested a second extension until February 27, 2023, which is pending before the Commission.

adjustment of its water rates. It filed revised notices with the Commission on December 8, 2022 and January 19, 2023. A copy of each notice was served by electronic mail on the Office of Attorney General. These notices are attached as **Exhibit 5** to this Application. **Section 16(2)**.

14. A complete description and quantified explanation of all adjustments that Mountain District proposes to make to test period expenses is found in **Exhibit 6** to this Application. **Section 16(4)(a)**.

15. Mountain District supports its application for rate adjustment with the verified testimony and exhibits of Roy B. Sawyers, Mountain District's General Manager, and of Connie Lea Allen, a professional engineer. Their verified testimonies are attached as **Exhibit 7** and **Exhibit 8**, respectively. **Section 16(4)(b)**.

16. The proposed rates are expected to produce total revenues from rates of \$10,372,407, an increase of \$2,097,519 over the revenues produced from the current rates. The proposed rates are expected to produce a 25.35 percent overall increase in revenue. The effect on utility revenue of each proposed rate is shown at **Exhibit 9** of this Application. **Section 16(4)(d)**.

17. The effect upon the average bill for each customer classification subject to Mountain District's proposed rates is shown at **Exhibit 10** of this Application. **Section 16(4)(e)**.

18. A detailed analysis of Mountain District's customer bills showing the revenues that are produced by Mountain District's present rates and those produced by the proposed rates is attached as **Exhibit 9** to this Application. **Section 16(4)(g)**.

19. A summary of Mountain District's revenue requirements based upon the debt service and coverage requirements set forth in Mountain District's outstanding debt instruments is shown at **Exhibit 11** of this Application. In establishing its revenue requirements, Mountain District has elected to seek recovery only of its interest expense as incurred in the period from July 1, 2022 to June 30, 2023, the year following the test period. **Exhibit 11** also includes a

calculation of Mountain District’s revenue requirements based upon recovery of a three-year average of its principal and interest payments of its current debt instruments and a 0.2 coverage.

**Section 16(4)(h).**

20. As neither Mountain District’s rate base nor capital was used to determine Mountain District’s revenue requirements, no reconciliation of rate base and capital exists and the requirement for such reconciliation is not applicable to this Application. Mountain District is a water district organized pursuant to KRS Chapter 74. Kentucky courts have found that neither rate base nor capital is employed to determine the reasonableness of a water district’s proposed revenue requirement.<sup>5</sup> The Commission has frequently acknowledged that the debt service coverage method is the methodology used to determine a water district’s revenue requirement.<sup>6</sup>

**Section 16(4)(i).**

21. Mountain District’s chart of accounts is attached as **Exhibit 12** to this Application.

**Section 16(4)(j).**

22. A copy of the most recent independent auditor’s report on Mountain District’s financial statements, including written communication from the independent auditor regarding the existence of any material weaknesses, is attached as **Exhibit 13** to this Application. **Section 16(4)(k).**

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<sup>5</sup> See *Public Service Commission v. Dewitt Water District*, 720 S.W.2d 725, 731 (Ky. 1986) (“It is important to remember that this case involves water districts which are nonprofit utilities organized under Chapter 74 of the Kentucky Revised Statutes. The owners and consuming ratepayers are essentially the same individuals because the districts are political subdivisions of county government. They have no private capital and no corporate investors who must be satisfied as to traditional profits. **Their rates do not generate a return on rate base. The water districts are permitted to earn net revenues based on a debt service formula or on an operating ratio computed in accordance with a percentage of operating expenses** [emphasis added].”)

<sup>6</sup> See *Electronic Application of Wood Creek Water District for A General Adjustment of Rates*, Case No. 2022-00145 (Ky. PSC Dec. 20, 2022) at 15 (“The Commission has historically applied a DSC [Debt Service Coverage] method to calculate the Overall Revenue Requirement of water districts and water associations.”).

23. No depreciation study was prepared to support this application. “Traditional depreciation studies analyze a utility’s historic plant addition and retirement information to determine anticipated service lives.”<sup>7</sup> Like most of the Commonwealth’s water districts, Mountain District lacks sufficient plant addition and retirement information to perform a reliable analysis.<sup>8</sup> A schedule listing of Mountain District’s water assets, acquisition date and cost, assigned asset life, and current depreciation expense is provided in the form of an Excel file labeled “and is filed separately as **Exhibit 14** to this Application. **Section 16(4)(n)**.

24. A list of all commercially available computer software used to develop the schedules and workpapers for this Application is set forth at **Exhibit 15** to this Application. **Section 16(4)(o)**.

25. Mountain District has not made any stock or bond offerings. As it is a water district, it cannot issue stock. Its only bond issuances are to Rural Development for which no prospectus was issued. Accordingly, no prospectuses are submitted with this Application. **Section 16(4)(p)**.

26. As Mountain District is a governmental agency and a political subdivision of the Commonwealth, it has no shareholders or members and therefore no annual reports to shareholders or members. **Section 16(4)(q)**.

27. Each managerial report provided to Mountain District’s Board of Commissioners for each month of the test period is attached as **Exhibit 16** to this Application. **Section 16(4)(r)**.

28. Mountain District is not required to make and has not made any filings with the Securities and Exchange Commission. **Section 16(4)(s)**.

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<sup>7</sup> *Application of Northern Kentucky Water District for Approval of Depreciation Study*, Case No. 2006-00398 (Ky. PSC Nov. 21, 2007), Order at 1-2.

<sup>8</sup> *Id.* at 3 (“Due to the detailed information and expense required to perform a traditional depreciation study using generally accepted practices, no water district operating under the Commission’s jurisdiction has ever filed such a study for Commission review.”)

29. Mountain District has no affiliates and no accounts charged to or allocated to an affiliate. **Section 16(4)(t).**

30. The cost-of-service study used to develop Mountain District's proposed rates is attached as **Exhibit 17** to this Application. An electronic version of this study in Excel format is also filed with this Application. An explanation of the cost-of-service study and its results is found in Ms. Allen's testimony at **Exhibit 8. Section 16(4)(t).**

31. A detailed income statement and balance sheet reflecting the effect of all proposed adjustments is attached as **Exhibit 18** to this Application. **Section 16(5)(a).**

32. Mountain District has not proposed any proposed proforma adjustments for plant additions. Mountain District does not have a capital construction budget. **Sections 16(5)(b) and 16(5)(c).**

33. Mountain District's annual operating budgets for calendar years 2021 and 2022, which include portions of the test period encompassing the proposed proforma adjustments to test period operations, are attached to this Application as **Exhibit 19**. Mountain District does not prepare operating budgets on a monthly basis. **Section 16(5)(d).**

34. Mountain District's water operations has not added any customers since the test period end and has experienced general decline in the number of customers served by its water operations during the test period. None of the proforma adjustments reflect changes that will increase the number of customers. No customers were added to the test period level of customers and no related revenue requirement occurred.

#### **Water Infrastructure Improvement Surcharge**

35. To obtain the necessary funding for infrastructure improvements designed to reduce its high rate of unaccounted-for water loss, Mountain District proposes to assess each customer a monthly Water Infrastructure Improvement surcharge of \$5.61 for a period of 36 months.

Mountain District estimates the surcharge will produce revenues of \$3,334,178.<sup>9</sup> Mountain District reserves the right to request revisions at a later date to the surcharge amount to reflect increases in the cost of the proposed improvements and changes in the number of customers. A detailed description of Mountain District's water loss problem and its efforts to combat water loss is set forth in Mr. Sawyer's testimony.

36. The proceeds of the proposed surcharge will be used solely to finance the improvements listed in **Exhibit 20** to this Application.

37. To ensure full transparency and the appropriate use of surcharge proceeds, Mountain District proposes that:

a. The surcharge be billed as a separate line item and identified as "Water Infrastructure Improvement Surcharge."

b. All surcharge proceeds be maintained in a separate, interest-bearing account.

c. Commission approval for the use of surcharge proceeds for a specific improvement activity must be obtained prior to the expenditure of any surcharge proceeds for such activity. For example, if the Mountain District seeks to use a portion of the proceeds to purchase equipment or to use funds to employ additional personnel devoted to water loss control efforts, it will first apply to the Commission for approval to use surcharge proceeds for such purpose.

d. Monthly activity reports be filed with the Commission that include a statement of monthly surcharge billings and collections; a monthly surcharge bank statement; a list of each payment from the account, its payee and a description of its purpose; and invoices supporting each payment.

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<sup>9</sup> Mountain District has calculated surcharge revenue assuming an average of 16,520 customers throughout the 36 months the surcharge is in effect.

e. Monthly water loss reports be filed with the Commission.

f. Failure to comply with any control imposed on the assessment of the surcharge is sufficient basis for the termination of the surcharge and the refund of all surcharge proceeds remaining in the separate surcharge account.

g. Three years after the surcharge is authorized, a formal Commission review of the performance of the surcharge and Mountain District's water loss control efforts be conducted to determine if the surcharge should be terminated or modified.

38. The proposed surcharge is similar to and consistent with other surcharges that the Commission has recently authorized to support water loss control efforts.<sup>10</sup>

39. The proposed uses for the surcharge proceeds are supported not only by a detail statement of the activities and the activities' cost, which is contained in **Exhibit 20** to this Application, but also in a detail Capital Improvement Plan that Mountain District has developed and which is an exhibit to Mr. Sawyers' testimony.

### **Requested Relief**

**WHEREFORE**, Mountain District respectfully requests that the Commission enter an Order:

1. Approving the revised tariff sheets for water service attached as **Exhibit 2** to this Application;

2. Approving rates to produce the revenue increase requested herein;

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<sup>10</sup> *Electronic Application of Morgan County Water District for A Rate Adjustment Pursuant to 807 KAR 5:076*, Case No. 2020-00386 (Ky. PSC June 9, 2021); *Electronic Application of Cawood Water District for An Alternative Rate Adjustment*, Case No. 2020-00311 (Ky. PSC Apr. 8, 2021); *Electronic Application of Allen County Water District for An Alternative Rate Adjustment*, Case No. 2020-00296 (Ky. PSC Feb. 3, 2021); *Electronic Application of Hyden-Leslie County Water District for An Alternative Rate Adjustment*, Case No. 2020-00141 (Ky. PSC Nov. 6, 2020); *Application of Graves County Water District for An Alternative Rate Adjustment*, Case No. 2018-00429 (Ky. PSC Sep. 30, 2019); *Application of Cannonsburg Water District for A Rate Adjustment for Small Utilities Pursuant to 807 KAR 5:076*, Case No. 2018-00376 (Ky. PSC May 13, 2019).

3. Authorize the assessment of a Water Infrastructure Improvement Surcharge of \$5.61 per month for a period of 36 months on each active Mountain District water meter and Mountain District's use of those proceeds for the purposes listed in **Exhibit 20**; and

4. Grant any and all such other relief to which Mountain District may be entitled.

Dated: February 17, 2023

Respectfully submitted,



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*Counsel for Mountain Water District*

COMMONWEALTH OF KENTUCKY )  
 ) SS  
COUNTY OF PIKE )

The undersigned, Roy B. Sawyers, being duly sworn, deposes and states that he is the General Manager of Mountain Water District, the Applicant in the above proceedings; that he has read this Application and has noted its contents; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on this \_\_\_ day of February, 2023.

  
\_\_\_\_\_  
Roy Sawyers  
General Manager  
Mountain Water District

Subscribed and sworn to before me by Roy Sawyers in his capacity as General Manager of Mountain Water District on this 17<sup>th</sup> day of February, 2023.

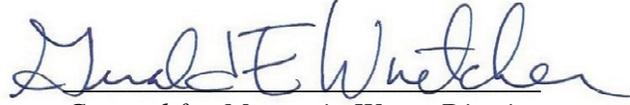
  
\_\_\_\_\_  
Notary Public

Notary ID: KYNP616

My Commission expires: January 16, 2024

## CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8 and the Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on February 17, 2023 and that no parties have been excused from electronic filing procedures.

  
*Counsel for Mountain Water District*

## FILING REQUIREMENTS LIST

Source/Authority	Requirement	Location
KRS 278.180	30 Days' notice of proposed rates	<a href="#">Page 3, Para 10; Exhibit 2</a>
807 KAR 5:001, Section 4(3)	Application signed submitting party or attorney	<a href="#">Page 10</a>
	Name, address, telephone number, fax number, and e-mail address of party or party's attorney	<a href="#">Pages 1-2, Para 2; Page 10</a>
807 KAR 5:001, §14(1)	Applicant's full name, mailing address, and electronic mail address	<a href="#">Page 1, Para 1</a>
	Facts on which the application is based	<a href="#">Pages 3, Para 8</a>
	Specify relief sought	<a href="#">Pages 9- 10</a>
	Reference to the particular law requiring or providing for the information	Page 1 <a href="#">(Introductory Para)</a>
807 KAR 5:001, §14(2)	<b>(If applicant is a corporation:)</b> Identify state of incorporation and date of incorporation, statement it is currently in good standing in the state if incorporation; (if not a Kentucky corporation) statement it is authorized to transact business in Kentucky <b>(If applicant is not a corporation:)</b> Statement Applicant is not a corporation	<a href="#">Page 2, Para 3</a>
807 KAR 5:001, §14(3)	<b>(If applicant is a limited liability company:)</b> the state in which organized and date organized; statement that it is in good standing in the state of organization; if not a Kentucky LLC, statement it is authorized to transact business in Kentucky <b>(If applicant is not an LLC:)</b> Statement Applicant is not an LLC	<a href="#">Page 2, Para 3</a>
807 KAR 5:001, §14(4)	<b>(If the applicant is a limited partnership:)</b> a certified copy of limited partnership agreement and all amendments or a written statement attesting that its partnership agreement and all amendments have been filed with the commission in a prior proceeding - reference case number; <b>(If applicant is not a limited partnership:)</b> Statement Applicant is not a limited partnership	<a href="#">Page 2, Para 3</a>
807 KAR 5:001, §16(1)(b)	A statement why the adjustment is required	<a href="#">Page 3, Para 8</a>
	Certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that a certificate is not necessary	<a href="#">Page 3, Para 9</a>
	New or revised tariff sheets, if applicable in a format that complies with 807 KAR 5:011 with an effective date not less than 30 days after date of filing of application	<a href="#">Page 3, Para 10</a> <a href="#">Exhibit 2</a>
	New or revised tariff sheets, if applicable, identified in compliance with 807 KAR 5:011, shown either by providing: The present and proposed tariffs in comparative form on the same sheet side by side or on facing sheets side by side; or b. A copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions	<a href="#">Page 3, Para 11</a> <a href="#">Exhibit 3</a>
	Statement that notice given IAW 807 KAR 5:001, §17	<a href="#">Page 3, Para 12</a>

Source/Authority	Requirement	Location
807 KAR 5:001, §16(2)	<b>Notice of Intent.</b> Filed with PSC between 30 60 days prior to filing of application; copy mailed or e-mailed to Attorney General; states type of test period to support application	<a href="#">Page 3, Para 13</a> <a href="#">Exhibit 5</a>
807 KAR 5:001, §16(4)(a)	A complete description and quantified explanation for all proposed adjustments with proper support for proposed changes in price or activity levels, if applicable, and other factors that may affect the adjustment	<a href="#">Page 4, Para 14</a> <a href="#">Exhibit 6</a>
807 KAR 5:001, §16(4)(b)	<b>(If gross revenues greater than \$5,000,000)</b> Written testimony of each witness to be used to support application	<a href="#">Page 4, Para 15</a> <a href="#">Exhibit 7</a> <a href="#">Exhibit 8</a>
807 KAR 5:001, §16(4)(c)	<b>(If gross revenues less than \$5,000,000)</b> Written testimony of each witness to be used to support application or statement that no written testimony will be submitted	Not Applicable
807 KAR 5:001, §16(4)(d)	A statement estimating the effect that each new rate will have upon the revenues of the utility including the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease	<a href="#">Page 4, Para 16</a> <a href="#">Exhibit 9</a>
807 KAR 5:001, §16(4)(e)	<b>(Non-telephone utilities)</b> The effect upon the average bill for each customer classification to which the proposed rate change will apply	<a href="#">Page 4, Para 17</a> <a href="#">Exhibit 10</a>
807 KAR 5:001, §16(4)(f)	<b>(Incumbent local exchange company)</b> Effect upon the average bill for each customer class for change in basic local service	Not Applicable
807 KAR 5:001, §16(4)(g)	A detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class	<a href="#">Page 4, Para 18</a> <a href="#">Exhibit 9</a>
807 KAR 5:001, §16(4)(h)	A summary of applicant's determination of revenue requirements base on debt service coverage or operating ratios with supporting schedules	<a href="#">Page 4, Para 19</a> <a href="#">Exhibit 11</a>
807 KAR 5:001, §16(4)(i)	(Investor Owned Utilities) A reconciliation of the rate base and capital used to determine revenue requirements ( <b>Not applicable to water districts</b> )	Not Applicable <a href="#">Page 5, Para 20</a>
807 KAR 5:001, §16(4)(j)	A current chart of accounts if more detailed than the Uniform System of Accounts	<a href="#">Page 5, Para 21</a> <a href="#">Exhibit 12</a>
807 KAR 5:001, §16(4)(k)	The independent auditor's annual opinion report, with written communication from the independent auditor to the utility, if applicable, which indicates the existence of a material weakness in the utility's internal controls	<a href="#">Page 5, Para 22</a> <a href="#">Exhibit 13</a>
807 KAR 5:001, §16(4)(l)	Most recent FERC or FCC audit reports	Not Applicable
807 KAR 5:001, §16(4)(m)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or PSC Form T (telephone)	Not Applicable
807 KAR 5:001, §16(4)(n)	Depreciation Study - A summary of the utility's latest depreciation study with schedules by major plant accounts) – Statement that NARUC Service Lives with exceptions are used as alternative	<a href="#">Page 6, Para 23</a>

Source/Authority	Requirement	Location
807 KAR 5:001, §16(4)(o)	<p>A list of all commercially available or in-house developed computer software, programs, and models used to develop application's schedules and work papers</p> <p>List each software, program, or model</p> <p>Describe use of software, program, or model</p> <p>List Supplier of software, program, or model</p> <p>Brief description of software, program, or model</p> <p>Specifications for the computer hardware &amp; operating system required to run program</p>	<p><a href="#">Page 6, Para 23</a> <a href="#">Exhibit 15</a></p>
807 KAR 5:001, §16(4)(p)	Prospectuses of the most recent stock or bond offerings	<p>Not Applicable <a href="#">Page 6, Para 25</a></p>
807 KAR 5:001, §16(4)(q)	Annual report to shareholders or members and statistical supplements covering the 2 most recent years from application filing date	<p>Not Applicable <a href="#">Page 6, Para 26</a></p>
807 KAR 5:001, §16(4)(r)	Monthly managerial reports providing financial results of operations for the 12 months in the test period	<p><a href="#">Page 6, Para 27</a> <a href="#">Exhibit 16</a></p>
807 KAR 5:001, §16(4)(s)	SEC's annual report (Form 10-K) for most recent 2 years, any Form 8-Ks issued within past 2 years, and Form 10-Qs issued during the past 6 quarters updated as current information becomes available	<p>Not Applicable <a href="#">Page 6, Para 28</a></p>
807 KAR 5:001, §16(4)(t)	<p>Report of affiliated transactions: Must include</p> <ul style="list-style-type: none"> <li>- Detailed description of the method and amounts allocated or charged to the utility by the affiliate for each charge allocation or payment;</li> <li>- Explanation of how the allocator for the test period was determined</li> <li>- All facts to demonstrate that each amount charged, allocated, or paid during the test period was reasonable</li> </ul>	<p><a href="#">Page 7, Para 29</a></p>
807 KAR 5:001, §16(4)(u)	<b>(Non-telephone utility with annual gross revenues greater than \$5,000,000)</b> Cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period	<p><a href="#">Page 7, Para 30</a> <a href="#">Exhibit 17</a></p>
807 KAR 5:001, §16(4)(v)	<b>(Applicable only to local exchange carriers with more than 50,000 access lines)</b> Jurisdictional separations study consistent with 47 C.F.R. Part 36 of the FCC Regulations; Service specific cost studies supporting pricing of all services that generate annual revenue greater than \$1,000,000 except local exchange access based on current and reliable data from a single time period; and using generally recognized fully allocated, embedded, or incremental cost principles	<p>Not Applicable</p>
807 KAR 5:001, §16(5)(a)	A detailed income statement and balance sheet reflecting the impact of all proposed adjustments	<p><a href="#">Page 7, Para 31</a> <a href="#">Exhibit 18</a></p>
807 KAR 5:001, §16(5)(b)	The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions	<p>Not Applicable <a href="#">Page 7, Para 32</a></p>

Source/Authority	Requirement	Location
807 KAR 5:001, §16(5)(c)	If pro forma adjustment for plant addition proposed: <ul style="list-style-type: none"> <li>- Starting date of the construction</li> <li>- Proposed in-service date</li> <li>- Total estimated cost of construction at completion</li> <li>- Amount contained in construction work in progress test period end</li> <li>- Schedule containing a complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement</li> <li>- Original cost and cost of removal and salvage for each component of plant to be retired during period of proposed pro forma adjustment for plant additions;</li> <li>- Explanation of differences, if applicable, in the amounts contained in the capital construction budget and the amounts of capital construction cost contained in the pro forma adjustment period</li> <li>- Impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements</li> </ul>	Not Applicable: No pro forma adjustments reflecting plant additions proposed <a href="#">Page 7, Para 32</a>
807 KAR 5:001, §16(5)(d)	The operating budget for each month of the period encompassing the pro forma adjustments	<a href="#">Page 7, Para 33</a> <a href="#">Exhibit 19</a>
807 KAR 5:001, §16(5)(e)	The number of customers to be added to the test period end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers	<a href="#">Page 7, Para 34</a>
807 KAR 5:001, §17(1)	Notice must be posted in place of business no later than date of submission of application	<a href="#">Page 3, Para 12</a>
	Notice must be posted on website and social media within 5 business days of submission of application and must include hyperlink to case docket page	
	Notices are not removed until final decision on application	
807 KAR 5:001, §17(2)	Notice mailed to each customer no later than date of submission of application	Not applicable
	Notice published in newspaper of general circulation in service area with 1st publication no later than date of submission of application	<a href="#">Page 3, Para 12</a>
807 KAR 5:001, §17(3)	Proof of Notice submitted within 45 days of submission of application	Will Be Submitted within Specified Time
807 KAR 5:001, §17(4)	Notice content	<a href="#">Exhibit 4</a>

# **EXHIBITS**

## TABLE OF EXHIBITS

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
1	Mountain Water District Board of Commissioners Resolution – A Resolution Authorizing an Application to the Kentucky Public Service Commission for a Surcharge to Adjust Water and Sewer Rates
2	Revised Tariff Sheets setting forth Proposed Rates and Other Changes
3	Present and Proposed Tariff Sheets in Comparative Form
4	Newspaper Notice
5	Notice of Intent to File Application
6	Schedule of Adjusted Operations with Explanation of Adjustments
7	Written Testimony of Roy B. Sawyers
8	Written Testimony of Connie Lea Allen, P.E.
9	Statement of Usage and Revenues from Present and Proposed Rates
10	Effect of Proposed Rates on Average Bill for Each Customer Classification
11	Summary of Revenue Requirements
12	Mountain District Chart of Accounts
13	2021 Independent Auditor’s Report on Mountain Water District
14	Water Asset Depreciation Schedule (filed separately as an Excel Workbook)
15	Computer Software Used to Develop Application and Exhibits
16	Monthly Managerial Reports for Test Year
17	Cost-of-Service Study
18	Income Statement and Balance Sheet with Adjustments
19	Annual Budgets for Calendar Years 2021 and 2022
20	Proposed Uses for Proposed Water Infrastructure Improvement Surcharge

# **EXHIBIT 1**

**RESOLUTION**  
23-02-001

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF  
MOUNTAIN WATER DISTRICT AUTHORIZING AN APPLICATION  
TO THE KENTUCKY PUBLIC SERVICE COMMISSION FOR  
AUTHORITY TO ADJUST RATES FOR WATER AND SEWER  
SERVICE**

**WHEREAS**, Mountain Water District is a water district created pursuant to the provisions of KRS Chapter 74;

**WHEREAS**, pursuant to KRS 278.015, the Kentucky General Assembly has declared water districts to be public utilities and subject to the jurisdiction of the Kentucky Public Service Commission in the same manner and to the same extent as any other utility as defined in KRS 278.010;

**WHEREAS**, on December 13, 2021, in Case No. 2021-00412, the Kentucky Public Service Commission ordered Mountain Water District to file an application for rate adjustment no later than December 28, 2022;

**WHEREAS**, the Kentucky Public Service Commission subsequently granted Mountain Water District's request for an additional time to prepare and to submit its applications for rate adjustments;

**WHEREAS**, Mountain Water District has caused to be prepared rate reviews using the ratemaking methodology that the Kentucky Public Service Commission has historically employed for water districts to establish the appropriate level of revenue from its rates for water and sewer service and those reviews indicate that Mountain Water District's present rates for water and sewer service are producing less than the level of revenue required to meet Mountain Water District's operating expenses, service its debt obligations and provide for adequate working capital and that an adjustment of Mountain Water District's current rates for water and sewer services is necessary to ensure adequate and reliable service;

**WHEREAS** Mountain Water District's review of its water operations suggest that an increase in water rates sufficient to produce additional revenues of at least \$2,093,536, or approximately 25.28 percent over revenues from water rates for the period from July 1, 2021 to June 30, 2022 is required;

**WHEREAS**, the rates for water service set forth in Exhibit A to this Resolution will produce the required increase in revenues for Mountain Water District's water operations;

**WHEREAS**, Mountain Water District's review of its sewer operations suggests that, under the methodology that Public Service Commission has historically used to establish rates for water districts its rates for sewer service should be increased to produce additional revenues of \$1,042,196, or approximately 49.73 percent over revenues for the period from July 1, 2021 to June 30, 2022 is required;

**WHEREAS**, given the magnitude of the required increase in rates for sewer service, such increase should be implemented in three phases,

**WHEREAS**, the Phase 3 rates for sewer service set forth in Exhibit B to this Resolution will produce an increase in revenues of 1,042,196 for Mountain Water District's sewer operations, which will be adequate for the sewer operations to meet its operating expenses, service its debt obligations, and provide for adequate working capital;

**WHEREAS**, Mountain Water District experienced unaccounted-for water loss of 27.3 percent for the period from July 1, 2021 to June 30, 2022 and has consistently experienced higher levels of unaccounted-for in every prior year since 2010;

**WHEREAS**, Mountain Water District requires improvements to its water infrastructure to reduce its water loss and to contain and reduce its costs to produce and transport water to its customers;

**WHEREAS**, Mountain Water District finds that a water infrastructure improvement program should be implemented and that this program should be funded through a temporary surcharge of \$5.61 assessed monthly on all Mountain Water District water service customers for 36 months, and

**WHEREAS**, KRS 278.180 and 807 KAR 5:001 require Mountain District to serve notice of its proposed rate adjustments on and to make applications for rate adjustment to the Kentucky Public Service Commission;

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF MOUNTAIN 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 Chairman is authorized and directed to take all actions reasonably necessary to apply to the Kentucky Public Service Commission, pursuant to KRS 278.180 and 807 KAR 5:001, for authority to adjust Mountain Water District's rates for water and sewer service to those set forth in Exhibits A and B to this Resolution.

**Section 3.** The Chairman, or his designated agent, is hereby authorized and directed to execute applications to the Kentucky Public Service Commission necessary to obtain an adjustment of rates for water and sewer service.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF MOUNTAIN WATER DISTRICT at a meeting held on February 13, 2023, signed by the Chairman, and attested by the Secretary.**

Randy L. Tackett, PE  
Chairman

**ATTEST:**

Paul Chaney  
Secretary

**EXHIBIT A**

**EXHIBIT TO A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF MOUNTAIN WATER DISTRICT DATED FEBRUARY 13, 2023**

<b>Water Service Rates</b>		
<b>Residential</b>		
First 2,000 Gallons	\$28.23 Minimum Bill	
Over 2,000 Gallons	\$11.76 Per 1,000 Gallons	
<b>Commercial Customers</b>		
Meter Size	Minimum Bill	Minimum Includes
5/8-inch Meter	\$ 33.00	First 2,000 Gallons
1-Inch Meter	\$ 63.09	First 5,000 Gallons
2-Inch Meter	\$ 173.42	First 16,000 Gallons
3-Inch Meter	\$ 333.90	First 32,000 Gallons
4-Inch Meter	\$ 514.44	First 50,000 Gallons
6-Inch Meter	\$ 1,015.95	First 100,000 Gallons
Volume Rate	\$ 10.03 per 1,000 gallons	
<b>Industrial Customers</b>		
Meter Size	Minimum Bill	Minimum Includes
1-Inch Meter	\$ 106.08	First 5,000 Gallons
2-Inch Meter	\$ 229.39	First 16,000 Gallons
3-Inch Meter	\$ 408.75	First 32,000 Gallons
4-Inch Meter	\$ 610.53	First 50,000 Gallons
6-Inch Meter	\$1,171.03	First 100,000 Gallons
Volume Rate	\$ 11.21 per 1,000 gallons	
<b>Public Authority Customers</b>		
Meter Size	Minimum Bill	Minimum Includes
5/8-Inch Meter	\$ 48.05	First 2,000 Gallons
1-Inch Meter	\$ 77.00	First 5,000 Gallons
2-Inch Meter	\$ 183.15	First 16,000 Gallons
3-Inch Meter	\$ 337.55	First 32,000 Gallons
4-Inch Meter	\$ 511.25	First 50,000 Gallons
6-Inch Meter	\$ 993.75	First 100,000 Gallons
Volume Rate	\$ 9.65 per 1,000 gallons	
<b>Wholesale Customers</b>		
Martin County Water District	\$3.90 per 1,000 gallons	
Mingo County Public Service District	\$5.83 per 1,000 gallons	
City of Jenkins		
First 50,000 Gallons	\$3.90 per 1,000 gallons	
Over 50,000 Gallons	\$4.40 per 1,000 gallons	
City of Elkhorn		
First 215,000 Gallons	\$3.67 per 1,000 gallons	

Over 215,000 Gallons	\$3.90 per 1,000 gallons
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<b>ALL CUSTOMERS</b>	
Water Infrastructure Improvement Surcharge	\$5.61 per customer bill for 36 months

**EXHIBIT B**

**EXHIBIT TO A RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF MOUNTAIN WATER DISTRICT DATED FEBRUARY 13, 2023**

<b>Sewer Service</b>	
<b>Phase 1 – Effective on Approval</b>	
<b>Sewer Customers With Metered Water Service</b>	
First 2,000 Gallons	\$ 43.39 Minimum Bill
Over 2,000 Gallons	0.01957 Per Gallon
<b>Sewer Customers Without Metered Water Service</b>	
Flat Rate	\$ 83.62 Per Month

<b>Sewer Service</b>	
<b>Phase 2 – Effective One Year After Approval of Phase 1 Rates</b>	
<b>Sewer Customers With Metered Water Service</b>	
First 2,000 Gallons	\$ 47.92 Minimum Bill
Over 2,000 Gallons	0.02215 Per Gallon
<b>Sewer Customers Without Metered Water Service</b>	
Flat Rate	\$ 87.80 Per Month

<b>Sewer Service</b>	
<b>Phase 3 – Effective Two Years After Approval of Phase 1 Rates</b>	
<b>Sewer Customers With Metered Water Service</b>	
First 2,000 Gallons	\$ 52.44 Minimum Bill
Over 2,000 Gallons	0.02474 Per Gallon
<b>Sewer Customers Without Metered Water Service</b>	
Flat Rate	\$ 90.44 Per Month

**CERTIFICATION**

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Mountain Water District; that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Commissioners of the Mountain Water District at a meeting duly held on January 26, 2023; that said official action appears as a matter of public record in Mountain Water District's official records or journal; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

WITNESS my hand this 13th day of February 2023.

  
Secretary

# **EXHIBIT 2**

AREA Entire Service Territory

PSC KY NO. 3

4th Revised SHEET NO. 2

Mountain Water District

CANCELLING PSC KY NO. 3

3rd Revised SHEET NO. 2

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## RATES AND CHARGES

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### Monthly Water Rates

#### Residential

First 2,000 Gallons \$ 28.23 Minimum Bill (I)  
Over 2,000 Gallons \$ 11.76 Per 1,000 Gallons (I)

#### Commercial

3/4-Inch Meter (First 2,000 Gallons) \$ 33.00 Minimum Bill (I)  
1-Inch Meter (First 5,000 Gallons) \$ 63.09 Minimum Bill (I)  
2-Inch Meter (First 16,000 Gallons) \$ 173.42 Minimum Bill (I)  
3-Inch Meter (First 32,000 Gallons) \$ 333.90 Minimum Bill (I)  
4-Inch Meter (First 50,000 Gallons) \$ 514.44 Minimum Bill (I)  
6-Inch Meter (First 100,000 Gallons) \$1,015.94 Minimum Bill (I)  
Over Minimum Bill Volume \$ 10.03 Per 1,000 Gallons (I)

#### Industrial

1-Inch Meter (First 5,000 Gallons) \$ 106.08 Minimum Bill (I)  
2-Inch Meter (First 16,000 Gallons) \$ 229.39 Minimum Bill (I)  
3-Inch Meter (First 32,000 Gallons) \$ 408.75 Minimum Bill (I)  
4-Inch Meter (First 50,000 Gallons) \$ 610.53 Minimum Bill (I)  
6-Inch Meter (First 100,000 Gallons) \$1,171.03 Minimum Bill (I)  
Over Minimum Bill Volume \$ 11.21 Per 1,000 Gallons (I)

#### Public Authority

3/4-Inch Meter (First 2,000 Gallons) \$ 48.05 Minimum Bill (I)  
1-Inch Meter (First 5,000 Gallons) \$ 77.00 Minimum Bill (I)  
2-Inch Meter (First 16,000 Gallons) \$ 183.15 Minimum Bill (I)  
3-Inch Meter (First 32,000 Gallons) \$ 337.55 Minimum Bill (I)  
4-Inch Meter (First 50,000 Gallons) \$ 511.25 Minimum Bill (I)  
6-Inch Meter (First 100,000 Gallons) \$ 993.75 Minimum Bill (I)  
Over Minimum Bill Volume \$ 9.65 Per 1,000 Gallons (I)

Martin County Water District \$ 3.90 Per 1,000 Gallons (I)  
Mingo County Public Service District \$ 5.83 Per 1,000 Gallons (I)  
Jenkins Utilities  
First 50,000 Gallons Per Day \$ 3.90 Per 1,000 Gallons (I)  
Over 50,000 Gallons Per Day 4.40 Per 1,000 Gallons (I)

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DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

Original SHEET NO. 2.1

Mountain Water District

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

**RATES AND CHARGES**

City of Elkhorn		
First 215,000 Gallons Per Day	\$ 3.67 Per 1,000 Gallons	(I)
Over 215,000 Gallons Per Day	3.90 Per 1,000 Gallons	(I)

Water withdrawn from a hydrant and water withdrawn for construction shall be charged at the lowest rate in the current rate schedule.

**Customer Classifications:** (N)

“Commercial sales” means sales to private schools, colleges, hospitals, private educational, cultural, social or religious organizations, business or manufacturing establishments if the water is not used principally in manufacturing or processing functions. (N)

“Industrial sales” means sales to manufacturing of processing establishments if the water is used principally in manufacturing or processing function (N)

“Residential Sales” means sales to single premise residences or to multiple premises residences in which each premises is served through a single meter and to multiple premises residences served through a single Meter if the usage is primary for residential purposes and to churches (N)

“Public Authority Sales” means sales to municipal, county, state or federal agencies (other than the sales of water for resale). Examples under this category are city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies. (N)

DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

Original SHEET NO. 2.2

Mountain Water District

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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### RATES AND CHARGES

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#### **Water Infrastructure Improvement Surcharge**

Water Infrastructure Improvement Surcharge

\$5.61 Monthly Per Bill

Mountain Water District (“the District”) shall assess the Water Infrastructure Improvement Surcharge to all customers for service rendered on and after the effective date for a period of 36 months subject to the following conditions:

1. The District will deposit and maintain all surcharge proceeds in a separate, interest-bearing account.
2. Beginning the second month following the effective day and continuing for the next 35 months or until all surcharge proceeds are expended, whichever occurs later, the District shall file with the Commission a monthly activity report, which includes a statement of monthly surcharge billings and collections; a monthly surcharge bank statement; a list of each payment from the account, its payee and a description of its purpose; and invoices supporting each payment, no later than the 15th day of the following month.
3. Beginning for the month following the effective date and continuing for the next 35 months or until all surcharge proceeds are expended, whichever occurs later, the District file with the Commission a water loss report for the month no later than the 15th day of the following month.
4. Surcharge proceeds may not be used for expenses incurred prior to effective date.
5. The Surcharge shall be billed as a separate line item on all customer bills.
6. The District shall obtain Public Service Commission approval for the use of surcharge proceeds for a specific water infrastructure improvement and water loss control activity prior to the expenditure of surcharge proceeds for such improvement or activity.

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DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

Original SHEET NO. 2.3

Mountain Water District

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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RATES AND CHARGES

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**Water Infrastructure Improvement Surcharge**

7. Each year following the effective date of the surcharge, the District shall submit to the Public Service Commission a schedule of the estimated and actual progress of its Water Infrastructure Improvement Program and the estimated and actual surcharge expenditures.

8. Should the District fail to reduce its unaccounted-for water loss level to fifteen (15) percent or less of total water produced and purchased, excluding water used by the District in its own operations within 36 months of the effective date, the District may request an extension of the period in which the surcharge may be assessed and collected.

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DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

First Revised SHEET NO. 8

Mountain Water District

CANCELLING PSC KY NO. 8

Original SHEET NO. 8

**CLASSIFICATION OF SERVICE**

**Monthly Usage Charge for Special Service  
Through A Multi-Unit Master Meter**

The monthly charge for customers who have requested water service through a master meter for multi-unit service shall be the amount based on the average gallons used per unit at the current rate schedule, times the number of units in the multiple-unit facility.

(T)

DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

# **EXHIBIT 3**

AREA Entire Service Territory  
PSC KY NO. 3  
4th Revised SHEET NO. 2  
CANCELLING PSC KY NO. 3  
3rd Revised SHEET NO. 2

**RATES AND CHARGES**

**Monthly Water Rates**

<b>Residential</b>			
First 2,000 Gallons	\$ 28.23	Minimum Bill	(0)
Over 2,000 Gallons	\$ 11.76	Per 1,000 Gallons	(0)
<b>Commercial</b>			
3/4-Inch Meter (First 2,000 Gallons)	\$ 33.00	Minimum Bill	(0)
1-Inch Meter (First 5,000 Gallons)	\$ 63.09	Minimum Bill	(0)
2-Inch Meter (First 16,000 Gallons)	\$ 173.42	Minimum Bill	(0)
3-Inch Meter (First 32,000 Gallons)	\$ 333.90	Minimum Bill	(0)
4-Inch Meter (First 50,000 Gallons)	\$ 514.44	Minimum Bill	(0)
6-Inch Meter (First 100,000 Gallons)	\$ 1,015.94	Minimum Bill	(0)
Over Minimum Bill Volume	\$ 10.03	Per 1,000 Gallons	(0)
<b>Industrial</b>			
1-Inch Meter (First 5,000 Gallons)	\$ 106.08	Minimum Bill	(0)
2-Inch Meter (First 16,000 Gallons)	\$ 229.39	Minimum Bill	(0)
3-Inch Meter (First 32,000 Gallons)	\$ 408.75	Minimum Bill	(0)
4-Inch Meter (First 50,000 Gallons)	\$ 610.53	Minimum Bill	(0)
6-Inch Meter (First 100,000 Gallons)	\$ 1,171.03	Minimum Bill	(0)
Over Minimum Bill Volume	\$ 11.21	Per 1,000 Gallons	(0)
<b>Public Authority</b>			
3/4-Inch Meter (First 2,000 Gallons)	\$ 48.05	Minimum Bill	(0)
1-Inch Meter (First 5,000 Gallons)	\$ 77.00	Minimum Bill	(0)
2-Inch Meter (First 16,000 Gallons)	\$ 183.15	Minimum Bill	(0)
3-Inch Meter (First 32,000 Gallons)	\$ 337.55	Minimum Bill	(0)
4-Inch Meter (First 50,000 Gallons)	\$ 511.25	Minimum Bill	(0)
6-Inch Meter (First 100,000 Gallons)	\$ 993.75	Minimum Bill	(0)
Over Minimum Bill Volume	\$ 9.65	Per 1,000 Gallons	(0)
Martin County Water District	\$ 3.90	Per 1,000 Gallons	(0)
Mingo County Public Service District	\$ 5.83	Per 1,000 Gallons	(0)
Jenkins Utilities	\$ 3.90	Per 1,000 Gallons	(0)
First 50,000 Gallons Per Day	\$ 4.40	Per 1,000 Gallons	(0)
Over 50,000 Gallons Per Day			(0)

DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR  
DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR  
ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER  
TITLE Chair  
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory  
PSC KY NO. 3  
3rd Revised SHEET NO. 2  
CANCELLING PSC KY NO. 3  
2nd Revised SHEET NO. 2

**RATES AND CHARGES**

**Monthly Water Rates**

<b>5/8-Inch x 3/4-Inch Meter</b>			
First 2,000 Gallons	\$ 24.09	Minimum Bill	(0)
Next 8,000 Gallons	0.00855	Per Gallon	(0)
Next 10,000 Gallons	0.00762	Per Gallon	(0)
<b>1-Inch Meter</b>			
First 5,000 Gallons	\$ 49.74	Minimum Bill	(0)
Next 5,000 Gallons	0.00855	Per Gallon	(0)
Over 10,000 Gallons	0.00762	Per Gallon	(0)
<b>2-Inch Meter</b>			
First 20,000 Gallons	\$ 168.69	Minimum Bill	(0)
Over 20,000 Gallons	0.00762	Per Gallon	(0)
<b>3-Inch Meter</b>			
First 30,000 Gallons	\$ 244.89	Minimum Bill	(0)
Over 30,000 Gallons	0.00762	Per Gallon	(0)
<b>4-Inch Meter</b>			
First 50,000 Gallons	\$ 397.29	Minimum Bill	(0)
Over 50,000 Gallons	0.00762	Per Gallon	(0)
<b>6-Inch Meter</b>			
First 100,000 Gallons	\$ 778.29	Minimum Bill	(0)
Over 100,000 Gallons	0.00762	Per Gallon	(0)
Martin County Water District	\$ 0.00317	Per Gallon	(0)
Mingo County Public Service District	\$ 0.00474	Per Gallon	(0)
Jenkins Utilities	\$ 0.00317	Per Gallon	(0)
First 50,000 Gallons Per Day	\$ 0.00358	Per Gallon	(0)
Over 50,000 Gallons Per Day			(0)
City of Elkton	\$ 0.00299	Per Gallon	(0)
First 215,000 Gallons Per Day	\$ 0.00317	Per Gallon	(0)
Over 215,000 Gallons Per Day			(0)

Water withdrawn from a hydrant and water withdrawn for construction shall be charged at the lowest rate in the current rate schedule.

DATE OF ISSUE January 13, 2023  
MONTH / DATE / YEAR  
DATE EFFECTIVE December 11, 2022  
MONTH / DATE / YEAR  
ISSUED BY /s/Johnny Dennison  
SIGNATURE OF OFFICER  
TITLE Chair  
BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 2022-00423 DATED Jan. 12, 2023

AREA Entire Service Territory

PSC KY NO. 3

Original SHEET NO. 21

Mountain Water District CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

**RATES AND CHARGES**

City of Elkhorn		
First 215,000 Gallons Per Day	\$ 3.67 Per 1,000 Gallons	(D)
Over 215,000 Gallons Per Day	3.90 Per 1,000 Gallons	(D)

Water withdrawn from a hydrant and water withdrawn for construction shall be charged at the lowest rate in the current rate schedule.

**Customer Classifications:**

- "Commercial sales" means sales to private schools, colleges, hospitals, private educational, cultural, social or religious organizations, business or manufacturing establishments if the water is not used principally in manufacturing or processing functions. (N)
- "Industrial sales" means sales to manufacturing or processing establishments if the water is used principally in manufacturing or processing function (N)
- "Residential Sales" means sales to single premise residences or to multiple premises residences in which each premises is served through a single meter and to multiple premises residences served through a single Meter if the usage is primary for residential purposes and to churches (N)
- "Public Authority Sales" means sales to municipal, county, state or federal agencies (other than the sales of water for resale). Examples under this category are city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies. (N)

**NO EXISTING TARIFF PAGE**

DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

Original SHEET NO. 22

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Mountain Water District

**RATES AND CHARGES**

**Water Infrastructure Improvement Surcharge**

Water Infrastructure Improvement Surcharge **\$5.61 Monthly Per Bill**

Mountain Water District ("the District") shall assess the Water Infrastructure Improvement Surcharge to all customers for service rendered on and after the effective date for a period of 36 months subject to the following conditions:

1. The District will deposit and maintain all surcharge proceeds in a separate, interest-bearing account.
2. Beginning the second month following the effective day and continuing for the next 35 months or until all surcharge proceeds are expended, whichever occurs later, the District shall file with the Commission a monthly activity report, which includes a statement of monthly surcharge billings and collections; a monthly surcharge bank statement; a list of each payment from the account, its payee and a description of its purpose; and invoices supporting each payment, no later than the 15th day of the following month.
3. Beginning for the month following the effective date and continuing for the next 35 months or until all surcharge proceeds are expended, whichever occurs later, the District file with the Commission a water loss report for the month no later than the 15th day of the following month.
4. Surcharge proceeds may not be used for expenses incurred prior to effective date.
5. The Surcharge shall be billed as a separate line item on all customer bills.
6. The District shall obtain Public Service Commission approval for the use of surcharge proceeds for a specific water infrastructure improvement and water loss control activity prior to the expenditure of surcharge proceeds for such improvement or activity.

N

**NO EXISTING TARIFF PAGE**

DATE OF ISSUE February 17, 2023

MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023

MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett

SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

Original SHEET NO. 2,3

CANCELLING PSC KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Mountain Water District

RATES AND CHARGES

**Water Infrastructure Improvement Surcharge**

(N)

7. Each year following the effective date of the surcharge, the District shall submit to the Public Service Commission a schedule of the estimated and actual progress of its Water Infrastructure Improvement Program and the estimated and actual surcharge expenditures. (N)

8. Should the District fail to reduce its unaccounted-for water loss level to fifteen (15) percent or less of total water produced and purchased, excluding water used by the District in its own operations within 36 months of the effective date, the District may request an extension of the period in which the surcharge may be assessed and collected. (N)

NO EXISTING TARIFF PAGE

DATE OF ISSUE February 17, 2023  
MONTH / DATE / YEAR

DATE EFFECTIVE March 20, 2023  
MONTH / DATE / YEAR

ISSUED BY /s/Randy Tackett  
SIGNATURE OF OFFICER

TITLE Chair

BY AUTHORITY OF ORDERS OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

AREA Entire Service Territory

PSC KY NO. 3

First Revised SHEET NO. 8

CANCELLING PSC KY NO. 8

Original SHEET NO. 8

Mountain Water District

Mountain Water District  
(Name of Utility)

CLASSIFICATION OF SERVICE

CLASSIFICATION

**Monthly Usage Charge for Special Service  
Through A Multi-Unit Master Meter**

**Monthly Usage Charge  
Through a Multi-Unit Master Meter**

The monthly charge for customers who have requested water service through a master meter for multi-unit service shall be the amount based on the average gallons used per unit at the current rate schedule, times the number of units in the multiple-unit facility.

(T)

The monthly charge for customers who have requested water service through a master meter for multi-unit service shall be the amount based on the average gallons used per housing unit at the current rate schedule, times the number of units in the multiple-unit facility.

# **EXHIBIT 4**

## NOTICE

On or about February 17, 2023, Mountain Water District will file applications with the Kentucky Public Service Commission for the purpose of adjusting its monthly rates for water and sewer service. Mountain Water District is making these applications to comply with the Kentucky Public Service Commission’s Order of December 13, 2021 in Case No. 2021-00412.

Mountain Water District proposes to charge the following rates for water service:

<b>WATER RATES</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)*</b>	<b>Change (%)</b>
<b>Residential</b>				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 28.23 Minimum Bill	\$ 4.14	17.19
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 3.21	37.54
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 4.14	54.33
<b>Commercial (5/8 x 3/4-Inch Meter)</b>				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 33.00 Minimum Bill	\$ 8.91.	36.99
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
<b>Commercial (1-Inch Meter)</b>				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 63.09 Minimum Bill	\$ 13.35	26.84
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
<b>Commercial (2-Inch Meter)</b>				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 173.42 Minimum Bill	\$ 4.73	2.80
Next 4,000 Gallons		\$ 10.03 Per 1,000 Gallons	\$ 44.85	26.59
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
<b>Commercial (3-Inch Meter)</b>				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 333.90 Minimum Bill	\$ 89.01	36.35
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 73.77	30.12
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.627
<b>Commercial (4-Inch Meter)</b>				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 514.44 Minimum Bill	\$117.15	29.49
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
<b>Commercial (6-Inch Meter)</b>				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,015.94 Minimum Bill	\$237.65	30.53
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
<b>Public Authority (5/8 x 3/4-Inch Meter)</b>				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 48.05 Minimum Bill	\$ 23.96	99.46
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
<b>Public Authority (1-Inch Meter)</b>				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 77.00 Minimum Bill	\$ 27.26	54.80
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
<b>Public Authority (2-Inch Meter)</b>				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 183.15 Minimum Bill	\$ 14.46	8.57

Next 4,000 Gallons		\$ 9.65 Per 1,000 Gallons	\$ 53.06	31.45
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
<b>Public Authority (3-Inch Meter)</b>				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 337.55 Minimum Bill	\$ 92.66	37.84
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 77.42	29.76
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
<b>Public Authority (4-Inch Meter)</b>				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 511.25 Minimum Bill	\$113.96	28.68
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
<b>Public Authority (6-Inch Meter)</b>				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$ 993.75 Minimum Bill	\$215.46	27.68
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
<b>Industrial (1-Inch Meter)</b>				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 106.08 Minimum Bill	\$ 56.34	113.27
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 2.66	31.11
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
<b>Industrial (2-Inch Meter)</b>				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 229.39 Minimum Bill	\$ 60.70	35.98
Next 4,000 Gallons		\$ 11.21 Per 1,000 Gallons	\$105.54	62.56
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
<b>Industrial (3-Inch Meter)</b>				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 408.75 Minimum Bill	\$163.86	66.91
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$148.62	60.69
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
<b>Industrial (4-Inch Meter)</b>				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 610.53 Minimum Bill	\$213.24	53.67
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
<b>Industrial (6-Inch Meter)</b>				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,171.03 Minimum Bill	\$392.74	50.46
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
<b>Wholesale</b>				
Martin County Water District	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Mingo County PSD	\$4.74 per 1,000 gallons	\$ 5.83 per 1,000 gallons	\$ 1.13	23.00
City of Jenkins				
First 50,000 Gallons	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Over 50,000 Gallons	\$3.58 per 1,000 gallons	\$ 4.40 per 1,000 gallons	\$ 0.82	22.9
City of Elkhorn				
First 215,000 per day	\$2.99 per 1,000 gallons	\$ 3.67 per 1,000 gallons	\$ 0.68	22.74
Over 215,000 per day	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.03
*If the volume of water available in a minimum bill for a rate classification has changed, the amount of the change is calculated using the proposed minimum charge's volume and the prior minimum charge's volume.				

Mountain Water District further proposes to classify its customers based upon the following customer classes:

**Commercial:** private schools, colleges, hospitals, private educational, cultural, social or religious organizations, and business or manufacturing establishments if the water is not used principally in manufacturing or processing functions.

**Industrial:** manufacturing or processing establishments if the water is used principally in manufacturing or processing function.

**Residential:** single premise residences, multiple premises residences in which each premises is served through a single meter, multiple premises residences served through a single meter, and churches.

**Public Authority:** municipal, county, state or federal agencies (other than the sales of water for resale) and includes city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies.

**Wholesale:** A private or public water utility which resells water to its customers.

If the Public Service Commission approves the proposed water rates, the increase in a customer’s monthly bill will be:

Customer*	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Proposed Rate	Monthly Bill Increase (\$)	Monthly Bill Increase (%)
Residential	3,100	\$ 33.50	\$ 41.17	\$ 7.67	22.90
Commercial					
5/8-x 3/4-Inch Meter	3,455	\$ 36.53	\$ 47.59	\$ 11.06	30.28
1-Inch Meter	8,067	\$ 75.96	\$ 93.85	\$ 17.89	23.55
2-Inch Meter	50,688	\$ 402.53	\$ 521.34	\$ 118.81	29.52
3-Inch Meter	209,832	\$ 1,615.21	\$ 2,117.55	\$ 502.34	31.10
4-Inch Meter	156,570	\$ 1,209.35	\$ 1,583.34	\$ 373.99	30.92
6-Inch Meter	331,462	\$ 2,542.03	\$ 3,337.50	\$ 795.47	31.29
Public Authority					
5/8-x 3/4-Inch Meter	1,622	\$ 24.09	\$ 48.05	\$ 23.96	99.46
1-Inch Meter	11,662	\$ 105.15	\$ 141.29	\$ 36.14	34.37
2-Inch Meter	38,445	\$ 309.24	\$ 399.74	\$ 90.50	29.27
3-Inch Meter	161,182	\$ 1,244.50	\$ 1,584.16	\$ 339.66	27.29
4-Inch Meter	49,972	\$ 397.29	\$ 511.25	\$ 113.96	28.68
6-Inch Meter	37,673	\$ 778.29	\$ 993.75	\$ 215.46	27.68
Industrial					
2-Inch Meter	8,500	\$ 168.69	\$ 229.39	\$ 60.70	35.98
4-Inch Meter	678,250	\$ 5,184.56	\$ 7,653.21	\$2,468.65	47.62
Martin County Water District	10,633	\$ 33.71	\$ 41.47	\$ 7.76	23.00
Mingo County Public Service District	184,712	\$ 875.53	\$ 1,076.87	\$ 201.34	23.00
Jenkins Utilities	0	\$ 0.00	\$ 0.00	\$ 0.00	0
City of Elkhorn	4,627,241	\$13,835.45	\$16,981.97	\$3,146.52	22.74
*Meter sizes not listed did not have any customers during the period used to establish the proposed rates.					

Mountain Water District further proposes to assess, beginning March 20, 2023, a Water Infrastructure Improvement Surcharge of \$5.61 on each water customer’s monthly bill for 36 months to finance proposed infrastructure improvements to reduce water loss and improve service quality. Prior Kentucky Public Service

Commission approval will be required for each use of surcharge proceeds. All surcharge proceeds must be maintained in a separate interest-bearing account. All collections and uses of surcharge proceeds must be reported monthly to the Kentucky Public Service Commission. Failure to comply with the conditions attached to the proposed surcharge will result in termination of the Water Infrastructure Improvement Charge Surcharge and refund of all surcharge proceeds Mountain Water District's possession or control and all proceeds disbursed for expenses or projects not approved by the Kentucky Public Service Commission.

Mountain Water District also proposes to adjust its rates for monthly sewer service. Mountain District proposes to place the Phase 1 rates into effect on March 20, 2023. Phase 2 rates will become effective one year later. Phase 3 rates will become effective two years later. The proposed rates for sewer service are as follows:

<b>SEWER RATES (PHASE 1)</b>				
<b>All Users With Metered Water Service</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>	<b>Change (%)</b>
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 43.39 Minimum Bill	\$ 5.66	15.00
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 19.57 Per 1,000 Gallons	\$ 3.40	21.03
<b>All Users Without Metered Water Service</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Monthly Rate	\$78.15 Per Month	\$ 83.62 Per Month	\$ 5.47	7.00

<b>SEWER RATES (PHASE 2)</b>				
<b>All Users With Metered Water Service</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>	<b>Change (%)</b>
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 47.92 Minimum Bill	\$10.19	27.01
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 22.15 Per 1,000 Gallons	\$ 5.98	36.98
<b>All Users Without Metered Water Service</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Monthly Rate	\$78.15 Per Month	\$ 87.80 Per Month	\$ 9.65	12.35

<b>SEWER RATES (PHASE 3)</b>				
<b>All Users With Metered Water Service</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>	<b>Change (%)</b>
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 52.44 Minimum Bill	\$14.71	38.99
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 24.74 Per 1,000 Gallons	\$ 8.57	53.00
<b>All Users Without Metered Water Service</b>				
	<b>Present Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Monthly Rate	\$78.15 Per Month	\$ 90.44 Per Month	\$12.29	15.73

If the Public Service Commission approves the proposed sewer rates, the increase in a customer's monthly bill will be:

<b>Customer</b>	<b>Average Usage (gals)</b>	<b>Monthly Bill at Current Rate</b>	<b>Monthly Bill at Phase 1 Rate</b>	<b>Increase Over Current (%)</b>	<b>Monthly Bill at Phase 2 Rate</b>	<b>Increase Over Current (%)</b>	<b>Monthly Bill at Phase 3 Rate</b>	<b>Increase Over Current (%)</b>
User with Metered Water Service	4,134	\$72.24	\$85.15	17.87	\$95.19	31.77	\$105.24	45.68
User w/o Metered Water Service	NA	\$78.15	\$83.62	7.00	\$87.80	12.35	\$90.44	15.73

The Kentucky Public Service Commission has established Cases No. 2022-00366 (Water) and No. 2022-00367 (Sewer) to review Mountain Water District's applications. Any person may examine these applications at Mountain Water District's office, Mountain Water District, 6332 Zebulon Highway, Pikeville, Kentucky or at the Kentucky Public Service Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's Web site at <https://psc.ky.gov/Case/ViewCaseFilings/2022-366> (Water) or <https://psc.ky.gov/Case/ViewCaseFilings/2022-367> (Sewer).

Comments regarding either application may be submitted to the Kentucky Public Service Commission through the Commission's Web Site at <https://psc.ky.gov/Case/SearchCasesPublicComments> or by e-mail to [psc.info@ky.gov](mailto:psc.info@ky.gov) or by mail to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

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

A person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the person's status and interest. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of notice, it may take final action on the proposed rates.

Mountain Water District  
 First Publication Date: February 17, 2023

# **EXHIBIT 5**

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

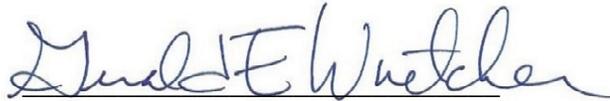
<b>ELECTRONIC APPLICATION OF</b>	)	
<b>MOUNTAIN WATER DISTRICT FOR AN</b>	)	<b>CASE NO. 2022-00366</b>
<b>ADJUSTMENT OF ITS RATES FOR WATER</b>	)	
<b>SERVICE</b>	)	

**NOTICE**

Pursuant to 807 KAR 5:001, Section 16(2), Mountain Water District gives notice to the Public Service Commission that on or before December 28, 2022, it will file an application for a general rate adjustment of its water service rates that will be supported by a historical test period.

Dated: October 31, 2022

Respectfully submitted,

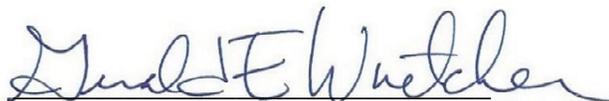


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Fax: (859) 259-3517  
gerald.wuetcher@skofirm.com

*Counsel for Mountain Water District*

**CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on October 31, 2022 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding. I further certify that a copy of this notice has been served by e-mail on October 31, 2022 to: Office of Rate Intervention, Office of Attorney General at rateintervention@ky.gov and rateintervention@ag.ky.gov and John Horne, Executive Director, Office of Rate Intervention, Office of Attorney General at john.horne@ky.gov.



*Counsel for Mountain Water District*

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

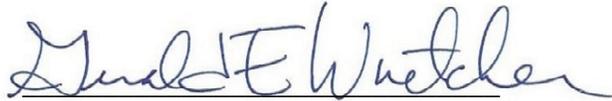
<b>ELECTRONIC APPLICATION OF</b>	)	
<b>MOUNTAIN WATER DISTRICT FOR AN</b>	)	<b>CASE NO. 2022-00366</b>
<b>ADJUSTMENT OF ITS RATES FOR WATER</b>	)	
<b>SERVICE</b>	)	

**REVISED NOTICE**

Pursuant to 807 KAR 5:001, Section 16(2), Mountain Water District gives notice to the Public Service Commission that on or before February 1, 2023, it will file an application for a general adjustment of its water service rates that will be supported by a historical test period. This Notice supersedes and replaces the notice that Mountain Water District submitted on October 31, 2022.

Dated: December 8, 2022

Respectfully submitted,

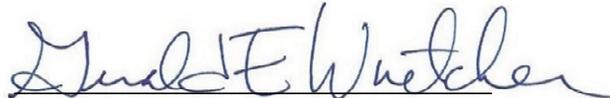


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*Counsel for Mountain Water District*

## CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on December 8, 2022 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding. I further certify that a copy of this notice has been served by e-mail on December 8, 2022 to: Office of Rate Intervention, Office of Attorney General at [rateintervention@ky.gov](mailto:rateintervention@ky.gov) and [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov) and John Horne, Executive Director, Office of Rate Intervention, Office of Attorney General at [john.horne@ky.gov](mailto:john.horne@ky.gov).

  
*Counsel for Mountain Water District*

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF</b>	)	
<b>MOUNTAIN WATER DISTRICT FOR AN</b>	)	<b>CASE NO. 2022-00366</b>
<b>ADJUSTMENT OF ITS RATES FOR WATER</b>	)	
<b>SERVICE</b>	)	

**SECOND REVISED NOTICE**

Pursuant to 807 KAR 5:001, Section 16(2), Mountain Water District gives notice to the Public Service Commission that on or before February 27, 2023, it will file an application for a general adjustment of its water service rates that will be supported by a historical test period. This Notice supersedes and replaces previous notices.

Dated: January 19, 2023

Respectfully submitted,

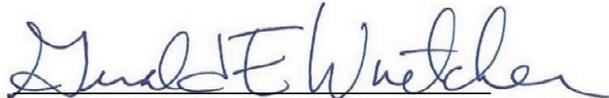


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*Counsel for Mountain Water District*

## CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on January 19, 2023 and that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding. I further certify that a copy of this notice has been served by e-mail on December 8, 2022 to: Office of Rate Intervention, Office of Attorney General at [rateintervention@ky.gov](mailto:rateintervention@ky.gov) and [rateintervention@ag.ky.gov](mailto:rateintervention@ag.ky.gov) and John Horne, Executive Director, Office of Rate Intervention, Office of Attorney General at [john.horne@ky.gov](mailto:john.horne@ky.gov).

  
*Mark E. Wetcher*  
*Counsel for Mountain Water District*

# **EXHIBIT 6**

**SCHEDULE OF ADJUSTED OPERATIONS**  
**Test Year Ending June 30, 2022**

	Test Year	Adjustment	Ref.	Pro Forma
<b>Operating Revenues</b>				
Sales of Water				
Unmetered Water Sales				
Metered Water Sales	\$ 8,173,985	\$ 100,902	A	\$ 8,274,887
Bulk Loading Stations				
Fire Protection Revenue				
Sales for Resale				
Total Water Sales	\$ 8,173,985	\$ 100,902		\$ 8,278,923
Other Water Revenues				
Forfeited Discounts	\$ 159,273			\$ 159,273
Miscellaneous Service Revenues	\$ 175,147			\$ 175,147
Rents from Water Property				
Other Water Revenues	\$ 26,760			\$ 26,760
Total Other Water Revenues	\$ 361,180			\$ 361,180
<b>Total Operating Revenues</b>	\$ 8,535,165			\$ 8,636,067
<b>Operating Expenses</b>				
Operation and Maintenance Expenses				
Salaries and Wages - Employees	\$ 1,881,072	\$ 94,211	B	\$ 1,975,283
Salaries and Wages - Officers	\$ 22,601			\$ 22,601
Employee Benefits and Pensions				
Employee Benefits	\$ 349,505	\$ (58,000)	C	\$ 291,505
Employee Pensions	\$ 463,712	\$ 5,991	D	\$ 469,703
Purchased Water	\$ 1,180,640	\$ (7,610)	E	\$ 1,173,030
Purchased Power	\$ 1,286,870	\$ (69,167)	F	\$ 1,217,703
Fuel for Power Production				
Chemicals	\$ 173,233	\$ 8,642	G	\$ 181,875
Materials and Supplies				
Uniforms	\$ 25,494			\$ 25,494
Laboratory	\$ 13,675			\$ 13,675
R&M Leak Detection	\$ 1,951			\$ 1,951
Safety Equipment	\$ 16,588			\$ 16,588
Hand Tools - R&M Tools	\$ 21,414			\$ 21,414
PS/LS Repair	\$ 115,511			\$ 115,511
Major Equipment Repair	\$ 62,081			\$ 62,081
Employee Expense	\$ 7,611			\$ 7,611
General Maintenance R&M	\$ 516,865			\$ 516,865
Contractual Services-Accounting	\$ 66,304			\$ 66,304
Contractual Services-Engineering	\$ 3,998			\$ 3,998

**SCHEDULE OF ADJUSTED OPERATIONS**  
**Test Year Ending June 30, 2022**

Contractual Services-Legal	\$ 10,736			\$ 10,736
Contractual Services-Others				
Services - Manpower	\$ 234,090	\$ 285,078	H	\$ 519,168
Outside Services	\$ 10,260			\$ 10,260
Water Testing	\$ 54,084			\$ 54,084
Rents	\$ 6,746			\$ 6,746
Transportation/Vehicle Expenses	\$ 256,127			\$ 256,127
Insurance-General Liability	\$ 110,120	\$ 11,007	I	\$ 121,127
Insurance-Workers Comp	\$ 46,189	\$ 7,553	J	\$ 53,742
Advertising Expenses	\$ 1,956			\$ 1,956
Regulatory Commission Expenses				
Rate Case Expense	\$ 664	\$ 24,310	K	\$ 24,974
Bad Debt Expense	\$ 78,794			\$ 78,794
Miscellaneous Expenses				
Postage	\$ 197,235			\$ 197,235
Telephone	\$ 47,423			\$ 47,423
R&M Telemetry	\$ 24,586			\$ 24,586
Miscellaneous Supplies	\$ 3,255			\$ 3,255
Education Dues	\$ 36,494			\$ 36,494
Service Fees	\$ 10,488			\$ 10,488
Total Operation and Maintenance Expenses	\$ 7,338,373			\$ 7,640,387
Depreciation Expense	\$ 2,722,308	\$ (30,722)	L	\$ 2,691,586
Amortization Expense				
Taxes Other than Income				
FICA	\$ 132,944			\$ 132,944
PSC Assessment				
<b>Total Operating Expenses</b>	\$ 10,193,625			\$ 10,464,917
<b>Utility Operating Income</b>	\$ (1,658,460)			\$ (1,828,850)

**SCHEDULE OF ADJUSTED OPERATIONS  
REFERENCES**

Reference	Remarks
A	Mountain Water District increased its rates for water service on December 11, 2022 to passthrough an increase in its wholesale cost of water. See Case No. 2022-00423. Revenue from test period water sales was adjusted to reflect the higher rates.
B	Salaries and wages were adjusted to reflect current salaries and wages. Salaries and wages also adjusted to salary and wage increase approved by Board of Commissioners for 2023, effective upon final action by the Public Service Commission on Mountain Water District's application.
C	Employee Health Insurance Expense adjusted to reflect known changes in the individual employee plans occurring after end of test period. Adjustments to reflect known post-test period increase in health insurance premiums and to reflect Public Service Commission's limits on employer's contribution to employee health insurance cost.
D	On December 5, 2022, the County Employees Retirement System (CERS) voted to reduce employer contribution rate from 26.79 percent to 23.34 percent effective July 1, 2023. Test period Pension expense has been reduced to reflect this decrease. Pension expense has been increased to reflect increased wages due to Adjustments B and C. Employer contribution rate of 23.34 applied to increased wages
E	Purchased Water Expense adjusted to reflect increase in cost of purchased water from the City of Pikeville. Expense further adjusted to remove water costs for portion of Mountain Water District's unaccounted-for water loss that exceeded 22 percent of total water produced and purchased. Mountain Water District proposes to use a 22 percent unaccounted-for water loss standard instead of the 15 percent standard set forth in 807 KAR 5:066, Section 6(3).
F	Purchase Power expense was adjusted to reflect power costs to pump unaccounted-for water loss that exceeded 22 percent of total water produced and purchased.
G	Chemical expense was increased to reflect the increased cost of Delpac and sodium hypochlorite. Chemical expense was reduced to reflect chemical costs related to unaccounted-for water loss that exceeded 22 percent of total water produced and purchased.
H	Reflects Mountain Water District's Manpower Rate Increase and the hiring of additional temporary employees that employed during the test period.
I	Reflects increases in premiums for liability insurance for period from 8/31/2022 to 8/31/2023.
J	Adjustment to reflect workers' compensation premium for period from 10/30/2022 to 10/30/2023
K	Reflects expected legal and consulting fees for preparation of application for rate adjustment and representation of Mountain Water District in rate proceedings before Public Service Commission

**SCHEDULE OF ADJUSTED OPERATIONS  
REFERENCES**

<b>Reference</b>	<b>Remarks</b>
L	Reflects assets that contributed to depreciation expense in test period but are now fully depreciated.

# **EXHIBIT 7**



1 **Q. Please state your name, position, and business address.**

2 A. My name is Roy B. Sawyers. I am the General Manager for Mountain Water District  
3 (“the “District”). My business address is 6332 Zebulon Highway, Pikeville, Kentucky  
4 41502.

5 **Q. Please describe your educational and professional background.**

6 A. I have prepared a statement of my professional work history and education, which is  
7 attached to this testimony as Exhibit RBS-1.

8 **Q. How long have you been employed by the District?**

9 A. I have worked for Mountain Water District since 2011. I was originally hired as District  
10 Administrator and served as the liaison between the District and Utility Management  
11 Group (“UMG”). In 2016, when the District terminated its management agreement  
12 with UMG, I became the District’s General Manager.

13 **Q. What are your primary duties as General Manager for the District?**

14 A. I serve as the District’s chief executive officer and am responsible for the District’s  
15 overall operations. I have subordinates who report to me on various District operations,  
16 including wastewater operations, water field operations, and financial administration.  
17 I am responsible for reporting on the District’s operations to the District’s Board of  
18 Commissioners and implementing the Board’s policy decisions.

19 **Q. What is the purpose of your written testimony?**

20 A. My written testimony is being prepared to support the District’s Application for a  
21 general rate adjustment and for authorization to assess a Water Infrastructure  
22 Improvement Surcharge to finance water improvement activities to reduce the

1 District's unaccounted-for water loss. My Written Testimony will be filed with the  
2 PSC.

3 **Q. Briefly describe the District's operations.**

4 A. The District provides water and wastewater services to the unincorporated areas of Pike  
5 County. As of December 31, 2021, it served 16,574 customers in Pike County,  
6 Kentucky and wholesale water service to the cities of Elkhorn City and Jenkins,  
7 Kentucky; Martin County Water District; and Mingo County Public Service District.  
8 The District also operates wastewater collection and treatment systems that served as  
9 of December 31, 2021, 2,314 customers in Pike County, Kentucky.

10 The District purchases water from the City of Pikeville, Kentucky ("Pikeville")  
11 and the City of Williamson, West Virginia ("Williamson"). It also operates a 3.0  
12 million gallon per day water treatment facility. For the period from July 1, 2021 to  
13 June 30, 2022, which is the test period the District has used for its rate application, the  
14 District purchased 584,286,700 gallons of water and produced approximately  
15 793,456,665 gallons of water. The District produces approximately 57.6 percent of the  
16 District's total produced and purchased water.

17 **Q. Describe the District's water loss problem.**

18 A. As shown in Table 1 below, since 2010 the District has been unable to account for 27  
19 percent or more of its total produced and purchased water. For several years during this  
20 period, it has experienced an unaccounted-water rate in excess of 35 percent. For every  
21 three gallons of water purchased during those years, the District recorded sales of less  
22 than two gallons of water. While the District has achieved some success in reducing its

1 unaccounted-water rate in the last three years, the loss rate for the test period (July 1,  
 2 2021-June 30, 2022) remains above 27 percent at 27.43 percent.

<b>Table 1</b>			
<b>Year</b>	<b>Produced/Purchased (Gallons)</b>	<b>Water Loss (Gallons)</b>	<b>Water Loss (%)</b>
2010	1,645,738,000	496,498,000	30.1687
2011	1,653,438,000	525,175,000	31.7626
2012	1,675,145,000	504,799,000	30.1346
2013	1,631,282,000	489,543,000	30.0097
2014	1,669,637,000	584,268,000	29.4334
2015	1,699,378,000	584,268,000	34.3803
2016	1,674,526,000	612,236,000	36.5617
2017	1,571,189,000	507,821,000	32.3208
2018	1,584,856,000	593,519,000	37.4494
2019	1,577,367,000	581,714,000	36.8780
2020	1,473,077,000	448,128,000	30.4212
2021	1,377,742,000	384,413,000	27.90117

3 This high rate of unaccounted-for water adversely affects the District’s finances. In the  
 4 test period, the District expended approximately \$720,933, or approximately seven  
 5 percent of its operating expenses, to produce or purchase and to transport unaccounted-  
 6 for water – water that never reaches customer meters. (The calculations of this cost are  
 7 attached as Exhibit 3 to this Application.)

8 Under the Commission’s existing regulations, approximately one-eighth of the  
 9 costs that the District currently incurs to purchase, treat and transport this unaccounted-  
 10 for water cannot be recovered through rates for water service. 807 KAR 5:066, Section  
 11 6(3) provides that “[e]xcept purchased water rate adjustments for water districts and  
 12 water associations, and rate adjustments pursuant to KRS 278.023(4), for rate making  
 13 purposes a utility’s unaccounted-for water loss shall not exceed fifteen (15) percent of  
 14 total water produced and purchased, excluding water used by a utility in its own  
 15 operations.” Unless the Commission establishes an alternative water loss standard for

1 the District, approximately \$326,694 of its expenses related to the purchase and  
2 production of water expense would be disallowed and not permitted to be recovered  
3 through the District's rates for water service. (The calculations of these disallowed  
4 costs are shown as Exhibit RBS-2 to this testimony.)

5 In the District's last general rate case proceeding,<sup>1</sup> the Commission disallowed  
6 approximately \$302,878 of the District's test period expenses because of excessive  
7 water loss. The Commission disallowed \$159,619 of the District's test period  
8 purchased water expenses as unreasonable as these expenses represented the cost of  
9 unaccounted-for water in excess of the 15 percent limit placed on unaccounted-for  
10 water loss.<sup>2</sup> It further disallowed \$128,305 of purchased power expense related to the  
11 cost of electricity to pump unaccounted-for water in excess of the 15 percent<sup>3</sup> and  
12 \$14,954 of chemical expense associated with produced water that was lost.<sup>4</sup> The  
13 disallowed amount represented approximately 24 percent of the total revenue increase  
14 that the Commission authorized.

15 In proceedings since the District's last general rate adjustment proceeding, the  
16 Commission has noted the District's high unaccounted-for water loss and encouraged  
17 the District to take steps to reduce such loss. In Case No. 2016-00356,<sup>5</sup> the  
18 Commission noted that the District was experiencing excessive water loss in the  
19 amount of \$351,226 and encouraged the District to "to pursue reasonable actions to

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<sup>1</sup> *Application of Mountain Water District for an Adjustment of Water and Sewer Rates*, Case No. 2014-00342 (Ky. PSC filed Dec. 11, 2014).

<sup>2</sup> Case No. 2014-00342, Order of Oct. 9, 2015 at 15.

<sup>3</sup> *Id.* at 16.

<sup>4</sup> *Id.*

<sup>5</sup> *Application of Mountain Water District for The Issuance of a Certificate of Public Convenience and Necessity to Construct and Finance A System Improvements Project Pursuant to The Provisions of KRS 278.020, KRS 278.300 and 807 KAR 5:001*, Case No. 2016-00356 (Ky. PSC Jan. 31, 2017) at 1-2.

1 reduce its water loss.” In Case No. 2020-00068,<sup>6</sup> it noted that the cost of the District’s  
2 excessive water loss had increased to \$692,741, again encouraged the District to pursue  
3 actions to reduce its water loss and warned that failure to make significant progress in  
4 reducing unaccounted-for water loss would result in the Commission pursuing  
5 additional action against the District. In Case No. 2021-00412, the Commission again  
6 expressed concerns over the continued high rate of water loss and encouraged the  
7 District to “pursue reasonable actions to reduce its unaccounted-for water loss.”<sup>7</sup>

8 The high level of unaccounted-for water loss and the District’s inability to  
9 recover its full cost of producing and transporting water through its rates has  
10 contributed to the District’s poor financial health. In the period from 2015 through  
11 2021, the District’s water operations experienced a cumulative net income of  
12 (\$11,586,214).

13 **Q. Why does the District have a high level of water loss?**

14 A. There are several reasons. The District’s system covers a significantly large area and  
15 is hydraulically complex. It is comprised of over 1,000 miles of water main,  
16 approximately 190 miles of service line, approximately 16,500 active meter  
17 installations, 41 zone meters, 42 main line pressure regulator stations with incoming  
18 pressures ranging from 100 pounds per square inch (“psi”) to 220 psi and outgoing  
19 pressures ranging from 100 psi to 325 psi, 108 water storage tanks ranging in capacity  
20 from 1,500 gallons to 1,000,000 gallons with total storage capacity of approximately

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<sup>6</sup> *Electronic Purchased Water Adjustment Filing of Mountain Water District*, Case No. 2020-00068 (Ky. PSC Apr. 2, 2020) at 1-2.

<sup>7</sup> *Electronic Application of Mountain Water District to Issue Securities in the Approximate Principal Amount of \$5,930,000 for the Purpose of Refinancing Certain Outstanding Obligations of the District Pursuant to the Provisions of KRS 278.300 and 807 KAR 5:001*, Case No. 2021-00423 (Ky. PSC Dec. 13, 2021) at 5.

1 8,500,000 gallons, 137 booster pumping stations and a three million gallon per day  
2 water treatment plant. In addition, the District purchases an average of 941,000 gallons  
3 of water per day from Pikeville at nine locations, as well as an average of 700,000  
4 gallons of water per day at two locations from Williamson.

5 The District's system is also located in an area that has an extremely challenging  
6 topography and is sparsely populated. The difference between the lowest elevation  
7 point and the highest elevation is over 2,000 feet. The District has multiple pressure  
8 zones. Few, if any water utilities, under the Commission's regulation are subjected to  
9 such variances. The District must transport water up and down wide differences in  
10 elevation, which creates significant pressure problems for water mains and can result  
11 in main breaks. The sparsely populated area and difficult terrain impedes the District's  
12 ability to discover and repair leaks.

13 Several portions of the District's distribution system were constructed in the  
14 1960s and are near or at the end of their expected service life. These mains are difficult  
15 to locate as the water districts which were the District's predecessors failed to maintain  
16 complete or accurate records. There is also a question whether the proper construction  
17 and engineering practices were employed to install these water lines. In recent years,  
18 the District has discovered a considerable number of water mains that were not installed  
19 in conformance with the best construction practices.

20 A significant portion of the District's service lines are comprised of 3/4-inch  
21 polyethylene pipe. This type of pipe has been found to be more readily susceptible to  
22 cracks and breaking. This problem is compounded by climate, soil erosion and  
23 flooding.

1 **Q. What actions has the District taken to address its water loss problem?**

2 A. The District has taken several actions in recent years to address its water loss problem.  
3 The District has deployed water leak detection teams for several years. It currently has  
4 three two-man detection teams whose mission is to locate water leaks. Over the last ten  
5 years, the District has installed nine variable frequency drive controllers in booster  
6 pumping stations. This action has significantly reduced incidences of water hammer,  
7 thus lessens the stress on water mains, the likelihood of a water main break or rupture,  
8 and water loss. Approximately fifteen percent of the District’s system currently utilizes  
9 variable frequency drive controllers.

10 The District believes that service lines are a major contributor to its water loss  
11 problem. It bases this opinion upon the material of which these lines are made and how  
12 they were originally installed. In 2020 the District instituted a new practice regarding  
13 the repair of service lines. Instead of patching or repairing broken or leaking service  
14 lines, it instead began completely replacing to ensure the line was composed of good  
15 quality and properly installed. Since the practice was instituted, more than 300 service  
16 lines have been replaced.

17 In 2020, with the aid of a \$3.15 million loan from Rural Development,<sup>8</sup> the  
18 District replaced approximately 16,500 residential customer meters. While the  
19 replacement was primarily intended to address the failing batteries in many of the  
20 meters, it was also intended to ensure that the District has reliable and accurately

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<sup>8</sup> *Application of Mountain Water District for a Certificate of Public Convenience and Necessity to Construct a Water Improvements Project and An Order Authorizing the Issuance of Securities Pursuant To KRS 278.023, Case No. 2019-00346 (Ky. PSC Oct. 7, 2019).*

1 registering meters. Authorities on water loss have stated that inaccurately registering  
2 meters are one of the principal sources of unaccounted-for water.

3 To better detect water leaks and ensure more prompt repairs, the District has  
4 established district meter areas (“DMA”) throughout its distribution system. DMAs are  
5 divided by pressure zones and are capable of being isolated. DMAs utilize “zone”  
6 meters to monitor flow entering the area. The flow is then compared to metered sales  
7 to determine area loss. The installation of zone meters and establishment of DMAs  
8 provide the District with accurate, real-time flow information that can be used to  
9 pinpoint areas of loss, focus repair efforts, and prioritize future projects. The District  
10 currently has 41 metered zones. In addition the District is preparing to install 22 zone  
11 meters with telemetry through American Rescue Plan Act (ARPA) funds in year 2023  
12 and 15 zone meters with telemetry in the proposed Surcharge Plan. Upon completion  
13 of these projects, the District will have a total of 78 metered zones.

14 The District has also located telemetry on its zone meters, booster pumps and  
15 water storage facilities. This telemetry allows the District to remotely monitor its  
16 facilities and can alert the District to possible water line breaks and significant leaks.  
17 It also allows the District’s facilities to communicate with each other. For example, a  
18 water storage tank can report its water level to a servicing booster pump, allowing the  
19 pump to stop pumping when the storage tank has reached maximum level and avoiding  
20 lost water through a tank overflow. Currently, the District has installed telemetry sets  
21 on 46 booster pumps and tanks.

22 While each action has a relatively small effect on water loss, their accumulative  
23 effect is to significantly reduce water loss. In the last two years since the initiation of

1 many of these actions, the District’s unaccounted-for water loss has dropped from  
2 36.88 percent in 2019 to 27.43 percent for the one-year period ending June 30, 2022.

3 **Q. Does the District have a plan for further water loss reduction?**

4 A. Yes. In 2020 the District worked with Bell Engineering of Lexington, Kentucky and  
5 Environmental Design Consultants of Pikeville, Kentucky to develop a comprehensive  
6 Capital Improvement Plan (“Plan”) designed to reduce unaccounted-for water loss to  
7 15 percent by 2035. A copy of this Plan is attached as Exhibit RBS-3. The Plan  
8 analyzed the District’s current water loss trends and identified potential capital  
9 improvements and corrective actions that are expected to reduce its water losses. These  
10 included installing zone meters, establishing DMAs, installing advanced metering  
11 infrastructure (“AMI”), replacing residential and commercial meters, developing  
12 institutional controls, booster pump station replacement and rehabilitation, water  
13 storage tank improvements, water treatment plant improvements, telemetry  
14 installation, and replacing problematic mains and service lines. The Plan established  
15 priorities and a timeline for completion of these actions. This timeline was broken into  
16 three-year increments, established a set of actions and goals for each three-year period.

17 **Q. Has the District implemented the Plan?**

18 A. The District has used the Plan as a guide to implement further water loss control  
19 measures. However, the District requires significant funding to implement in the  
20 manner in which it was designed and intended. Funding the program out of the  
21 District’s general rates is not viable. The District requires a significant and immediate  
22 injection of funds to implement the program. Such an injection is not readily available  
23 through the ratemaking process. The requested funds are generally for future use. The

1 District's rates are based upon a historical test period. Furthermore, the recovery of the  
2 cost of large assets is generally recovered through depreciation and that recovery  
3 generally spans a long period of time.

4 **Q. How does the District propose to fund its Plan?**

5 A. To obtain the necessary funding to implement its Plan, the District proposes to assess  
6 to each customer a monthly Water Infrastructure Improvement Surcharge of \$5.61 for  
7 a period of 36 months. Assuming a customer base of 16,520 customers, the District  
8 expects the surcharge to produce total revenues of \$3,334,178 over the 36-month  
9 period. The District reserves the right to request revisions at a later date to the surcharge  
10 amount to reflect increases in the cost of the proposed improvements and changes in  
11 the number of customers.

12 **Q. What restrictions or controls does the District propose to place on its proposed**  
13 **surcharge?**

14 A. The District further proposes that the proceeds of the proposed surcharge be used  
15 solely to finance the improvements identified in detail in Exhibit RBS-4.

16 To ensure full transparency and the appropriate use of surcharge proceeds, the  
17 District proposes that the following controls be placed on the proposed surcharge:

18 • The surcharge will be billed as a separate line item and identified as  
19 "Water Infrastructure Improvement Surcharge."

20 • All surcharge proceeds will be maintained in a separate, interest-bearing  
21 account.

22 • Commission approval for the use of surcharge proceeds for any activity  
23 other than those specified in Exhibit RBS-4 must be obtained prior to the expenditure

1 of any surcharge proceeds for that activity. For example, if the District seeks to use a  
2 portion of the proceeds to purchase equipment or to use funds to employ additional  
3 personnel devoted to water loss control efforts, it will first apply to the Commission for  
4 approval to use surcharge proceeds for such purpose.

5 • Monthly activity reports will be filed with the Commission that include  
6 a statement of monthly surcharge billings and collections; a monthly surcharge bank  
7 statement; a list of each payment from the account, its payee and a description of its  
8 purpose; and invoices supporting each payment.

9 • Monthly water loss reports will be filed with the Commission.

10 • Failure to comply with any control imposed on the assessment of the  
11 surcharge is sufficient basis for the termination of the surcharge and the refund of all  
12 surcharge proceeds remaining in the separate surcharge account.

13 • Three years after the surcharge is authorized, a formal Commission  
14 review of the performance of the surcharge and the District's water loss control efforts  
15 will be conducted to determine if the surcharge should be terminated or modified.

16 **Q. For what will the surcharge proceeds be used?**

17 A. The specific uses of the surcharge proceeds are set forth in Exhibit RBS-4. These uses  
18 include:

19 • The replacement of 2,250 customer service lines. Three persons would  
20 be hired to perform service line replacements. Approximately 750 service line  
21 replacements each year for three years. The cost of the replacement would also include  
22 all materials necessary for the replacement and restoration of area after replacement.

1           •       The purchase and installation of 15 water storage tank/booster pump  
2 station telemetry systems. These telemetry systems would permit the District to  
3 monitor the water levels at 15 storage tanks to prevent tank overflows and allow for  
4 communication between a storage tank and its servicing booster station to ensure  
5 greater coordination in pumping and storage activities. It would also include the  
6 installation of security fencing for booster pumping stations and water storage tanks  
7 and the construction of or maintenance on a tank access roads.

8           •       The replacement of two water main segments that are subject to frequent  
9 leaks.

10          •       The replacement of three booster pump stations and four pressure  
11 reducing valve stations.

12          •       The purchase of several vehicles and equipment that would be used to  
13 the replacement of service lines and the performance of other construction.

14          •       The addition of one employee to the District's leak detection force.

15 Please note that Exhibit RBS-4 also contains a detailed cost estimate for each of the  
16 proposed uses.

17 **Q. How are these purchases related to water loss reduction?**

18 A. As I noted earlier in my testimony, the District believes that poorly installed and  
19 deteriorating service lines are a major contributor to water loss. The replacement of  
20 these service lines would significantly reduce water loss.

21           The installation of the telemetry systems for the booster stations and water  
22 storage tanks will ensure a more efficient operation and will reduce the likelihood of  
23 tank overflows and the resulting water loss. Additionally, the telemetry systems will

1 allow District personnel to remotely monitor the District’s distribution system and  
2 more easily detect leaks.

3 The replacement of the booster stations and pressure reducing valve stations, as  
4 well as the replacement of the leaking water main segments, will remove from service  
5 facilities that are not properly functioning and have caused water loss as a result.

6 **Q. If the Commission approves the proposed surcharge, how soon would these**  
7 **activities begin?**

8 A. As soon as possible. To acquire the necessary equipment and facilities quickly, the  
9 District is prepared to borrow the funds necessary for the listed items, using the revenue  
10 stream generated by the surcharge as a guarantee for payment of such loan. The District  
11 is of the opinion that the earlier the equipment can be installed and become operational,  
12 the more quickly water loss can be reduced and the savings for this reduction can be  
13 used to assist the District in other areas.

14 **Q. Why is the proposed surcharge appropriate?**

15 A. The Commission has found on several occasions that the use of a surcharge to fund  
16 water infrastructure improvements designed to reduce unaccounted-for water was  
17 appropriate and should be encouraged. For example, in Case No. 2019-00041, the  
18 Commission recommended that water utilities suffering significant water loss should  
19 be permitted to assess a qualified infrastructure improvement surcharge to fund  
20 infrastructure improvement and replacement.<sup>9</sup> It recently found that “a monthly  
21 surcharge is a reasonable means . . . to recover the cost of . . . efforts in water leak

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<sup>9</sup> *Electronic Investigation into Excessive Water Loss by Kentucky’s Jurisdictional Water Utilities*, Case No. 2019-00041 (Ky. PSC Nov. 22, 2019), Appendix L at 24-25.

1 detection and repair in order to reduce the increased expense and lost revenue from  
2 unaccounted-for water.<sup>10</sup>

3 **Q. Let's turn to the District's application for general rate adjustment. Why is the**  
4 **District filing for a rate increase?**

5 A. There are two (2) reasons. First, the District is filing the application for a rate case to  
6 comply with the PSC's Order dated December 12, 2021 in Case No. 2021-00413.  
7 Secondly, the District's current rates do not generate enough revenue to enable the  
8 District to fully recover its operating and maintenance expenses, depreciation expense  
9 and the interest payment on its debt obligations.

10 **Q. Has the District's Board taken any action with respect to the proposed rates?**

11 A. Yes. At a special meeting held on February 13, 2023, the District's Board adopted  
12 Resolution No. 23-02-001. This Resolution approves the rates set forth in the District's  
13 Application and authorizes the Chairman or his agent to file an Application with the  
14 PSC for authority to adjust the District's rates. A copy of the Resolution is attached to  
15 the District's Application as Exhibit 1.

16 **Q. Has the District published a Notice of the proposed rates in the local newspaper?**

17 A. Yes, Notice was published in the February 17, 2023 edition of the *Appalachian News-*  
18 *Express*, the newspaper of general circulation in the District's territory. Instructions  
19 were given to the newspaper representative to publish the Customer Notice again on  
20 Friday, February 24, 2023, and again on Friday, March 3, 2023. A copy of this notice  
21 is being filed as an Exhibit to the District's Application.

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<sup>10</sup> *Electronic Application of Big Sandy Water District for An Adjustment of Its Water Rates Pursuant to 807 KAR 5:076, Case No. 2022-00044 (Ky. PSC Sep. 13, 2022) at 19.*

1 **Q. Has the District posted the Customer Notice in its office and on social media as**  
2 **required by PSC regulations?**

3 A. Yes.

4 **Q. I would direct your attention to three issues raised by the District's Application.**  
5 **First, in its Application, the District has proposed that service life of 55 years be**  
6 **used for its transmission and distribution mains for the purposes of calculating**  
7 **depreciation expense on those assets. Do you agree with that position?**

8 A. Yes. Ms. Allen addresses that issue extensively in her testimony and I agree with her  
9 position on that issue. I would only add that for several years the Commission took the  
10 position that the service life for an asset was reasonable so long as it was within the  
11 ranges specified in the National Association of Regulatory Commissioners'  
12 ("NARUC") *Depreciation Practices for Small Water Utilities*. The proposed service  
13 life of 55 years is within that range. I agree with Ms. Allen that circumstances specific  
14 to the District make the use of a 55-year service life appropriate.

15 **Q. The District has also proposed that the Commission establish an alternative**  
16 **unaccounted-for water loss standard of 22 percent of total water purchased and**  
17 **produced. Do you agree with that proposal?**

18 A. Yes. Again, Ms. Allen has addressed that extensively in her testimony and I agree with  
19 her statements. As I noted at the start of my testimony, the District faces physical and  
20 operational challenges that few other Commission-regulated utilities face. These  
21 challenges make it very difficult for the District to meet the 15 percent standard. The  
22 Commission should give the appropriate weight to these challenges when addressing  
23 the District's request. At a minimum, the Commission should consider establishing the

1 requested alternative standard for purposes of this proceeding and review how that  
2 standard has functioned in three years when the District applies for its next general rate  
3 adjustment.

4 **Q. The District has proposed to increase test year expense for Contractual Services -**  
5 **Manpower-Services Expense by \$285,078. What is the reason for the proposed**  
6 **adjustment?**

7 A. The District employs several persons through temporary employment agencies. These  
8 persons play a significant role in the District's operations. Using temporary employees  
9 allows the District to determine whether a person is a good fit for the District before  
10 the District makes an offer of employment. It also allows the District to avoid many of  
11 the human resource functions involved in recruiting and accessing new employees.  
12 Temporary employees do not receive benefits such as retirement, thus reducing the  
13 District's manpower costs.

14 To attract and retain good temporary employees, especially in the highly  
15 competitive labor market that exists today, the District must pay competitive wages.  
16 The District has adopted a plan for increasing the wages for its temporary employees.  
17 Currently, the District lacks the funding for such increases but has formally committed  
18 to significant increases in wages for temporary employees upon obtaining the proposed  
19 rate adjustment. The District estimates that the increased wages for manpower services  
20 will result in an increase to test period Contractual Services - Manpower-Services  
21 Expense by approximately \$285,087.

22 **Q. Does the District intend to file for a rate adjustment within three years after a**  
23 **final decision in this proceeding?**

1 A. Yes, The District's Board of Commissioners approved in Resolution No. 22-03-012  
2 that the District will request a rate adjustment every three years to ensure that the  
3 District's rates are adequate and to avoid future large rate increases.

4 **Q. What is your recommendation to the Commission regarding the District's**  
5 **Application?**

6 A. I strongly urge the Commission to approve the proposed rates and authorize the District  
7 to begin collecting the proposed Water Infrastructure Improvement Charges as soon as  
8 possible. I further recommend that, in same order, the Commission approve the  
9 District's proposed uses of the surcharge proceeds and allow it to immediately begin to  
10 use those proceeds for the items set forth in Exhibit RBS-4.

11 **Q. Does this conclude your testimony?**

12 A. Yes, it does.

13



# **EXHIBIT RBS-1**

## **Roy Blaine Sawyers**

P.O. Box 411 ~ Shelbiana, KY 41562

Mobile (606) 616-8366

Email Address ~ [rsawyers@mtwater.org](mailto:rsawyers@mtwater.org)

## **Work History**

### ***2016- Present District Manager, Mountain Water District***

#### **Job Description:**

Chief Officer responsible for carrying out the Board of Commissioners development and implementation of District goals, objectives, policies, and procedures to provide excellent quality of water and customer service.

#### **Summary of Duties:**

Plan, direct, manage and oversee the activities and operations of a large complex rural water System. This system serves approximately 45,000 customers, has approximately 17,000 water service connections and 2500 wastewater service connections. It also distributes approximately 1.2 billion gallons of water per year. Mountain Water District's infrastructure consists of approximately 1000 miles of water mains, 108 water storage tanks, 136 booster pumping stations and 42 regulators.

#### **Duties Performed:**

##### **Supervise, coordinate, or assist with the following items:**

Plan, organize, and evaluate the work of all District departments (approximately 60 full time employees and 7 Manpower employees) to ensure that operations comply with local, state, federal laws and regulations as well as adherence to policies set by the Board of Commissioners.

Develop short-term and long-term plans, annual budget, capital improvements, procurement compliance and rate studies.

Provide consultation, advice and recommendations for the Board's consideration and adoption.

Represent the District in high level involvement and interaction with federal, state and local agencies and elected officials, other special district, and professional groups and committees.

Assist local agencies in planning of commercial and industrial growth.

Research and acquire funding from different agencies to perform construction and rehabilitation projects.

Oversee all phases of construction and rehabilitation projects from preliminary design to project completion. Provide direction for local media, public relations and insure the District's interests are represented with customers, governmental agencies, and the general public.

Direct and oversee the development of Board agendas.

Exercise tact and diplomacy in resolving sensitive inquiries and complaints from customers, citizens, businesses, and local agencies.

Confer with outside counsel on legal issues affecting the District.

Review and authorize legal contracts, lease agreements, agreements with other agencies, and other legal and financial documents.

Analyze problems, identify alternative solutions and implement recommendations in support of goals.

Participate in regional and state water and wastewater meetings and conferences to stay informed of trends, technology, and regulations related to District operations.

**2011- 2016      *District Administrator, Mountain Water District***

**Job Description:**

Chief Officer responsible for carrying out the Board of Commissioners development and implementation of District goals, objectives, policies, and procedures to provide excellent quality of water and excellent customer service.

**Summary of Duties:**

To represent the District as their liaison between the Board of Commissioners and the District's contractor who performed the daily operations. Direct oversight to evaluate and ensure that the contractor's services comply with local, state, federal laws and regulations, and policies set by the Board of Commissioners.

**Duties Performed:**

**Supervise, coordinate, or assist with the following items:**

Member of executive management team to develop short and long term plans, annual budget, capital improvements, procurement compliance and rate studies.

Provide consultation, advice and recommendations for the Board's consideration and adoption.

Represent the District in high level involvement and interaction with federal, state and local agencies and elected officials, other special district, and professional groups and committees.

Assist local agencies in planning of commercial and industrial growth.

Research and acquire funding from different agencies to perform construction and rehabilitation projects.

Oversee all phases of construction and rehabilitation projects from preliminary design to project completion.

Provide direction for local media, public relations and insure the District's interests are represented with customers, governmental agencies, and the general public.

Direct and oversee the development of Board agendas.

Exercise tact and diplomacy in resolving sensitive inquiries and complaints from customers, citizens, businesses and local agencies.

Confer with outside counsel on legal issues affecting the District.

Review and authorize legal contracts, lease agreements, agreements with other agencies, and other legal and financial documents.

Analyze problems, identify alternative solutions and implement recommendations in support of goals.

Participate in regional and state water and wastewater meetings and conferences to stay informed of trends, technology, and regulations related to District operations.

***2006 – 2011 Transportation Engineering Technologist III,  
Kentucky Transportation Cabinet***

**Job Description:**

Encroachment Permits Inspector for the Kentucky Department of Highways located in District Twelve.

**Summary of Duties:**

Responsible for all aspects of reviewing, processing, and coordinating Encroachment Permits within the Commonwealth's right-of-way. Monitored the Commonwealth's right-of-way along all roadways for illegal encroachments.

**Duties Performed:**

**Supervise, inspect, coordinate, and assist with the following items:**

Reviewed each step of the Encroachment Permit Application process from Applicant submittal until final approval from Chief District Engineer. Process included the following: 1.) Preconstruction Planning, 2.) Encroachment Permit Application, 3.) Encroachment Indemnity Bond, 4.) Highway Roadway Plans, 5.) Review Engineering Technical and Site Plans, 6.) Document KPDES Permit, 7.) Document Division of Water Permit, 8.) Planning Board, 9.) Traffic Control, 10.) Final Completion Inspection, 11.) Bond Release

Monitored and reported all progress with Maintenance Engineer and Permits Engineer.

Review and process all revisions to the permits.

Coordinate all site meetings, research highway road plans, and perform deed research.

Responsible for applicants or contractors maintaining compliance with permit regulations, traffic control, erosion control, and all permit procedures.

Monitor illegal encroachment activity

Coordinate survey crew to locate right-of-way in areas of illegal encroachments.

***2005 - 2006 Construction Inspector, Wilbur Smith Associates***

**Job Description:**

Member of CEI Team (Civil Engineering Inspection) involved in the largest road construction project in TDOT history called SmartFIX 40. Performed inspections of water and sanitary sewer line relocations on Phase I and Phase II of this project which included relocation of utilities along Interstate 40 in Knoxville, TN.

**Summary of Duties:**

Responsible for supervising, planning, and coordinating water and sanitary sewer projects.

Responsible for directing contractors in operations and maintaining compliance with traffic control, erosion control, regulations, and procedures for water and sewer line installation.

**Duties Performed:**

**Supervise, inspect, coordinate, and assist with the following items:**

Monitor, report, and correspond all progress with engineering firms, agencies, Knoxville Utility Board, and TDOT.

Water line installation (Including bridge installation & insulation)

Sanitary sewer line installation

Water and sewer service line installation

Meter set installation

Road bores and open cut encasement installation

Sanitary sewer manhole installation

Pressure testing sewer lines and manholes

Mandrill test for sewer line

Pressure testing and bacteria sampling for water lines

Daily project reports and correspondence

Weekly quantity logs

Monthly pay estimates

Create as-built drawings for each project

Troubleshoot and solve problems before they arise

**2000 - 2005 Resident Inspector, Water Treatment Plant Operator,  
Mountain Water District**

**Summary of Duties:**

Responsible for supervising, planning, and coordinating water supply projects.

Responsible for directing contractors in operations and maintaining compliance with traffic control, erosion control, regulations, and procedures for water line installation.

Water treatment plant operator.

**Duties Performed:**

**Supervise, inspect, coordinate, and assist with the following items:**

Water line installation

Service line installation

Meter set installation

Road bores and open cut encasement installation

Pressure reducing valve (vault) installation

Booster pumping station construction and installation

Water storage tank construction and installation

Telemetry installation

Pressure testing and bacteria sampling

Leak detection

Monitor, report, and correspond all progress with engineering firms and agencies

Daily project reports and correspondence

Weekly quantity logs

Monthly pay estimates

Acquiring right-of-way easements and deed research

Create as-built drawings for each project

Troubleshoot and solve problems before they arise

**Water treatment plant operator:**

Documented daily conditions

Monitored and reported the following items:

Water treatment plant system

Booster pump stations by telemetry

Water storage tanks by telemetry

Adjusted raw water flow

Adjusted chemical flow

Monitored finished water

Performed chlorine, fluoride, ph, and turbidity analysis

Retrieved samples for regulatory analysis

Transferred chemicals as needed

Backwashed filter beds

General maintenance

**1997 – 2000    *Field Technician, Summit Engineering, Inc.***

**Summary of Duties:**

Responsible for collecting and compiling environmental information for compliance of mining and reclamation permits.

**Duties Performed:**

Weekly slurry impoundment inspections  
Nuclear density compaction tests and reporting  
Stockpile density testing  
Quarterly and critical stage fill inspections and reports  
Quarterly and annual pond inspections and reports  
Subsidence surveys  
Pre-blast surveys, reports, and water inventory data  
Water sampling (ponds, ground water, instreams, storm water events) and monitoring reports  
Anniversary reports  
Geological sampling and lab work  
All field related work  
Draftsman

**1988 – 1997    *Assistant Geologist, United Coal Company***

**Summary of Duties:**

Responsible for assisting the geologist in compiling all geologic and environmental data for coal reserve reports and mining permits.

Responsible for compliance with all blasting regulations and reporting procedures.

Responsible for all blast monitoring and the coordination of pre-blast surveys.

**Duties Performed:**

Pre-blast notifications and blasting schedules  
Pre-blast surveys and reports  
Blast monitoring and reports  
Blasting complaints and insurance reports  
Blasting compliance  
Exploration development and implementation to include core and rotary drilling, prospecting, sampling, etc.  
Collecting and compiling data for geologic reserve identification and studies  
Development of geology related environmental information for mining and reclamation permits, and exploration notices  
Draftsman – mining permits, underground mine ventilation, reviews, licenses  
Acid mine drainage treatment

**Equipment Utilized:**

Computer (Familiar with Microsoft Word, Microsoft Works, Microsoft Excel, Corel Word Perfect, Autocad, Corepro, Blastpro, Bentley XM), Video Equipment, Office and Drafting Equipment, Nuclear Density Gauge, Seismograph, Seismograph Chart Recorder, Altimeter, Survey Equipment, Ph Meter, Conductivity Meter, Water Level Indicator, Lab Equipment, Bristol Babcock (water pressure chart recorder), Leak Detection Equipment (Aqua-scope), Equipment utilized for drinking water treatment process (Fluoride Analyzer, Turbidity Meter, Chlorine Analyzer)

**Education:**

- 1976 – 1980* Millard High School, Millard, Ky  
General Studies
- 1978 – 1980* Millard Vocational School, Millard, Ky  
Mechanical Drafting
- 1980 – 1982* Mayo State Vocational Technical School, Paintsville, Ky  
Mechanical Drafting, Advanced Science, Advanced Mathematics

**Current or Previously Held Licenses & Certificates:**

Utility Management Institute  
Work Zone Traffic Control Supervisor  
Work Zone Traffic Control Technician  
OSHA (Construction Safety & Health)  
Kentucky Drinking Water Distribution II – D Operator  
Troxler Certified (Nuclear Density Gauge)  
Certified MSHA Impoundment Inspector  
Certified Surface Miner  
KEPSC (Kentucky Erosion Prevention & Sediment Control)  
Blasting Seminars / MSHA Academy

**Awards Received:**

Outstanding Student Award  
Service & Character Award  
Highest G.P.A. / Mayo State Vocational Technical School

**Community Service:**

Lick Creek Church of God in Jesus Name  
Shelby Valley High School Site Base Council Member  
Big Sandy River Basin Coalition Group

**References:**

Michael R. Spears, Owner / CPA, Spears Accounting Services  
Prestonsburg, Ky. (606) 886 - 8040

Danl Hall, Regional Project Manager, Professional Engineer, Vaughn & Melton, Inc.  
Knoxville, Tn. (865) 546 - 5800

Jody Hunt, Professional Engineer, Kentucky Department of Transportation  
Pikeville, Ky. (606) 432 - 1447

# **EXHIBIT RBS-2**

**ESTIMATE OF TEST PERIOD COST OF UNACCOUNTED-FOR WATER**

**Total Cost of Unaccounted-For Water**

Purchased Water Cost	\$1,180,640 x 0.2743	=	\$323,850
Pumping Cost (Electric Power)	\$1,274,389 x 0.2743	=	\$349,565
Chemicals	\$ 173,233 x 0.2743	=	<u>\$ 47,518</u>
Total Cost:			\$720,933

**Total Cost of Unaccounted-For Water Disallowed for Ratemaking Purposes\***

Purchased Water Cost	\$1,180,640 x 0.1243	=	\$146,754
Pumping Cost (Electric Power)	\$1,274,389 x 0.1243	=	\$158,407
Chemicals	\$ 173,233 x 0.1243	=	<u>\$ 21,533</u>
Total Cost:			\$326,694

\*807 KAR 5:066, Section 6(3) provides that for rate making purposes a utility's unaccounted-for water loss shall not exceed fifteen (15) percent of total water produced and purchased, excluding water used by a utility in its own operations.

# **EXHIBIT RBS-3**

Due to the its size, the Capital Investment Plan was filed  
as a separate electronic document.

# **EXHIBIT RBS-4**

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	ITEM	DESCRIPTION	IN-HOUSE CONST.	CONTRACTOR OR VENDOR	COST ESTIMATE
1 THRU 6	SYSTEM WIDE CUSTOMER SERVICE LINE REPLACEMENT	PROPOSE TO REPLACE APPROX. 750 SERVICE LINES PER YEAR FOR A THREE YEAR PERIOD. A TOTAL OF 2,250 CUSTOMER SERVICE LINE TO ASSIST IN COMBATING WATER LOSS	X		\$285,298.50
7	STONE BACKFILL	STONE UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		COST ESTIMATE BASED ON CONTRACTOR PURCHASE OF A SMALL DUMP TRUCK IN-HOUSE WILL ASSIST IN LOWERING THE COST OF THE STONE BACKFILL	\$270,000.00
8	PAVEMENT REPLACEMENT	PAVEMENT REPLACEMENT UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		X	\$270,000.00
9	WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMETRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING, INSTALL 6' BARBED WIRE SECURITY FENCING TO PROTECT EQUIPMENT, PREVENT THEFT, DETER DOMESTIC TERRORISM, HYDROSEEDING, AND PERFORM TANK ACCESS ROAD MAINTENANCE	X		\$284,640.00
10	BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMETRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING	X		\$64,500.00
11	BOOSTER PUMP STATION REPLACEMENT	LONG FORK, GRAVEYARD, FOREST HILLS	X		\$190,000.00
12	PRESSURE REDUCING VALVE STATION REPLACEMENT	WIDOW'S BRANCH, BLACKBERRY #2, LYNNTROUGH, DORTON PITSTOP	X		\$60,000.00
13	STAFF - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, BASED ON A 40 HOUR WORK WEEK	SYSTEM WIDE	X		\$590,523.04
14	VEHICLES / EQUIP. - 1 3500 SERIES UTILITY TRUCK, 1 MINI-EXCAVATOR, 1 DUMP TRUCK, 1 SMALL DOZER, 4 1500 SERIES TRUCKS, 1 UTV SIDE BY SIDE, 1 TOWABLE AIR COMPRESSOR, 1 2 1/2" HAMMER BORE, 3 PULL BEHIND TRAILERS, MISC. HAND TOOLS & EQUIPMENT	SYSTEM WIDE		X	\$572,500.00
15	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETTIVE LEAKS - BURNING FORK		X	\$207,010.00
16	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETTIVE LEAKS - US 460 (OASIS PAVN SHOP)		X	\$212,090.00
17	MISCELLANEOUS EASEMENTS / PERMITS	MISCELLANEOUS EASEMENTS / PERMITS		X	\$25,000.00

ESTIMATED COST \$3,031,561.54  
10% CONTINGENCY \$303,156.15  
TOTAL ESTIMATED COST \$3,334,717.69

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST PER ITEM	COST ESTIMATE
<b>1</b>	<b>150 - 3/4" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	3/4" X 4" BRASS SERVICE SADDLE	EA	100	\$34.15	\$3,415.00	
B	3/4" X 6" BRASS SERVICE SADDLE	EA	75	\$50.90	\$3,817.50	
C	3/4" X 8" BRASS SERVICE SADDLE	EA	50	\$70.00	\$3,500.00	
D	3/4" X 10" STEEL SERVICE SADDLE	EA	25	\$47.75	\$1,193.75	
E	3/4" COMPRESSION CORPORATION STOP	EA	150	\$34.75	\$5,212.50	<b>\$25,378.25</b>
F	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	11,250	\$0.45	\$5,062.50	
G	3/4" SERVICE LINE INSERT	EA	300	\$0.89	\$267.00	
H	3/4" BRASS COUPLING	EA	150	\$19.40	\$2,910.00	
<b>2</b>	<b>200 - REPLACEMENT OF DETERIORATED 3/4" METER BASE W/ REGULATOR &amp; METAL LID</b>					
A	3/4" COMPLETE METER BASE W/ LID	EA	200	\$422.18	\$84,436.00	<b>\$84,436.00</b>
<b>3</b>	<b>1,950 - 3/4" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	146,250	\$0.45	\$65,812.50	
B	3/4" SERVICE LINE INSERT	EA	3,900	\$0.89	\$3,471.00	
C	3/4" BRASS COUPLING	EA	1,950	\$19.40	\$37,830.00	<b>\$107,113.50</b>
<b>4</b>	<b>75 - 1" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	1" X 4" BRASS SERVICE SADDLE	EA	40	\$34.15	\$1,366.00	
B	1" X 6" BRASS SERVICE SADDLE	EA	20	\$50.90	\$1,018.00	
C	1" X 8" BRASS SERVICE SADDLE	EA	10	\$70.00	\$700.00	
D	1" X 10" STEEL SERVICE SADDLE	EA	5	\$47.75	\$238.75	
E	1" COMPRESSION CORPORATION STOP	EA	75	\$52.50	\$3,937.50	<b>\$12,815.50</b>
F	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
G	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	
H	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>5</b>	<b>75 - 1" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
B	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	<b>\$5,555.25</b>
C	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>6</b>	<b>2" ENCASMENT FOR CREEK CROSSINGS</b>					
A	2" POLYETHYLENE SERVICE LINE	LF	20,000	\$2.50	\$50,000.00	<b>\$50,000.00</b>
<b>7</b>	<b>STONE BACKFILL</b>					
A	\$55345 FOR STONE BACKFILL IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.23 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	<b>\$270,000.00</b>
<b>8</b>	<b>PAVEMENT REPLACEMENT</b>					
A	\$55,300 FOR PAVEMENT IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.14 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	<b>\$270,000.00</b>

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE	
<b>9 WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>							
A	TELEMETRY W/ LCD INTERFACE & SOLAR PANELS TO MONITOR & CONTROL WATER STORAGE TANKS	EA	15	\$2,776.00	\$41,640.00		
B	MODEM	EA	15	\$600.00	\$9,000.00		
C	BATTERY	EA	15	\$200.00	\$3,000.00		
D	OVERSIZE SOLAR PANELS / LARGER POWER TRANSMITTER	EA	6	\$1,000.00	\$6,000.00		
E	MISCELLANEOUS PARTS	LS	15	\$1,000.00	\$15,000.00	\$284,640.00	
F	6' BARBED WIRE SECURITY FENCING W/ DOUBLE GATE	EA	15	\$11,000.00	\$165,000.00		
G	TANK ACCESS ROAD MAINTENANCE	COST WILL BE COVERED UNDER ITEM NO. 14					
H	HYDROSEEDING	EA	15	\$3,000.00	\$45,000.00		
<b>10 BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>							
A	TELEMETRY W/ LCD INTERFACE TO MONITOR & CONTROL BOOSTER PUMP STATIONS	EA	15	\$3,400.00	\$51,000.00		
B	MODEM	EA	15	\$600.00	\$9,000.00	\$64,500.00	
C	MISCELLANEOUS PARTS	LS	15	\$300.00	\$4,500.00		
<b>11 BOOSTER PUMP STATION REPLACEMENT</b>							
A	LONG FORK	LS	1	\$55,000.00	\$55,000.00		
B	GRAVEYARD	LS	1	\$55,000.00	\$55,000.00	\$190,000.00	
C	FOREST HILLS	LS	1	\$80,000.00	\$80,000.00		
<b>12 PRESSURE REDUCING VALVE STATION REPLACEMENT</b>							
A	WIDOW'S BRANCH	LS	1	\$15,000.00	\$15,000.00		
B	BLACKBERRY #2	LS	1	\$15,000.00	\$15,000.00	\$60,000.00	
C	LYNN TROUGH	LS	1	\$15,000.00	\$15,000.00		
D	DORTON PITSTOP	LS	1	\$15,000.00	\$15,000.00		
<b>13 STAFF</b>							
A	STAFF TO PERFORM PROJECTS IN-HOUSE - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, <b>BASED ON A 40 HOUR WORK WEEK</b>	EA	4	\$147,630.76	\$590,523.04	\$590,523.04	
<b>14 VEHICLES / EQUIPMENT</b>							
A	3500 SERIES UTILITY TRUCK	EA	1	\$75,000.00	\$75,000.00		
B	MINI-EXCAVATOR	EA	1	\$55,000.00	\$55,000.00		
C	PULL BEHIND TRAILER	EA	1	\$6,500.00	\$6,500.00		
D	4500 SERIES DUMP TRUCK	EA	1	\$75,000.00	\$75,000.00		
E	SMALL DOZER	EA	1	\$100,000.00	\$100,000.00		
F	PULL BEHIND TRAILER	EA	1	\$35,000.00	\$35,000.00		
G	1500 SERIES PICKUP	EA	4	\$40,000.00	\$160,000.00	\$572,500.00	
H	UTILITY SIDE BY SIDE	EA	1	\$17,500.00	\$17,500.00		
I	PULL BEHIND TRAILER	EA	1	\$3,000.00	\$3,000.00		
J	TOWABLE AIR COMPRESSOR	EA	1	\$30,000.00	\$30,000.00		
K	2 1/2" HAMMER BORE	EA	1	\$5,500.00	\$5,500.00		
L	MISCELLANEOUS HAND TOOLS & EQUIPMENT	LS	1	\$10,000.00	\$10,000.00		

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE
15	<b>WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - BURNING FORK</b>					
A	4" SDR 17 PVC CL 250 WATERLINE	LF	3,750	\$30.00	\$112,500.00	
B	CONNECT TO EXISTING 4" WATER MAINLINE	EA	2	\$2,750.00	\$5,500.00	
C	4" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$2,500.00	\$5,000.00	
D	3/4" CUSTOMER SERVICE LINE RECONNECTS	EA	20	\$2,000.00	\$40,000.00	\$207,010.00
E	ENGINEERING DESIGN	LS	1	\$22,820.00	\$22,820.00	
F	ENGINEERING INSPECTION	LS	1	\$21,190.00	\$21,190.00	
16	<b>WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - US 460 (OASIS PAWN SHOP)</b>					
A	8" DUCTILE IRON PIPE CL 350 WATERLINE	LF	2,600	\$50.00	\$130,000.00	
B	CONNECT TO EXISTING 8" WATER MAINLINE	EA	2	\$3,000.00	\$6,000.00	
C	8" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$3,000.00	\$6,000.00	
D	JACK & BORE FOR 8" DUCTILE IRON PIPE CL 350 WATERLINE PRICE INCLUDES THE WATERLINE	LF	100	\$250.00	\$25,000.00	\$212,090.00
E	ENGINEERING DESIGN	LS	1	\$23,380.00	\$23,380.00	
F	ENGINEERING INSPECTION	LS	1	\$21,710.00	\$21,710.00	
17	MISCELLANEOUS EASEMENTS / PERMITS	LS	1	\$25,000.00	\$25,000.00	\$25,000.00
<p><b>NOTE: THIS IS AN ESTIMATE THAT COULD FLUCTUATE UPWARD ANY TIME DUE TO MATERIAL PRICING, EQUIPMENT PRICING, VEHICLE PRICING, CONTRACTOR PRICING, EASEMENTS, ADDITIONAL PROFESSIONAL OR CONTRACTOR SERVICES, ETC.</b></p>						
					ESTIMATED COST	\$3,031,561.54
					10% CONTINGENCY	\$303,156.15
					TOTAL ESTIMATED COST	\$3,334,717.69
			TOTAL ESTIMATED COST		\$3,334,717.69	
			CURRENT CUSTOMER COUNT	16,520		
			TERM MONTHS	36		
					TOTAL COST PER CUSTOMER	\$201.86
					ANNUAL COST PER CUSTOMER	\$67.29
					MONTHLY COST PER CUSTOMER	\$5.61

# **EXHIBIT 8**



1 **Q. Please state your name, position, and business address.**

2 A. My name is Connie Lea Allen. I am a licensed professional engineer and my business  
3 address is 108 West Poplar Street, Harrodsburg, Kentucky 40330.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am the owner and principal engineer of Salt River Engineering, PLLC.

6 **Q. Please describe your educational background.**

7 A. I have a Bachelor of Arts (Political Science) and a Bachelor of Science in Civil  
8 Engineering from the University of Kentucky and a Master of Business Administration  
9 from Grantham University.

10 **Q. What professional licenses or qualifications do you hold?**

11 A. I am a registered Professional Engineer in Kentucky and Ohio and I am a Certified  
12 Construction Manager.

13 **Q. With what professional organizations are you affiliated?**

14 A. I am affiliated with the American Water Works Association, the Construction  
15 Management Association of America, and the Water Environment Federation.

16 **Q. Please summarize your work experience.**

17 A. Since 1990, I have provided engineering consulting services in the areas of water  
18 distribution design, wastewater collection design, hydraulic modeling, infrastructure  
19 planning, construction management, contract administration, environmental studies,  
20 rate studies, innovative funding mechanisms and cost of service studies.

21 **Q. Have you provided a copy of your Curriculum Vitae with your testimony?**

22 A. Yes. My Curriculum Vitae is attached as Exhibit CLA-1 to my testimony.

1 **Q. Have you previously testified before the Commission?**

2 A. Yes. A list of the Commission proceedings in which I have testified or otherwise  
3 participated in some role is attached as Exhibit CLA-2 to my testimony.

4 **Q. By whom have you been engaged in this proceeding?**

5 A. Mountain Water District (“the District”) engaged me to prepare rate studies for its water  
6 and sewer utilities and to assist in the preparation of applications to the Public Service  
7 Commission (“Commission”) for an adjustment of the District’s water and sewer  
8 service rates.

9 **Q. What is the purpose of your testimony in this proceeding?**

10 A. The purpose of my testimony is to discuss the findings of my rate study on the District’s  
11 water utility.

12 **Q. Briefly summarize your testimony.**

13 A. Based upon adjusted test period operation and using a modified utility basis for the  
14 revenue requirement determination, the District has a total annual revenue requirement  
15 of \$10,519,330. The District’s present rates for water service generate annual revenues  
16 of \$8,274,887. To produce revenues sufficient to meet its reasonable operating  
17 expenses, its obligations under its long-term debt instruments, and provide for adequate  
18 working capital, the District’s rates should be adjusted to produce additional revenues  
19 of \$2,112,940, an increase of 25.53 percent over the revenues produced by current  
20 rates.

21 To more fairly and accurately allocate the cost of service among its customers,  
22 the District proposes to revise its rate classifications to assess rates on meter size and  
23 customer type. It proposes to establish the following customer classifications:

1 Residential, Commercial, Industrial and Public Authority. Currently direct customer  
2 rates are based solely upon meter size. Each rate classification would provide for a  
3 minimum bill that would include a volume of water related to the customer meter size  
4 and a single volumetric rate that would apply to all sales exceeding the minimum bill  
5 volume. The customer charges and volumetric rates would differ with each customer  
6 class but not with the meter size.

7 **Q. Why was it necessary to revise the District's rate classifications?**

8 A. The District desires to employ cost-based rates. To assign costs where they belong,  
9 customer classifications based on how the customers use the system are required. To  
10 assign costs (and therefore generate revenue) based solely on meter size lacks  
11 defendability, as potential to cause costs governs rather than actual cost causation.

12 **Q. What was the purpose of your cost-of-service study?**

13 A. My study was intended to allocate the costs of service for water operations to the  
14 various customer classifications. The study allocates costs to the District's retail  
15 residential, commercial, industrial, and public authority customers and its wholesale  
16 customers in accordance with generally accepted ratemaking principles.

17 **Q. Explain the method of cost allocation used in your study?**

18 A. Costs of the water utility were arranged based on the functions performed by the water  
19 utility. Functionalized costs were allocated to commodity, capacity, customer costs,  
20 fire protection and revenue components by various equations and relationships. Lastly,  
21 the allocated costs were distributed among the customer classes.

22 **Q. Describe how the proposed rates were developed.**

1 A. Revenue requirements were calculated to include operation and maintenance,  
2 administrative expenses, and capital costs. Allocated, distributed costs were divided  
3 by number of customers for customer charges and divided by gallons used by the  
4 customer class for volumetric rates.

5 **Q. What test period was used to perform the study?**

6 A. The test period used for the cost-of-service study was the period from July 1, 2021 to  
7 June 30, 2022.

8 **Q. What is the source of the financial information for test period operations?**

9 A. The financial information for test year operations is derived from the District's General  
10 Ledger. Attached as Exhibit CLA-3 to this testimony is a listing of the test period  
11 amounts for each account. This exhibit also shows how common expenses were  
12 allocated between the District's water operations and sewer operations. (The Excel  
13 spreadsheet version of Exhibit CLA-3 has been filed with the District's Application.  
14 This file is labeled "MWD ledger summary.xls" and contains additional notes  
15 regarding the allocations and split equations used to separate combined accounts.)

16 **Q. Does your study contain adjustments to the District's test period revenues and  
17 expenses?**

18 A. Yes. The chart labeled "Functionalization and Allocation of Pro Forma Expenses,"  
19 which is found in the Cost-of Service Study (Exhibit CLA-17) and which is also found  
20 at Tab labeled "PF Expenses" in the Excel spreadsheet labeled "latest MWD main  
21 file.xlsx" reflects adjustments to test period expense and revenues. (This file also been  
22 filed with the District's Application.) I explain many of these adjustments in my

1 testimony below. However, for more detailed notes and explanations regarding these  
2 adjustments, please see the Excel spreadsheet.

3 **Q. Why are adjustments made to test period expenses?**

4 A. Adjustments recognize known and measurable changes in operations occurring during  
5 or after the test period. They are necessary to ensure that the proposed rates accurately  
6 reflect current operating conditions.

7 **Q. What adjustments were made to test period revenues?**

8 A. Test Period Metered Sales were adjusted to reflect the recent increase in the District's  
9 rates to pass through the increase in the wholesale rates of the City of Pikeville, one of  
10 the District's water suppliers. The Commission approved the increase in rates on  
11 January 12, 2023 in Case No. 2022-00423. Revenue, and therefore pro forma  
12 adjustments to test period revenue, are used only to calculate the REV-1 allocation  
13 factor and to provide an overall rate increase percentage on the cost-of-service study  
14 chart labeled "Summary" and the Summary Tab of the Excel spreadsheet version.

15 **Q. What adjustments were made to Salary and Wages – Employees expense?**

16 A. Test period expense was increased by \$94,210 to \$1,975,282 to reflect test period wage  
17 adjustments that occurred during the test period. It also reflects Resolution 22-10-001  
18 of the District's Board of Commissioners, adopted on October 17, 2022, authorizing a  
19 general wage increase for all employees effective upon the Commission's final action  
20 on the District's application for an adjustment of water rates. My calculations for this  
21 adjustment are shown in Exhibit CLA-4. A copy of Resolution 22-10-001 is attached  
22 as Exhibit CLA-5 to my testimony.

1 **Q. What adjustments were made to Employee Benefits?**

2 A. Two adjustments were made to test period Employee Benefits expense. First, test  
3 period expense of \$349,505 was increased by \$32,614 to reflect a ten percent increase  
4 employee health insurance costs effective November 1, 2022. In support of this  
5 adjustment, the statement of rates from the District’s health insurance provider is  
6 attached as Exhibit CLA-6.

7 Second, Employees Benefits expense was then reduced by \$90,614 to reflect  
8 the limits for purposes of rate recovery that the Commission has placed on employer  
9 contribution to employee health insurance benefits. The District contributes the entire  
10 cost of its employees’ health insurance coverage. Current Commission policy holds  
11 that any employer contribution for employee health insurance that exceeds the national  
12 average as determined by the Bureau of Labor Statistics (79 percent of the cost of single  
13 health insurance and 68 percent of the cost of family health insurance coverage) is  
14 excessive and should not be recovered through utility rates.

15 Exhibit CLA-7 shows how the adjustments to Employees Benefits were  
16 calculated.

17 **Q. What adjustments were made to Employee Pensions?**

18 A. Two adjustments were made to test period Employee Pensions expense. First, test  
19 period expense of was decreased by \$15,998 to reflect the decrease in County  
20 Employees Retirement System (“CERS”) employer contribution rate from 26.79  
21 percent to 23.34 percent of an employee’s wages, which is scheduled to take effect on  
22 July 1, 2023. Next, the expense was increased by \$21,989 to reflect the increased  
23 employee wages resulting from the employee wage increases previously discussed. The

1 total effect of these adjustments is to increase Employee Pensions expense by \$5,991  
2 from \$463,712 to \$469,703.

3 **Q. Why were adjustments were made to test period purchased water expense?**

4 A. Yes. First, test period purchased water expense was increased by \$59,709 to reflect the  
5 increase in the City of Pikeville’s wholesale rate, which became effective on  
6 December 10, 2022.

7 During the test period, the District experienced unaccounted-for water loss of  
8 27.43 percent of total water purchased and produced. An adjustment was made to  
9 decrease purchased water by \$67,319 to reflect the cost of unaccounted-for water loss  
10 in excess of 22 percent of total water purchased and produced. The amount of this  
11 adjustment was determined multiplying total purchased water expense of \$1,240,349  
12 by 5.43 percent.

13 As a result of these adjustments, test period purchased water expense was  
14 decreased by \$7,610.<sup>1</sup>

15 **Q. Is a 22 percent unaccounted-for water loss the standard that the Commission**  
16 **generally uses for ratemaking purposes?**

17 A. No. 807 KAR 5:066, Section 5(3) states: “Except for purchased water rate adjustments  
18 for water districts and water associations, and rate adjustments pursuant to KRS  
19 278.023(4), for rate making purposes a utility’s unaccounted-for water loss shall not  
20 exceed fifteen (15) percent of total water produced and purchased, excluding water

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<sup>1</sup> The adjustments to reflect the disallowance of costs for excessive line loss appear at different locations in Exhibit 3 of the District’s Application (Schedule of Adjusted Operations) and in the Cost-of-Service Study. In the Schedule of Adjusted Operations, the disallowance is made to test year expenses and is reflected in the pro forma expenses. In the Cost-of-Service Study, the disallowance is calculated on the tab “Summary” on the Excel spreadsheet and then deducted from pro forma expenses on the “Expenses” tab.

1 used by a utility in its own operations.” However, this regulation also allows for the  
2 use of an alternative level of reasonable unaccounted-for water loss. In my opinion, a  
3 reasonable alternative level of unaccounted-for water loss for the District is 22 percent.

4 **Q. Why?**

5 A. Mountain Water District is not the typical water utility. Its service area differs  
6 significantly from most other water utilities and its service population is unique. The  
7 District is located in county with over 4000 feet difference in its lowest and highest  
8 elevation, has almost 4 million feet of line and 106 tanks. It should not be held to the  
9 same water loss standard as a water utility in the Jackson Purchase, for example, with  
10 259 feet of total relief, 53,000 feet of line and one tank. If the standard for the Jackson  
11 Purchase water utility is 15 percent water loss, a higher level of water loss should be  
12 allowed for the District. Based upon 2021 annual reports, the average loss reported by  
13 Commission-regulated water districts and water associations was 20.1 percent.

14 The District has 3.4 times as many customers as the average Commission  
15 regulated water utility average, 2.6 times as much line in the ground and an  
16 incomparable number of pump stations and tanks. Most of the District’s customers have  
17 longer service lines than average and less forgiving laying conditions from the main  
18 line to the meter. Additionally, the high pressures and water hammer associated with  
19 all the individual pressure zones undoubtedly compound an already higher-than-  
20 average potential for water loss. the District should not be expected to meet the same  
21 water loss standard as utilities with a fraction of the plant in service and a single  
22 pressure zone.

1 For these reasons and those expressed in the Technical Memorandum attached  
2 to my testimony as Exhibit CLA-8, I recommend that the Commission establish an  
3 alternative unaccounted-for water loss standard of 22 percent for the District. Such a  
4 standard will still provide an incentive for the District to improve its operations and  
5 lower its unaccounted-for water loss but does not unduly subject the utility to financial  
6 penalties that are largely related to the severe conditions under which it must operate  
7 and for which it has limited control.

8 **Q. What adjustments were made to test period Purchased Power Expense?**

9 A. Test period Purchased Power expense was decreased by \$69,167 to reflect the cost of  
10 purchased power associated with the cost to treat and pump unaccounted-for water loss  
11 in excess of 22 percent of total water purchased and produced. The amount of this  
12 adjustment was determined multiplying \$1,274,389, the total Purchased Power expense  
13 related to treatment and distribution power by 5.43 percent.<sup>2</sup>

14 **Q. What adjustments were made to test period Chemical Expense?**

15 A. Two adjustments were made to test period Chemical Expense. To ensure that the  
16 proposed rates are representative of current operating conditions, chemical expense was  
17 adjusted to reflect the cost of sodium hypochlorite and polyaluminum  
18 hydroxychlorosulfate (known under the trade name DelPac) as of the end of the test  
19 period. The end-of test period price for each chemical was applied to the test-period  
20 amount used to determine the current total cost of each chemical. The test period cost  
21 of each chemical was then deducted to determine the increased cost of each chemical.  
22 Invoices reflecting the test period and post-test period price of each chemical are

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<sup>2</sup> See Fn. 1 regarding the difference in how the disallowance related to excessive water loss is recorded to the Statement of Adjusted Operations (Exhibit 3 to the Application) and the Cost-of-Service Study.

1 attached as Exhibit CLA-9. The calculations for this adjustment are shown at Exhibit  
2 CLA-10.

3 Next an adjustment to chemical expense was made to reflect the chemical  
4 expense incurred to treat unaccounted-for water loss in excess of 22 percent of total  
5 water purchased and produced. The amount of this adjustment was determined  
6 multiplying \$192,312, the total chemical expense adjusted for the increased chemical  
7 costs by 5.43 percent.<sup>3</sup>

8 **Q. Explain the proposed adjustment to Services – Manpower Expense.**

9 A. This adjustment reflects the District’s proposal to hire additional temporary workers  
10 and to increase hourly wage rate for these works. Mr. Sawyers in his testimony  
11 provides a description of this proposal. The proposal is expected to increase Services  
12 – Manpower Expense by \$285,078 to \$519,168.

13 **Q. Did you make any other adjustments to test period operation and maintenance**  
14 **expenses?**

15 A. Yes. Test period general liability insurance expense was increased by \$11,007 and test  
16 period workers compensation insurance expense was increased by \$7,553 to reflect  
17 increases in the cost of insurance coverage. Invoices reflecting the increased cost of  
18 these coverages are found at Exhibit CLA-11 (general liability insurance) and Exhibit  
19 CLA-12 (workers compensation). Regulatory Commission Expense was increased  
20 \$24,310 to reflect expected rate case expense.

21 **Q. Did you propose any adjustments made to test period depreciation expense?**

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<sup>3</sup> See Fn. 1 regarding the difference in how the disallowance related to excessive water loss is recorded to the Statement of Adjusted Operations (Exhibit 3 to the Application) and the Cost-of-Service Study.

1 A. Yes. Test period depreciation expense was decreased by \$30,721 to reflect utility assets  
2 that were fully depreciated at the end of the test period.

3 **Q. Do you have any comments regarding the District’s depreciation practices?**

4 A. Yes. The District has chosen to use a service life of 55 years for its transmission and  
5 distribution mains. It has not performed a depreciation study to determine the service  
6 lives of these or other plant assets. It lacks sufficient plant addition and retirement  
7 information to perform such a study.

8 The Commission has held that, in the absence of a depreciation study to support  
9 the service life assigned to a water utility’s plant assets, the mid-point of the service  
10 life range for set forth in the National Association of Regulatory Commissioners’  
11 (“NARUC”) *Depreciation Practices for Small Water Utilities* for that asset group  
12 should be used to establish a water utility’s depreciation rates. For water distribution  
13 and transmission mains, the midpoint of the NARUC mid-point is 62.5 years.

14 I am of the opinion that the evidence strongly supports the use of 55 years as  
15 the service life to determine the depreciation expense for the District’s water  
16 transmission and distribution mains. In 2012, the American Water Works Association  
17 (“AWWA”) published the results of its research project, “Buried No Longer:  
18 Confronting America’s Water Infrastructure Challenge.”<sup>4</sup> A copy of this publication is  
19 attached as Exhibit CLA-13. In that publication, AWWA provides average estimated  
20 service lives by pipe material. For medium-sized utilities in the South (as the District  
21 is categorized), ductile iron pipe installed in “benign” conditions has a 105-year  
22 average service life; installations in “harsh” conditions have service lives of 55 years.

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<sup>4</sup> American Water Works Association, *Buried No Longer: Confronting America’s Water Infrastructure Challenge* (2012).

1 Harsh conditions include, among other things, those conditions favorable for galvanic  
2 corrosion. The Ductile Iron Pipe Research Association (DIPRA) has provided  
3 extensive information regarding the potential of a soil to exhibit the resistivity that  
4 enables aggressive galvanic corrosion. Among the factors which promote harsh  
5 conditions in soils are cinders, mine waste, peat bog, landfill, fly ash and coal.<sup>5</sup> In its  
6 study, AWWA assigned PVC pipe an average service life of 55 years regardless of  
7 installation conditions.

8 According to the District, the vast majority of the ductile iron pipe in the system  
9 was installed as part of a Kentucky Department of Highways utility relocation or an  
10 Abandoned Mine Lands project. In the former case, the line would likely be installed  
11 just inside, or just outside, the highway right-of-way. The latter case results in trenches  
12 cut in soils laden with coal mining waste and cinders. Numerous reports have attributed  
13 increases in resistivity of soils to chlorides (salts) applied to roads in icy conditions.  
14 Chloride is an ion known to cause corrosion and effects are seen as much as 100 feet  
15 away from the application.<sup>6</sup>

16 Decades of transporting coal along Pike County roads and highways have left  
17 coal cinders covering the shoulders of the roads. The chloride and the cinders, along  
18 with the in-situ corrosive soils which make up the majority of water and sewer line  
19 trenches, constitute the “harsh conditions” DIPRA contends that reduce the service life  
20 of iron pipe.

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<sup>5</sup> Ductile Iron Pipe Research Association, *The Design Decision Model* (May 2018) (attached as Exhibit CLA-14).

<sup>6</sup> U.S. Department of Agriculture, *Potential Mobility of Road Salt – Soil Interpretation for the Soil Survey of the State of Connecticut* (September 2017).

1 For the reasons stated above and further elaborated on in the Technical  
2 Memorandum attached to my testimony as Exhibit CLA-15, I recommend that the  
3 Commission assign a service life of 55 years the District’s transmission and distribution  
4 mains for the purpose of determining depreciation expense.

5 **Q. Upon making these adjustments, what was the District’s total revenue**  
6 **requirement?**

7 A. \$10,894,923. Exhibit CLA-16 summarizes how this amount was determined. Exhibit  
8 CLA-16 provides an alternative presentation of the greater detail in the Cost-of Service  
9 Study on the chart labeled “Functionalization and Allocation of Pro Forma Expenses”  
10 and on the Excel spreadsheet at Tab “PF expenses.” Note that the total revenue  
11 requirement includes interest payments on long-term debt required in the year  
12 following the test period (July 1, 2022 to June 30, 2023) but not principal payments or  
13 any working capital or coverage component.

14 **Q. How was total revenue required from water sales determined?**

15 A. Revenue required from water sales was determined by subtracting from the District’s  
16 total revenue requirement other sources of available revenue, which included forfeited  
17 discounts, miscellaneous service revenues and interest income. These other sources of  
18 revenue total \$375,593. Accordingly, the District requires \$10,519,330 from water  
19 sales.<sup>7</sup>

20 **Q. How were rates developed to produce this amount?**

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<sup>7</sup> The Exhibit Schedule of Adjustment Operations reflects a Revenue Requirement from Rates of \$10,372,406. However, the Revenue Requirement from Rates shown in Exhibit CLA-16 at the chart labeled “Functionalization and Allocation of Pro Forma Expenses” is \$10,519,330. This amount reflects the inclusion of \$146,923 of disallowed costs related to excessive water loss. In the Cost-of-Service Study, these disallowed costs are removed from the revenue requirement in the final stages of the cost allocation process.

1 A. Exhibit CLA-17 shows the process used to allocate the total revenue requirement to the  
2 District’s customer classes. An electronic version of this Exhibit in Excel format,  
3 entitled “MWD main file.xlsx” and previously referred to in this testimony is filed with  
4 the District’s Application. This electronic version contains additional notes and  
5 annotations regarding the calculations and adjustments used to allocate the revenue  
6 requirement.

7 Assets and expenses were grouped according to function and assigned into the  
8 following components: commodity, capacity, actual customer, customer costs, public  
9 fire protection, related revenue and direct assigned.<sup>8</sup>

10 Then several allocation factors were developed. A chart regarding the  
11 development of each is found in Exhibit CLA-17. Each of these factors is discussed  
12 below.

13 The Commodity Distribution Factor (COMM-1) distributes costs associated  
14 with providing average service to all customers. It signifies total consumption over the  
15 test period. The COMM-1 factor multiplies the water loss percentage to recover the  
16 cost of non-revenue water. It permits the allocation of the non-revenue water volume  
17 to each customer classification.

18 A Capacity Factor (CAP-1) distributes the costs associated with meeting each  
19 customer class’s demand. The CAP-1 factor uses the total water produced, which is  
20 obtained from adding the losses to the water sold, as in COMM-1), and a peaking factor  
21 to estimate the customer class’s peak day use. The proportions are used to distribute

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<sup>8</sup> In Exhibit CLA-17, this process is shown in the following charts: “Functionalization and Allocation of Rate Base – With Pro Forma Changes to Test Year;” “Accumulated Depreciation With Pro Forma Changes to Test Year;” Functionalization and Allocation of Expenses – Test Year (FY22);” “Functionalization and Allocation of Pro Forma Expenses;” and “COSS 2022 – Annual Depreciation – Water.”

1 the costs associated with capacity functions. In effect, the CAP-1 factor provides an  
2 assignment of the costs cause by the potential peak demands of an individual customer  
3 class on the District’s water distribution system.

4 Customer Distribution Factors allocate the various costs associated with having  
5 a customer on a distribution system. The study used three factors to allocate customer  
6 costs. CUST-1 is calculated based upon the actual number of meters per customer  
7 class. CUST-2 adds weighting for the level of effort to serve the customer class with  
8 regard to operation and maintenance, billing and customer service. CUST-3 attempts  
9 to create a distribution factor that reflects the actual material costs of providing the  
10 meters and services.

11 A Public Fire Protection Factor (PFP-1) reflects the possible demands placed  
12 upon the District’s water distribution system during firefighting activities.

13 The Revenue Factor is based upon total revenues from metered water sales from  
14 each customer class. The factor is used to allocate costs that vary with revenue.

15 In addition to these allocation factors, a factor has been developed to establish  
16 the percentage of distribution mains that should be allocated to commodity component,  
17 the capacity component, and the fire protection component. This calculation assigns  
18 the cost of two-inch pipe (\$20.00) throughout the distribution system to signify that  
19 portion of distribution lines to provide average demand service. The cost (\$99,232,848)  
20 is allocated to commodity component. It is assumed that all pipe larger than two  
21 inched, but less than eight inches, is used to meet peak demands and that the difference  
22 in cost between eight-inch pipe throughout and two-inch pipe throughout should be

1 assigned to the capacity component. The remainder is assumed to be constructed and  
2 available for fire protection.

3 These allocation factors are used to distribute the cost component totals (e.g.,  
4 commodity, capacity, actual customer) to the customer class responsible for them. The  
5 individual component costs are multiplied by the percentages of the distribution factors.  
6 The resulting costs are assigned to the customer classes.

7 **Q. What were the results of this assignment of costs?**

8 A. The results are shown in two charts in Exhibit CLA-17.

9 The chart entitled “Summary” summaries the allocation of costs to each  
10 customer class and the revenue required from each class to ensure the cost to serve that  
11 class is met. Rate base, as allocated, appears in this spreadsheet and Line 6 allows for  
12 a return on rate base. The only proposed return on rate base is for the Industrial class  
13 (limited to the cost of money based on the Federal Funds Rate). A return is requested  
14 from the Industrial class because rate base allocations, and therefore, associated  
15 allocations of expenses, cannot be derived from records of capital assets. The proposed  
16 return is minimal. Line 8 represents the total revenue needed from each customer class.  
17 Line 9 shows the difference in test year revenues and the total revenue required. Line  
18 10 shows the deficiency in current rates. Its absolute value represents the percentage  
19 that current rates must be increased to resolve the deficiency.

20 The chart entitled “Average Unit Costs” shows the individual cost components  
21 for each customer class. A unit cost for each component is calculated by dividing the  
22 cost component by the number of gallons. Customer costs are divided by the number

1 of customers. Volumetric cost is the sum of all individual unit costs and constitutes the  
2 flat rate that would normally be charged to each customer class.

3 **Q. Based upon this study, what rates were recommended to the District?**

4 A. My recommended rates are set forth in Exhibit CLA-18. I proposed the establishment  
5 of five customer classifications: Single-Family, Multi-Family, Commercial, Industrial  
6 and Public Authority. Each classification would be assessed a different monthly  
7 minimum bill based upon meter sizes and have a single volumetric rate based upon the  
8 class's determined volumetric cost. In addition, I proposed a minimum monthly rate  
9 for each wholesale customer and recommended that the District negotiate a new  
10 volumetric rate for each wholesale customer.

11 **Q. What action did the District take on your proposal?**

12 A. The District accepted my recommendations regarding the establishment of the  
13 following customer classifications: Residential, Commercial, Industrial and Public  
14 Authority. However, it did not establish a separate customer classification for  
15 Residential Multi-Family but preferred to continue with its current practice of  
16 calculating bills for meters serving more than one residential customer by assessing the  
17 responsible party an amount based on the average gallons used per unit at the current  
18 rate schedule multiplied by the number of units in the multiple-unit facility.

19 In lieu of assessing a minimum bill to each of its wholesale customers, the  
20 District elected to increase its current rates by 22.9 percent. The District chose that  
21 level since the bill of the average residential customer will increase by approximately  
22 22.9 percent under the proposed rates.

23

1 Q. **Will the proposed rates generate the revenue required from rates?**

2 A. I believe that the proposed rates will generate the level of revenue required from rates.  
3 To the extent that these rates may generate revenues in excess of that amount (the  
4 minimum bill for larger meters was difficult to predict), the Commission should take  
5 into consideration that the District has requested a level of revenue that is less than that  
6 permitted by the Commission's Debt Service Methodology.

7 Q. **What are your recommendations to the Commission?**

8 A. I recommend that the Commission approve the proposed rates as set forth in the  
9 District's proposed tariff sheets.

10 Q. **Does this conclude your testimony?**

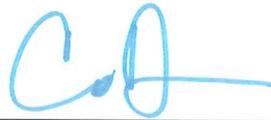
11 A. Yes, it does.

12

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) SS:  
COUNTY OF MERCER )

The undersigned, **Connie Lea Allen**, being duly sworn, deposes and says she has personal knowledge of the matters set forth in the foregoing testimony, and the answers contained therein are true and correct to the best of her information, knowledge, and belief.



\_\_\_\_\_  
CONNIE LEA ALLEN, P.E.

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 16<sup>th</sup> day of February 2023.

(SEAL)



\_\_\_\_\_  
Notary Public

Notary Commission Number: 22032

My Commission Expires:

1/21/25

# **EXHIBIT CLA-1**

# Connie Lea Allen, PE, CCM

## Curriculum Vitae

### Education

Bachelor of Arts (Political Science)—University of Kentucky—1985

Bachelor of Science in Civil Engineering—University of Kentucky—1990

Master of Business Administration (Project Management)—Grantham University—2013

### Registrations

Registered Professional Engineer—Kentucky (19331)—Ohio (71536)

Certified Construction Manager (A2049)

### Military

Colonel—United States Air Force Reserve (retired)

### Professional Experience

Salt River Engineering, PLLC—Owner and Principal Engineer—2010 to present

- designs water distribution and storage facilities and wastewater collection and pumping stations; distribution designs include systems serving large private water companies, municipalities and rural water utilities; design solutions include identification and mediation of inadequate facilities and lines, reduction of disinfection by-products through effective sizing and finished water storage, establishment of pressure zones, and hydraulic modeling for initial distribution system evaluations
- provides agency construction management and contract administration for municipal and private utility capital construction including time, cost and general project management; provides regional facilities plans, preliminary engineering reports and other capital planning consultation and deliverables
- performs rate designs and cost of service studies for municipal utilities in accordance with AWWA and generally accepted rate-setting methodology

Hazen and Sawyer, PSC—Senior Principal Engineer—2008 to 2010

- conducted construction management, project oversight and contract administration for water and sewer infrastructure construction projects
- managed hydraulic modeling for system planning and use in engineering design
- co-authored comprehensive water system inventory for Winchester and Clark County, KY

CDP Engineers, Inc.—Project Manager—1999 to 2008

- directed project development, developed and arranged funding for utility infrastructure
- provided design guidance and QA/QC on water distribution and sewer collection designs
- managed all hydraulic modeling, regional facility plans and preliminary engineering reports
- performed rate studies, cost of service studies and other utility financing consults for clients



### **Professional Experience, Continued**

Nesbitt Engineering, Inc.—Project Manager—1995 to 1999

Commonwealth Technology, Inc.—Project Engineer—1990 to 1995

- performed duties and responsibilities typical of water and sewer design engineers and project managers

### **Specialized Instruction in Utility Financing**

- American Water Works Association (AWWA) Financial Management: Cost of Service Rate-Making, 7 through 9 April 2014
- Michigan State University, Institute of Public Utilities (MSU IPU) Ratemaking Course, 30 September through 2 October 2019
- National Association of Regulatory Utility Commissioners (NARUC) Eastern Rate School, 20 through 25 October 2019

### **Regulatory Testimony and Rate Case Experience (*while with Salt River Engineering, only*)**

- Adjustment of Wholesale Water Service Rates of the City of Pikeville to Mountain Water District, Kentucky Public Service Commission, Case No. 2019-00080
- Parksville Water District vs. City of Danville, Kentucky Public Service Commission, Case No. 2014-00314
- Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board, Kentucky Public Service Commission, Case No. 2014-00254

### **Publications and Presentations (*while with Salt River Engineering, only*)**

“Comparative Study of Water Supply Options for Garrard County”, April 2013, commissioned by Garrard County Fiscal Court, City of Lancaster and City of Danville, KY.

“Checklist for Your Next Cost of Service Study”, Kentucky-Tennessee Water Professionals Conference, July 2015, Louisville, KY.



## **EXHIBIT CLA-2**



Cases Before the Kentucky Public Service Commission  
Connie L Allen, PE  
as the Primary Rate Analyst  
or  
where SRE's Work was otherwise before the Commission

(current as of August 2022)

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Case No. 2009-00056

Proposed Adjustment of the Wholesale Water Rates of the City of Lawrenceburg, KY  
Principal Analyst for the City of Lawrenceburg  
Negotiated/Settled

Case No. 2010-00148

Proposed Adjustment of the Wholesale Water Rates of Irvine Municipal Utilities, Irvine, KY  
Principal Analyst for Irvine Municipal Utilities  
Negotiated/Settled

Case No. 2014-00254

Proposed Adjustment of the Wholesale Water Rates of the Frankfort Electric and Water Plant Board  
Principal Rate Analyst/Engineer Assisting Counsel for the Regulated Utilities (Wholesale Customers)  
Negotiated/Settled

Case No. 2014-00392

Proposed Adjustment of the Wholesale Water Rates of the City of Danville, KY  
Principal Analyst for the City of Danville, KY  
Final Order – Rates Upheld

Case No. 2019-00080

Proposed Adjustment of the Wholesale Water Rates of the City of Pikeville to Mountain Water District  
Principal Rate Analyst/Engineer Assisting Counsel for the Mountain Water District  
Pikeville COSS Set Aside – COSS Rates Denied

Case No. 2022-00185

Electronic Purchased Water Adjustment Filing of Kirksville Water Association, Inc.  
Principal Rate Analyst/Engineer for the Seller of Water for Resale, Richmond Utilities  
Wholesale Water Rates Approved

Case No. 2022-00366

General Adjustment of Water Rates  
Principal Rate Analyst/Engineer for Mountain Water District  
in process---

Case No. 2022-00367

Adjustment of Sewer Rates  
Principal Rate Analyst/Engineer for Mountain Water District  
in process---

**EXHIBIT CLA-3**

Mountain Water District  
Ledger Summary with Utility Splits

account	description	ledger amount	split between utilities		water cost	sewer cost
			water	sewer		
4030.00	depreciation expense	\$2,722,308.00	100%	0%	\$2,722,308.00	\$0.00
4030.02	amortization expense	\$3,440.35			\$0.00	\$0.00
4030.17	depreciation expense - sewer	\$1,175,920.00	0%	100% 1	\$0.00	\$1,175,920.00
4083.00	payroll taxes - FICA and UC	\$167,826.51	79%	21% E	\$132,944.32	\$34,882.19
4140.00	gain (loss) on dispositions	(\$11,503.11)	100%	0%	(\$11,503.11)	\$0.00
4191.00	interest income	(\$3,591.98)	81%	19% B	(\$2,909.82)	(\$682.16)
4250.00	bond issuance cost	\$89,980.00			\$0.00	\$0.00
4273.00	interest expense - term debt	\$306,801.11	100%	0%	\$306,801.11	\$0.00
4273.17	interest expense - term debt	\$120,471.29	0%	100%	\$0.00	\$120,471.29
4611.00	metered sales - residential	(\$7,120,243.53)	100%	0%	(\$7,120,243.53)	\$0.00
4612.00	metered sales - commercial	(\$645,163.63)	100%	0%	(\$645,163.63)	\$0.00
4613.00	metered sales - industrial	(\$63,568.62)	100%	0%	(\$63,568.62)	\$0.00
4614.00	metered sales - public authority	(\$407,722.39)	100%	0%	(\$407,722.39)	\$0.00
4615.00	metered sales - multifamily	(\$300,452.28)	100%	0%	(\$300,452.28)	\$0.00
4621.00	fire protection revenue	(\$1,525.00)	100%	0%	(\$1,525.00)	\$0.00
4710.00	customer late payment charges	(\$181,580.72)	88%	12% D	(\$159,272.56)	(\$22,308.16)
4718.00	other water service revenue	(\$26,760.01)	100%	0%	(\$26,760.01)	\$0.00
4741.00	service connection fees	(\$173,622.46)	100%	0%	(\$173,622.46)	\$0.00
4741.17	service connection fees for wastewater	\$2,880.00	0%	100%	\$0.00	\$2,880.00
5211.17	sewer revenue - residential	(\$1,557,392.13)	0%	100%	\$0.00	(\$1,557,392.13)
5212.17	sewer revenue - commercial	(\$450,633.91)	0%	100%	\$0.00	(\$450,633.91)
6011.01	pumping labor - operations	\$288.00	100%	0%	\$288.00	\$0.00
6011.03	water treatment labor - operations	\$154,676.06	100%	0%	\$154,676.06	\$0.00
6011.05	T&D labor - operations	\$888,071.60	100%	0%	\$888,071.60	\$0.00
6011.06	T&D labor - maintenance	\$12,868.96	100%	0%	\$12,868.96	\$0.00
6011.07	customer accounts - labor	\$280,669.44	100%	0%	\$280,669.44	\$0.00
6011.08	administration & general labor	\$130,841.80	100%	0%	\$130,841.80	\$0.00
6011.17	sewer labor	\$385,023.43	0%	100%	\$0.00	\$385,023.43
6031.00	comp commissioners - auto dist	\$27,900.00	81%	19% B	\$22,601.46	\$5,298.54
6031.09	compensation - administrator	\$456,894.12	87%	13%	\$397,954.78	\$58,939.34
6041.01	health insurance - pumping operations	\$6,960.16	100%	0%	\$6,960.16	\$0.00
6041.03	health insurance - WTP operations	\$30,395.71	100%	0%	\$30,395.71	\$0.00
6041.05	health insurance - T&D operations	\$203,248.04	100%	0%	\$203,248.04	\$0.00
6041.06	health insurance - T&D maintenance	\$82.42	100%	0%	\$82.42	\$0.00
6041.07	health insurance - customer accounts	\$57,061.56	100%	0%	\$57,061.56	\$0.00
6041.08	health insurance - administration & general	\$37,674.43	100%	0%	\$37,674.43	\$0.00
6041.17	health insurance - sewer	\$56,220.44	0%	100%	\$0.00	\$56,220.44
6042.03	dental insurance - WTP operations	\$934.34	100%	0%	\$934.34	\$0.00

Mountain Water District  
Ledger Summary with Utility Splits

account	description	ledger amount	split between utilities		water cost	sewer cost
			water	sewer		
6042.05	dental insurance - T&D operations	\$6,543.06	100%	0%	\$6,543.06	\$0.00
6042.06	dental insurance - T&D maintenance	\$0.00	100%	0%	\$0.00	\$0.00
6042.07	dental insurance - customer accounts	\$1,715.00	100%	0%	\$1,715.00	\$0.00
6042.08	dental insurance - administration & general	\$5,394.27	100%	0%	\$5,394.27	\$0.00
6042.17	dental insurance - sewer	\$2,414.66	0%	100%	\$0.00	\$2,414.66
6043.01	vision insurance - pumping operations	(\$47.20)	100%	0%	(\$47.20)	\$0.00
6043.03	vision insurance - WTP operations	\$11.46	100%	0%	\$11.46	\$0.00
6043.05	vision insurance - T&D operations	\$545.46	100%	0%	\$545.46	\$0.00
6043.07	vision insurance - customer accounts	\$60.45	100%	0%	\$60.45	\$0.00
6043.08	vision insurance - administration & general	(\$270.74)	100%	0%	(\$270.74)	\$0.00
6043.17	vision insurance - sewer	(\$211.87)	0%	100%	\$0.00	(\$211.87)
6044.01	life insurance - pumping operations	(\$1,747.44)	100%	0%	(\$1,747.44)	\$0.00
6044.03	life insurance - WTP operations	\$661.89	100%	0%	\$661.89	\$0.00
6044.05	life insurance - T&D operations	\$4,949.93	100%	0%	\$4,949.93	\$0.00
6044.06	life insurance - T&D maintenance	\$2,622.62	100%	0%	\$2,622.62	\$0.00
6044.07	life insurance - customer accounts	\$2,297.68	100%	0%	\$2,297.68	\$0.00
6044.08	life insurance - administration & general	\$2,553.84	100%	0%	\$2,553.84	\$0.00
6044.17	life insurance - sewer	\$2,117.40	0%	100%	\$0.00	\$2,117.40
6045.01	short term disability - pumping operations	(\$336.20)	100%	0%	(\$336.20)	\$0.00
6045.03	short term disability - WTP operations	\$78.75	100%	0%	\$78.75	\$0.00
6045.05	short term disability - T&D operations	\$965.55	100%	0%	\$965.55	\$0.00
6045.06	short term disability - T&D maintenance	\$581.09	100%	0%	\$581.09	\$0.00
6045.07	short term disability - customer accounts	\$159.08	100%	0%	\$159.08	\$0.00
6045.08	short term disability - administration & general	(\$393.55)	100%	0%	(\$393.55)	\$0.00
6045.17	short term disability - sewer	(\$1.42)	0%	100%	\$0.00	(\$1.42)
6046.03	uniform expense (plant)	\$110.19	100%	0%	\$110.19	\$0.00
6046.06	uniform expense (water)	\$25,383.77	100%	0%	\$25,383.77	\$0.00
6046.17	uniform expense (sewer)	\$4,304.90	0%	100%	\$0.00	\$4,304.90
6047.08	employee expense	\$9,467.71	80%	20% A	\$7,611.30	\$1,856.41
6048.08	insurance expense	\$157,687.58	70%	30% C	\$110,120.33	\$47,567.25
6101.01	water purchase - Williamson	\$464,097.76	100%	0%	\$464,097.76	\$0.00
6102.01	water purchase - Pikeville	\$716,541.94	100%	0%	\$716,541.94	\$0.00
6103.17	sewage fees (Williamson)	\$65,181.54	0%	100%	\$0.00	\$65,181.54
6150.06	utility expense	\$12,480.55	100%	0%	\$12,480.55	\$0.00
6170.06	laboratory supplies	\$13,675.05	100%	0%	\$13,675.05	\$0.00
6170.17	laboratory supplies	\$5,341.33	0%	100%	\$0.00	\$5,341.33
6175.06	laboratory testing expense	\$54,084.49	100%	0%	\$54,084.49	\$0.00
6175.17	laboratory testing expense - sewer	\$27,538.53	0%	100%	\$0.00	\$27,538.53

Mountain Water District  
Ledger Summary with Utility Splits

account	description	ledger amount	split between utilities		water cost	sewer cost
			water	sewer		
6180.03	chemicals	\$173,232.92	100%	0%	\$173,232.92	\$0.00
6180.17	chemicals - sewer	\$58,352.38	0%	100%	\$0.00	\$58,352.38
6190.06	safety supplies	\$16,588.31	100%	0%	\$16,588.31	\$0.00
6190.17	safety supplies - sewer	\$6,866.24	0%	100%	\$0.00	\$6,866.24
6200.08	electrical expense	\$1,504,326.20	85%	15%	\$1,274,389.11	\$229,937.09
6310.08	contract services - engineering	\$3,992.50	100%	0%	\$3,992.50	\$0.00
6320.08	contract services - accounting	\$81,848.00	81%	19% B	\$66,304.09	\$15,543.91
6330.08	contract services - legal	\$9,662.43	100%	0%	\$9,662.43	\$0.00
6340.08	engineering	\$5.83	100%	0%	\$5.83	\$0.00
6350.08	contract services - general	\$12,762.94	80%	20% A	\$10,260.40	\$2,502.54
6351.08	contract services - manpower	\$245,620.46	92%	8% 4	\$225,233.96	\$20,386.50
6361.08	contract mgmt expense assumed	\$8,855.55	100%	0%	\$8,855.55	\$0.00
6410.05	rental of building - real property	\$0.00	0%	0%	\$0.00	\$0.00
6500.08	auto & transportation expense	\$189,355.33	100%	0%	\$189,355.33	\$0.00
6500.17	auto & transportation expense - sewer	\$20.60	0%	100%	\$0.00	\$20.60
6600.08	advertisement	\$1,956.20	100%	0%	\$1,956.20	\$0.00
6670.03	bad debts charged to expenses	\$97,265.44	81%	19% B	\$78,793.58	\$18,471.86
6701.00	other legal PSC expense	\$1,074.00	100%	0%	\$1,074.00	\$0.00
6750.08	mobile phone expense	\$24,572.05	100%	0%	\$24,572.05	\$0.00
6751.08	telephone/internet	\$22,614.43	100%	0%	\$22,614.43	\$0.00
6751.17	telephone/internet - sewer	\$4,346.93	0%	100%	\$0.00	\$4,346.93
6752.08	education, dues, mtgs, insurance	\$45,394.68	80%	20% A	\$36,493.76	\$8,900.92
6755.08	office expense (most is billing/postage)	\$224,860.69	88%	12% D	\$197,235.36	\$27,625.33
6756.08	easements	\$6,745.58	100%	0%	\$6,745.58	\$0.00
6758.09	settlement expense (mostly fines DOW)	\$32,507.33	100%	0%	\$32,507.33	\$0.00
6759.00	service fee expense	\$3,892.06	81%	19% B	\$3,152.91	\$739.15
6759.08	bank service fee expense	\$9,054.87	81%	19% B	\$7,335.24	\$1,719.63
6760.08	telephone	\$236.85	100%	0%	\$236.85	\$0.00
6761.08	workers comp	\$57,455.00	80%	20% A	\$46,189.31	\$11,265.69
6762.08	PSC tax assessment	\$0.00	0%	0%	\$12,700.54	\$3,069.95
6800.00	retirement expense	\$576,811.89	80%	20% A	\$463,711.52	\$113,100.37
6805.00	rate study expense	\$664.12	100%	0%	\$664.12	\$0.00
6855.00	miscellaneous supplies	\$4,661.28	70%	30% C	\$3,255.18	\$1,406.10
7000.06	major equipment R&M	\$62,080.91	100%	0%	\$62,080.91	\$0.00
7000.17	major equipment R&M - sewer	\$2,786.56	0%	100%	\$0.00	\$2,786.56
7001.06	hand tools R&M	\$21,413.79	100%	0%	\$21,413.79	\$0.00
7001.17	hand tools R&M - sewer	\$2,830.59	0%	100%	\$0.00	\$2,830.59
7002.06	PS/LS R&M	\$115,511.30	100%	0%	\$115,511.30	\$0.00

Mountain Water District  
Ledger Summary with Utility Splits

account	description	ledger amount	split between utilities		water cost	sewer cost
			water	sewer		
7002.17	P/S/L S R&M - sewer	\$117,507.66	0%	100%	\$0.00	\$117,507.66
7003.06	vehicle R&M	\$66,771.94	100%	0%	\$66,771.94	\$0.00
7003.17	vehicle R&M - sewer	\$1,733.91	0%	100%	\$0.00	\$1,733.91
7006.06	general R&M	\$516,864.70	100%	0%	\$516,864.70	\$0.00
7006.17	general R&M - sewer	\$23,584.24	0%	100%	\$0.00	\$23,584.24
7008.06	general R&M telemetry	\$24,585.82	100%	0%	\$24,585.82	\$0.00
7009.06	R&M leak detection	\$1,951.19	100%	0%	\$1,951.19	\$0.00
7053.17	supplies & expenses treatment sewer	\$12,855.25	0%	100%	\$0.00	\$12,855.25
		\$2,358,318.06			\$1,630,387.20	\$650,281.00

Note 1 The ledger depreciation account for sewer includes capital used and useful as of 1 Oct 2022. The "Schedule of Adjusted Operations" shows the FY 2022 depreciation expense, with the adjustments to arrive at the depreciation costs included on the ledger.

Note 2 The split of Kentucky Power charges was manually calculated, looking at each monthly bill and separating water from sewer. The result of that exercise yielded \$1,264,063.55 (W) and \$228,074.06 (S), for a total of \$1,492,137.61. The ledger has, in account 6200.08, \$1,504,326.20 for a difference of \$12,188.59. I used the ledger #, split as the actual bill calculation.

Note 3 These ledger items are "non-cash" items according to Mike Spears. They are not included in calculation of revenue requirements or, for sewer, not included in O&M expenses.

Note 4 There are 12 temporary employees included in this ledger account. Only 1 of those 12 are assigned to sewer; therefore, 8.3% of this is assigned to sewer, the rest to water.

ratio calculation	water	sewer	
100% employees	41	10	A
revenue	\$(8,565,435)	\$(2,008,026)	B
depreciation	\$ 2,722,308	\$ 1,175,920	C
active customers	16564	2320	D
payroll	\$ 1,467,416	\$ 385,023	E

**EXHIBIT CLA-4**

Mountain Water District  
Water Utility Wages (Test Year, Current, and Future)

last name	employ funcnt	percent water	test year hours worked		test year (2nd half) ending rate	test year water wages	current hourly rate	current water wages	imminent hourly rate	imminent water wages	
			regular	CO & OT							
	AD	100%	2076.00		\$16.74	\$ 34,442.24	\$ 16.74		\$ 17.74	\$ 36,828.24	
	AD	100%	2127.00	108.25	\$16.74	\$ 37,847.90	\$ 16.74		\$ 17.74	\$ 40,613.51	
	AD	81%			\$34,317.00	\$ 54,702.73		\$ 68,633.99		\$ 57,817.27	
	AD	100%			\$32,184.35	\$ 63,346.64		\$ 64,368.70		\$ 66,943.45	
	AD	100%	2059.25		\$12.00	\$ 30,507.50	\$ 15.01		\$ 15.91	\$ 32,762.67	
	AD	100%			\$31,746.25	\$ 62,486.40		\$ 63,492.50		\$ 66,032.20	
	AD	81%			\$44,600.00	\$ 79,663.44		\$ 89,200.00		\$ 74,419.56	
	AD	81%	2136.00	150.00	\$16.04	\$ 30,246.60	\$ 16.04		\$ 17.16	\$ 32,816.96	
	AD	100%	2080.00				\$ 15.00		\$ 18.00	\$ 37,440.00	
						\$ 393,243.45				\$ 445,673.86	
	CS	100%	2081.75	19.75	\$13.00	\$ 25,203.97	\$ 13.00		\$ 13.91	\$ 29,369.23	
	CS	100%	1260.75	1.50	\$13.00	\$ 15,419.10	\$ 13.00		\$ 13.91	\$ 17,568.33	
	CS	100%	2092.75	9.00	\$12.00	\$ 23,802.41	\$ 12.00		\$ 13.08	\$ 27,549.75	
	CS	100%	2093.25	19.50	\$16.71	\$ 35,037.43	\$ 16.71		\$ 17.71	\$ 37,589.48	
	CS	100%	234.14			\$ 2,209.02					
	CS	100%	2085.00	5.75	\$15.50	\$ 32,036.08	\$ 15.50		\$ 16.43	\$ 34,398.26	
	CS	100%			\$19,660.58	\$ 38,319.88		\$ 39,321.15		\$ 41,287.21	
						\$ 172,027.89				\$ 187,762.25	
	MN	81%	2145.50	37.50	\$13.75	\$ 24,139.63	\$ 13.75		\$ 15.02	\$ 26,786.93	
	MN	100%	653.75	10.00	\$18.87	\$ 12,618.96					
	MN	81%	2180.50	137.50	\$14.00	\$ 25,541.72	\$ 14.00		\$ 15.12	\$ 29,231.00	
	MN	81%	1803.50	216.00	\$13.50	\$ 23,113.43	\$ 13.50		\$ 15.02	\$ 25,883.59	
	MN	81%			\$44,212.50	\$ 35,420.86		\$ 51,500.00		\$ 43,383.60	
						\$ 120,834.60				\$ 125,285.13	
	MT	100%			\$25,081.63	\$ 49,312.12		\$ 50,163.40		\$ 52,169.94	
	MT	100%	1526.50	27.50	\$12.00	\$ 17,967.38				\$ -	
	MT	100%	2110.50	75.00	\$13.50	\$ 28,234.13	\$ 15.00		\$ 16.20	\$ 36,012.60	
	MT	100%	1870.81	131.50	\$16.50	\$ 23,526.57	\$ 16.50		\$ 17.82	\$ 36,852.83	
	MT	100%	2080.00				\$ 12.00		\$ 14.01	\$ 29,140.80	
						\$ 119,040.20				\$ 154,176.17	
	TD	100%	2173.00	239.50	\$16.75	\$ 41,199.71	\$ 16.75		\$ 20.39	\$ 51,632.58	
						\$ 35,135.97				\$ 35,135.97	

Mountain Water District  
Water Utility Wages (Test Year, Current, and Future)

last name	employ funcnt	percent water	test year hours worked		test year (2nd half) ending rate	test year water wages	current hourly rate	current water wages	imminent hourly rate	imminent water wages	
			regular	CO & OT							
	TD	100%	2158.50	130.50	\$14.50	\$ 37,025.32	\$ 14.50		18.02	\$ 42,423.59	
	TD	100%	2350.00	328.50	\$15.50	\$ 39,841.17	\$ 15.50		19.07	\$ 54,211.24	
	TD	100%	2027.00	283.00	\$14.00	\$ 31,107.75					quit
	TD	100%	1676.00	61.00	\$42,000.00	\$ 30,763.31		\$ 42,000.00		\$ 46,200.00	went to salary
	TD	100%	538.98	83.00	\$11.50	\$ 7,324.67					quit
	TD	100%			\$24,202.40	\$ 47,556.28		\$ 48,404.79		\$ 50,825.03	
	TD	100%	2097.00	20.50	\$16.50	\$ 34,309.20	\$ 16.50		17.82	\$ 37,916.51	
	TD	100%	322.31	21.00	\$12.00	\$ 4,245.74					new
	TD				\$11.03	\$ -					quit
	TD	100%	1484.00	155.75	\$12.50	\$ 19,461.52	\$ 14.50		18.02	\$ 30,951.60	
	TD	100%			\$23,770.75	\$ 46,399.64					retired
	TD	100%			\$27,993.14	\$ 55,115.90		\$ 55,986.28		\$ 58,225.73	
	TD	100%	1929.00	129.50	\$13.93	\$ 46,946.18		\$ 48,760.00		\$ 51,198.00	went salary
	TD	100%	616.68	29.50		\$ 6,713.38					quit
	TD	100%	1920.00	137.50	\$16.50	\$ 32,682.34					quit
	TD	100%				\$ -					quit
	TD	100%			\$23,316.50	\$ 97,674.86		\$ 88,425.00		\$ 91,077.75	
	TD	100%	2142.50	201.00	\$13.00	\$ 28,655.57	\$ 13.00		15.08	\$ 36,855.52	
	TD	81%			\$27,310.40	\$ 43,529.08		\$ 54,620.80		\$ 60,082.88	
	TD	100%	96.54	0.00	\$11.55	\$ 1,115.04					quit
	TD	100%	1292.50	154.00	\$16.50	\$ 24,617.86	\$ 16.50		20.09	\$ 30,607.12	
	WD	100%			\$25,327.09	\$ 49,782.28		\$ 50,654.20		\$ 53,186.91	
	WD	100%			\$26,544.52	\$ 51,723.54		\$ 56,201.60		\$ 58,449.66	
						\$ 777,790.34				\$ 753,844.11	\$ (23,946.23)
	WL	100%	2322.78	26.00	\$13.00	\$ 30,600.82	\$ 13.00		15.02	\$ 35,473.94	
	WL	100%	2400.50	214.00		\$ 36,604.57	\$ 13.93		16.02	\$ 43,598.43	check
	WL	100%	2119.00	63.25	\$13.75	\$ 29,890.75					quit
						\$ 97,096.14				\$ 79,072.37	\$ (18,023.77)
	WOP	100%	682.00	82.00	\$13.75	\$ 9,509.00	\$ 14.00		15.02	\$ 12,091.10	
	WOP	100%	2163.00	49.00	\$17.50	\$ 38,587.83	\$ 20.50		21.53	\$ 48,151.85	
	WOP	100%	2183.00	10.00	\$17.50	\$ 37,928.39	\$ 17.50		18.38	\$ 40,399.24	
	WOP	100%	2140.00	157.00		\$ 47,559.02	\$ 20.50		21.53	\$ 51,144.52	

Mountain Water District  
Water Utility Wages (Test Year, Current, and Future)

last name	employ funcnt	percent water	test year hours worked		test year (2nd half) ending rate	test year water wages	current hourly rate	current water wages	imminent hourly rate	imminent water wages	
			regular	CO & OT							
	WQ	100%	2158.50	180.50	\$16.01	\$ 133,584.24	\$ 17.01		\$ 18.37	\$ 151,786.70	\$ 18,202.46
	WQ	100%	2098.50	58.50	\$14.00	\$ 29,646.10	\$ 14.00		\$ 15.12	\$ 33,056.10	
						\$ 67,455.50				\$ 77,681.42	\$ 10,225.92
						\$ 1,881,072.36				\$ 1,975,282.00	\$ 94,209.64

**EXHIBIT CLA-5**

# MOUNTAIN WATER DISTRICT

## RESOLUTION 22-10-001

### AUTHORIZATION TO APPROVE PROPOSED EMPLOYEE COMPENSATION RATES PENDING PUBLIC SERVICE COMMISSION APPROVAL

**WHEREAS, THE BOARD OF COMMISSIONERS** of the Mountain Water District agrees that the employees of the Mountain Water District is our greatest asset and resource.

**AND WHEREAS, THE BOARD OF COMMISSIONERS** of the Mountain Water District deem it necessary to compensate said employees at a rate commensurate with experience and in appreciation of the essential services that they provide to the community,

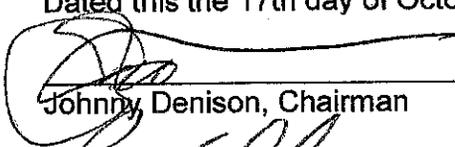
**NOW, THEREFORE, BE IT RESOLVED THAT** the Board of Commissioners of the Mountain Water District hereby vote to approve the employee compensation rates as per the attached list, incorporated into the current application for rate adjustment, pending approval of the Public Service Commission and upon implementation of the revised rate structure.

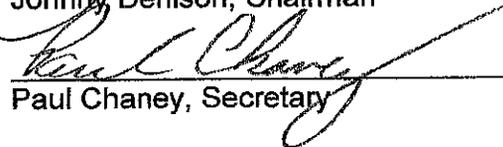
**MOTION FOR ADOPTION** of this resolution was made the 17th day of October, 2022, by Commissioner Runyon and seconded by Commissioner Chaney. Commissioner voting as follows:

Commissioner Denison	Aye
Commissioner Tackett	Aye
Commissioner Runyon	Aye
Commissioner Chaney	Aye
Commissioner Justice	Aye

**THEREUPON**, said motion was declared passed and the resolution adopted.

Dated this the 17th day of October, 2022.

  
\_\_\_\_\_  
Johnny Denison, Chairman

  
\_\_\_\_\_  
Paul Chaney, Secretary

**MOUNTAIN WATER DISTRICT  
PROPOSED 2023 PAY RATE INCREASE**

ANNUAL HOURLY RATE PERCENTAGE INCREASE (38 EMPLOYEES) ..... 10.86%

ANNUAL SALARY RATE PERCENTAGE INCREASE (17 EMPLOYEES) ..... 4.88%

MANPOWER ANNUAL HOURLY RATE PERCENTAGE INCREASE (12 EMPLOYEES) .... 8.33%

**AVERAGE ANNUAL RATE PERCENTAGE INCREASE ..... 8.02%**

ANNUAL HOURLY RATE INCREASE ..... \$214,313.86

ANNUAL SALARY RATE INCREASE ..... \$67,416.05

MANPOWER ANNUAL HOURLY RATE INCREASE ..... \$42,332.16

**TOTAL ANNUAL RATE INCREASE COST ..... \$324,062.07**

MONTHLY HOURLY RATE INCREASE ..... \$17,859.49

MONTHLY SALARY RATE INCREASE ..... \$5,618.00

MANPOWER MONTHLY HOURLY RATE INCREASE..... \$3,527.68

**TOTAL MONTHLY RATE INCREASE COST .....\$27,005.17**

<u>WATER CUSTOMER COUNT</u>	<u>ANNUAL COST</u>	<u>MONTHLY COST PER CUSTOMER</u>
16,556	\$246,851.64	\$1.24

<u>SEWER CUSTOMER COUNT</u>	<u>ANNUAL COST</u>	<u>MONTHLY COST PER CUSTOMER</u>
2,334	\$77,210.43	\$2.76

<u>WATER &amp; SEWER CUSTOMER COUNT COMBINED</u>	<u>TOTAL COST</u>	<u>MONTHLY COST PER CUSTOMER</u>
18,890	\$324,062.07	\$1.43

NOTE: THE ABOVE ESTIMATED COST PER CUSTOMER IS BASED ON THE PERCENTAGES NOTED IN THE GENERAL LEDGER FOR EMPLOYEES THAT ARE CATEGORIZED AS WATER DISTRIBUTION SYSTEM, SEWER COLLECTION SYSTEM, OR THOSE EMPLOYEES WHO WORK IN BOTH DEPARTMENTS.



**Kentucky Rural Water Association**  
Helping water and wastewater utilities help themselves

# Memorandum

To: KRWA Member Utilities  
From: Andy Lange  
Assistant Director  
Date: July 9, 2021  
Subject: 2021 KRWA Compensation and Benefit Survey Results

Please find enclosed the 2021 KRWA Compensation and Benefit Survey results. We hope that the information compiled from this survey will give you a basis in your effort to provide equitable compensation and benefit packages for your employees.

We received a 40% response to the survey (139 out of 349 utilities) which provides salary and benefit information for over 1500 full-time employees. To ease in the interpretation of this data, we have broken down the information by type of utility (water district, municipality, etc.) and size (by number of connections). For each utility category, salaries are presented on an annualized basis with the minimum, average and maximum salary for each position. The wage information has been annualized using 2080 hours per year for full time employment. Please take into consideration that years of service, geographic location, and sophistication of operation have not been factored into this survey.

Benefit information is presented for each type and size of utility only in respect to whether a utility offers the benefit to its employees.

Thank you for participating in this survey. If you have specific questions concerning compensation and benefit issues, please give us a call and we will try to provide assistance.

Enclosures

# Employee Benefits Summary 2021

All Utilities (136)	
Health Insurance	93%
Life Insurance	67%
Retirement	91%
Vacation	98%
Sick Leave	92%
Incentive Pay	20%

Utilities 0 to 2500 Connections (71)	
Health Insurance	86%
Life Insurance	51%
Retirement	83%
Vacation	96%
Sick Leave	86%
Incentive Pay	14%

Utilities 2501 to 4999 Connections (30)	
Health Insurance	100%
Life Insurance	81%
Retirement	97%
Vacation	100%
Sick Leave	97%
Incentive Pay	17%

Large Utilities Over 5000 Connections (35)	
Health Insurance	100%
Life Insurance	86%
Retirement	100%
Vacation	100%
Sick Leave	100%
Incentive Pay	35%



**Full Time Positions  
Water Districts, Sanitation Districts, Water Associations  
& Water Commissions  
(Over 5000 Connections)**

Position	Count	Annual Salary Range		
		Minimum	Average	Maximum
Asst. Manager/Asst. Superintendent	14	\$42,600.00	\$69,450.50	\$101,000.00
Asst. Office Manager/Asst. City Clerk	14	\$31,200.00	\$47,276.64	\$61,345.00
Bookkeeper	7	\$33,363.00	\$42,713.00	\$63,250.00
Customer Service Rep (CSR)	63	\$19,656.00	\$34,708.11	\$58,365.00
Distribution Supervisor/Foreman	23	\$39,915.00	\$55,370.35	\$83,700.00
Engineer	4	\$63,773.00	\$83,760.50	\$99,158.00
Equipment Operator	24	\$24,024.00	\$45,131.75	\$71,115.00
Finance Director/Accountant	12	\$36,338.00	\$64,124.33	\$99,600.00
GIS Specialist	6	\$37,440.00	\$52,617.33	\$64,147.00
Lab Technician	2	\$28,496.00	\$32,188.00	\$35,880.00
Laborer	31	\$21,840.00	\$34,236.03	\$50,398.00
Maintenance Supervisor/Foreman	12	\$33,779.00	\$52,437.67	\$73,258.00
Manager/Superintendent	25	\$55,744.00	\$84,836.68	\$145,000.00
Mechanic/Electrician	7	\$39,250.00	\$59,311.00	\$71,448.00
Meter Reader	27	\$22,131.00	\$32,616.48	\$45,427.00
Meter Reading Foreman	8	\$41,517.00	\$52,261.88	\$65,312.00
Office Manager/City Clerk	17	\$35,526.00	\$53,387.00	\$85,000.00
Wastewater Collection Operator	10	\$24,024.00	\$36,514.50	\$52,541.00
Wastewater Collection Supervisor	1	\$50,835.00	\$50,835.00	\$50,835.00
Wastewater Plant Operator	28	\$21,278.00	\$36,174.54	\$52,541.00
Wastewater Plant Supt./Foreman	6	\$50,378.00	\$61,595.83	\$77,460.00
Water Distribution Operator	62	\$20,800.00	\$39,120.34	\$55,786.00
Water Plant Operator	73	\$21,840.00	\$43,982.16	\$60,840.00
Water Plant Superintendent/Foreman	12	\$40,310.00	\$61,922.08	\$75,878.00

PCFC  
Current

## PAYSCALE

2-H (\$12.57) - positions require easily acquired skills. Examples would be cook, janitor, drivers of personal type vehicles, office positions such as receptionists, light duty industrial vehicle operators, loaders on garbage trucks, operators of small hand tools, or secretarial positions that requires typing or similar skills.

3-H (\$15.04) - positions require specific skills acquired through specialized training or extensive experience operating complicated equipment. Examples would be carpenter's helpers mechanics helpers, computer operators, weed mowers and non CDL Truck Drivers.

4-H (\$17.08) - positions require specialized licenses such as CDL Drivers.

5-H (\$20.07) - positions require the a high level of skills necessary to carry on the function of county government. Examples would be positions which requires specialized skills such as computer operators with the ability to do moderate programming tasks, auto body repairman, also mechanics and carpenters.

6-H (\$22.66) - heavy operators such as excavator operators, paver operators, grader operators and bulldozer operators.

**EXHIBIT CLA-6**

## Proposed fully insured benefit rates

MOUNTAIN WATER DISTRICT

Group Number: W26979

Effective November 1, 2022 through October 31, 2023

### Quote highlights

Funding type: Fully Insured

Commission included in rates

### Selected Plan

#### Renewal Plan Designs

Anthem Blue Access PPO Option 14 (T1: \$10/\$35/\$75/25% to \$350, Tiered) - 6CVZ Embedded Essential

Anthem Blue Access PPO Option 5 (T1: \$10/\$35/\$75/25% to \$350, Tiered) - 6CVM Embedded Essential

Benefits	Blue Access	Blue Access
	Standard	Standard
Deductible (individual/family)	\$2,000/\$4,000	\$750/\$2,250
Coinsurance	20%	20%
Out-of-pocket maximum (individual/family)	\$4,500/\$9,000	\$4,000/\$8,000
Office visit (primary care physician/specialist) copay	\$20/\$50	\$20/\$50
Inpatient/Outpatient hospital copay (Surgery)	Ded & Coins/Ded & Coins	Ded & Coins/Ded & Coins
Emergency room/urgent care copay	\$300 + Coins/\$20	\$300 + Coins/\$20
Prescription drugs – retail	\$10/\$35/\$75/25% to \$350	\$10/\$35/\$75/25% to \$350
Prescription drugs – mail order	\$25/\$105/\$225	\$25/\$105/\$225
OON Deductible (individual/family)	\$6,000/\$12,000	\$2,250/\$4,500
OON Coinsurance	50%	50%
OON Out-of-pocket maximum (individual/family)	\$13,500/\$27,000	\$12,000/\$24,000

Benefit categories reflect in-network benefits unless noted as Out-Of-Network (OON)

#### Monthly Rates, Assumed Enrollment and Total Premium

Total	Employees			Employees		
	Current rates	Renewal rates	Current rates	Renewal rates		
Employee	20	\$540.73	\$594.80	18	\$584.91	\$643.40
Employee + Spouse	2	\$1,189.60	\$1,308.56	3	\$1,286.81	\$1,415.49
Employee + Children	2	\$1,027.38	\$1,130.12	5	\$1,111.33	\$1,222.46
Employee + Family	0	\$1,730.32	\$1,903.35	2	\$1,871.72	\$2,058.89
Total Employees/Monthly Premium	24	\$15,249	\$16,773	28	\$23,689	\$26,058
Annual Premium		\$182,983	\$201,280		\$284,267	\$312,693
Premium Action		10.00%			10.00%	

Overall Total Annual Premium

Overall Premium Action

Current Premium

\$ 467,250

Renewal Premium

\$ 513,973

10.00%

Authorized Signature:



By typing my name I intend for it to serve as my signature, and that I am authorized to sign on behalf of this group.

Title:

Date: 10/4/22

**EXHIBIT CLA-7**



**EXHIBIT CLA-8**

# Technical Memorandum



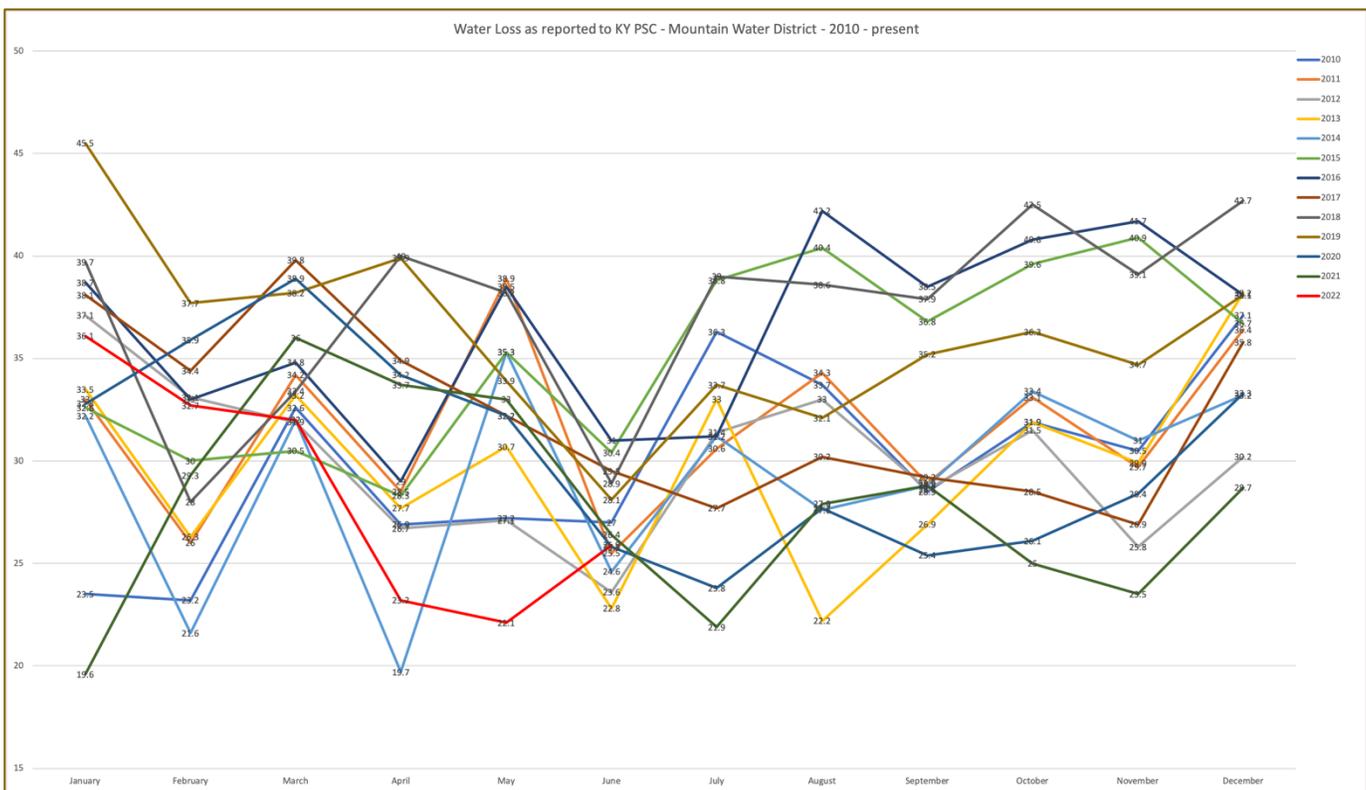
## Water Loss for Rate Case

## Mountain Water District

To: Roy Sawyers  
Operational Manager

August 2022

During the process of performing a water rate study for Mountain Water District, SRE requested extensive information on historical water loss, as well as data for the test year, July 2021 through June 2022. MWD staff provided water loss data dating back to 2010. Review of the data, especially by using line graphs of water loss reported monthly, provides a context from which to draw conclusions and form reasonable expectations.



Looking at the graph, one can see 12 years of inconsistent data excepted by 2 months, March and June. Whereas, predicting (and, explaining) water loss is definitely an imperfect science, it is reasonable to make a couple of observations from the graph. While not among the highest loss numbers, March losses are consistently high. We would expect high losses in the coldest winter weather as customers allow their faucets to drip or stream to prevent the freezing of water pipes. Most of the time, even the most accurate positive displacement meters cannot detect such low flows. The resulting collective of faucet drips across the utility's customer base will register as a significant water loss. Additionally, in cold weather, other forms of water loss such as theft and meter inaccuracies are not as substantial. The predictable losses due to dripping faucets and the absence of other typical losses could explain the tight grouping of March water losses.

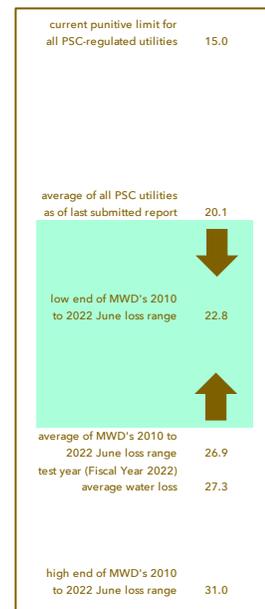
The other month with some consistency in reported losses is June with percentages ranging from 22.8 to 31.0. Perhaps the MWD staff can offer ideas and theories as to why June loss numbers provide the lowest grouping of percentages. However, even without the “why” we can still look at the June loss numbers as indicative of the lowest, consistent water loss numbers MWD reported during the 12-year period. Consideration of all the June percentages from 2010 to 2022 resulted in an average water loss of 26.9 percent. So, given the fact there are losses MWD simply cannot prevent or control, the other losses, for some reason, tend to be minimized during the month of June. We may never know the portion of the water loss that cannot be eliminated even with the best possible efforts; however, we can say that the portion that can be eliminated seems to be at its consistently lowest percentage in June.

Another thing we know is that a water district in an Eastern Kentucky county with over 4000 feet difference in the lowest and highest point, almost 4 million feet of line and 106 tanks should not be held to the same water loss standard as a water district in the Jackson Purchase with 259 feet of total relief, 53,000 feet of line and 1 tank. So, if the Jackson Purchase water utility is allowed 15 percent water loss, what percentage of loss should PSC allow the Eastern Kentucky utility? While we may not know the numerical answer, we know it would have to be greater than 15 percent. The average loss reported by all PSC-regulated districts and associations, based on the latest reports on file, was 20.1 percent.

MWD has 3.4 times as many customers as the PSC utility average, 2.6 times as much line in the ground and an incomparable number of pump stations and tanks. Most of MWD’s customers have longer service lines than average and less forgiving laying conditions from the main line to the meter. Additionally, the high pressures and water hammer associated with all the individual pressure zones undoubtedly compound an already higher-than-average potential for water loss.

The test year (FY 2022) water loss as reported to PSC was 27.3 percent—an amazing accomplishment considering MWD reduced their water loss by 11.6 percent while shouldering a penalty of over \$2 million over the 3 years since the PSC Order from Case 2020-00068.

The conclusions we can draw are that it is unreasonable for PSC to punitively hold MWD to 15 percent water loss and the reasonable limit should be between 15 and an attainable number somewhere between 22.8 and 31.0 percent (June range). We can expect MWD to achieve further reduction in water loss than the test year percentage because additional projects and zone metering have been identified but have not yet been completed. Further, we should expect a lower water loss goal than the average of the June loss range because the annual loss percentages are trending down since 2010. We can logically make the case that MWD should not be expected to meet the same water loss goals as utilities with a fraction of plant in service and a single pressure zone. And, the punitive limit should not be less than the average of PSC-regulated utilities. If all those expectations are logical and accepted, it follows the PSC water loss limit, beyond which a penalty follows, should exist somewhere in the highlighted area. The lower end of MWD’s June water loss is within the highlighted area. I would recommend calculating revenue requirements using a water loss limit of 22 percent and imploring PSC to accept that number as the punitive limit for MWD for the foreseeable future.



**EXHIBIT CLA-9**

# Invoice

WTP

INVOICE DATE	INVOICE NUMBER
07/21/2022	S100186353.001
REMIT TO: CITCO Water P.O. BOX 2163 HUNTINGTON, WV 25722	PAGE NO. 1 of 1

BILL TO:

SHIP TO:

MOUNTAIN WATER DISTRICT  
P O BOX 3157  
PIKEVILLE, KY 41502

MOUNTAIN WATER DISTRICT  
RUSSELL FORK CREEK  
43 HARLESS CREEK ROAD  
REGINA, KY 41559

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON		
5641	15770		Andrew Jackson		
WRITER		SHIP VIA	TERMS	SHIP DATE	ORDER DATE
Jonathon Kuchenbrod		DIRECT	NET 30 DAYS	07/21/2022	06/03/2022
ORDER QTY	SHIP QTY	DESCRIPTION	UNIT PRICE	EXT PRICE	
4477gl	4477gl	^RQ, UN1791, HYPOCHLORITE SOLUTIONS, 8, PG III, BULK TANKER (12.5% SODIUM HYPOCHLORITE) CERTIFIED TO * NSF/ ANSI 60 *	2.420/gl	10834.34	

Invoice is due by 08/20/2022

**Past Due invoices may be subject to 1.50% late charge. Effective June 1, 2022, CITCO Water is updating its ACH/wire instructions as outlined below. Please continue to send all remittance**

PLEASE BE ADVISED THAT EFFECTIVE APRIL 1, 2021, CITCO Water IS CHANGING OUR POLICY ON ACCEPTING PAYMENTS BY USE OF A CREDIT CARD. PAYMENTS AT TIME OF DELIVERY WILL BE ACCEPTED WITH NO CREDIT CARD FEE. ALL OTHER PAYMENTS WITH A CREDIT CARD WILL BE CHARGED A 3.5% FEE IN ADDITION TO THE PAYMENT AMOUNT. FOR QUESTIONS, PLEASE CALL 1-800-999-3484.

Subtotal	10834.34
S&H Charges	952.01
Tax	0.00
Payments	0.00
Amount Due	11786.35



# Invoice

INVOICE DATE	INVOICE NUMBER
09/17/2021	S100162788.001
REMIT TO: CITCO Water P.O. BOX 2163 HUNTINGTON, WV 25722	PAGE NO.
	1 of 1

BILL TO:

SHIP TO:

MOUNTAIN WATER DISTRICT  
P O BOX 3157  
PIKEVILLE, KY 41502

MOUNTAIN WATER DISTRICT  
RUSSELL FORK CREEK  
43 HARLESS CREEK ROAD  
REGINA, KY 41559

CUSTOMER NUMBER		CUSTOMER PO NUMBER		JOB NAME / RELEASE NUMBER		SALESPERSON	
5641		14724				Andrew Jackson	
WRITER		SHIP VIA		TERMS		SHIP DATE	ORDER DATE
Jesse Grubbs		DIRECT		NET 30 DAYS		09/17/2021	09/07/2021
ORDER QTY	SHIP QTY	DESCRIPTION				UNIT PRICE	EXT PRICE
3948gl	3948gl	RQ, UN1791, HYPOCHLORITE SOLUTIONS, 8, PG III, TOTE (12.5% SODIUM HYPOCHLORITE) CERTIFIED TO * NSF/ ANSI 60 * WT OF CONTAINERS FULL _____ WT OF CONTAINERS EMPTY _____ MAXIUM USE 60 MG/L LOT# _____ MFR.DATE _____ REPACKAGE DATE _____				1.862/ea	7351.18

Invoice is due by 10/17/2021

**Past Due invoices may be subject to 1.50% late charge.**  
**\*\*\*PLEASE SEE IMPORTANT CREDIT CARD UPDATE\*\*\***

PLEASE BE ADVISED THAT EFFECTIVE APRIL 1, 2021, CITCO Water IS  
 CHANGING OUR POLICY ON ACCEPTING PAYMENTS BY USE OF A CREDIT CARD.  
 PAYMENTS AT TIME OF DELIVERY WILL BE ACCEPTED WITH NO CREDIT CARD  
 FEE. ALL OTHER PAYMENTS WITH A CREDIT CARD WILL BE CHARGED A 3.5% FEE  
 IN ADDITION TO THE PAYMENT AMOUNT.

Subtotal	7351.18
S&H Charges	338.25
Tax	0.00
Payments	0.00
Amount Due	7689.43



# Invoice

INVOICE DATE	INVOICE NUMBER
07/21/2022	S100189797.001
REMIT TO: CITCO Water P.O. BOX 2163 HUNTINGTON, WV 25722	PAGE NO.
	1 of 1

BILL TO:

SHIP TO:

MOUNTAIN WATER DISTRICT  
P O BOX 3157  
PIKEVILLE, KY 41502

MOUNTAIN WATER DISTRICT  
RUSSELL FORK CREEK  
43 HARLESS CREEK ROAD  
REGINA, KY 41559

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON	
5641	15888		Andrew Jackson	
WRITER	SHIP VIA	TERMS	SHIP DATE	ORDER DATE
Jonathon Kuchenbrod	DIRECT	NET 30 DAYS	07/21/2022	07/08/2022
ORDER QTY	SHIP QTY	DESCRIPTION	UNIT PRICE	EXT PRICE
45100lb	45100lb	^UN1760, CORROSIVE LIQUIDS, N.O.S. 8, PG III, DELPAC 2020, TANKER (POLYALUMINUM HYDROXYCHLOROSULFATE) NSF/ ANSI 60 MAX. USE 250 MG/L	0.358/lb	16145.80

Invoice is due by 08/20/2022

**Past Due invoices may be subject to 1.50% late charge.**  
**Effective June 1, 2022, CITCO Water is updating its ACH/wire instructions as outlined below. Please continue to send all remittance**

PLEASE BE ADVISED THAT EFFECTIVE APRIL 1, 2021, CITCO Water IS CHANGING OUR POLICY ON ACCEPTING PAYMENTS BY USE OF A CREDIT CARD. PAYMENTS AT TIME OF DELIVERY WILL BE ACCEPTED WITH NO CREDIT CARD FEE. ALL OTHER PAYMENTS WITH A CREDIT CARD WILL BE CHARGED A 3.5% FEE IN ADDITION TO THE PAYMENT AMOUNT. FOR QUESTIONS, PLEASE CALL 1-800-999-3484.

Subtotal	16145.80
S&H Charges	988.82
Tax	0.00
Payments	0.00
Amount Due	17134.62



# Invoice

INVOICE DATE	INVOICE NUMBER
10/19/2021	S100165880.002
REMIT TO: CITCO Water P.O. BOX 2163 HUNTINGTON, WV 25722	PAGE NO.  1 of 1

BILL TO:

SHIP TO:

MOUNTAIN WATER DISTRICT  
P O BOX 3157  
PIKEVILLE, KY 41502

MOUNTAIN WATER DISTRICT  
RUSSELL FORK CREEK  
43 HARLESS CREEK ROAD  
REGINA, KY 41559

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON		
5641	14878		Andrew Jackson		
WRITER		SHIP VIA	TERMS	SHIP DATE	ORDER DATE
Jesse Grubbs		DIRECT	NET 30 DAYS	10/19/2021	10/08/2021
ORDER QTY	SHIP QTY	DESCRIPTION		UNIT PRICE	EXT PRICE
44560lb	44560lb	UN1760, CORROSIVE LIQUIDS, N.O.S. 8, PG III, DELPAC 2020, TOTE (POLYALUMINUM HYDROXYCHLOROSULFATE) NSF/ ANSI 60 MAX. USE 250 MG/L WT. OF CONTAINER(S) FULL _____ WT. OF CONTAINER(S) RETURNED _____ LOT# _____ DATE: _____ REPACKAGE DATE: _____		0.290/lb	12922.40

Invoice is due by 11/18/2021

**Past Due invoices may be subject to 1.50% late charge.**  
**\*\*\*PLEASE SEE IMPORTANT CREDIT CARD UPDATE\*\*\***

PLEASE BE ADVISED THAT EFFECTIVE APRIL 1, 2021, CITCO Water IS  
 CHANGING OUR POLICY ON ACCEPTING PAYMENTS BY USE OF A CREDIT CARD.  
 PAYMENTS AT TIME OF DELIVERY WILL BE ACCEPTED WITH NO CREDIT CARD  
 FEE. ALL OTHER PAYMENTS WITH A CREDIT CARD WILL BE CHARGED A 3.5% FEE  
 IN ADDITION TO THE PAYMENT AMOUNT.

Subtotal	12922.40
S&H Charges	0.00
Tax	0.00
Payments	0.00
Amount Due	12922.40



# Invoice

INVOICE DATE	INVOICE NUMBER
08/18/2022	S100193296.001
REMIT TO: CITCO Water P.O. BOX 2163 HUNTINGTON, WV 25722	PAGE NO.
	1 of 1

BILL TO:

SHIP TO:

MOUNTAIN WATER DISTRICT  
P O BOX 3157  
PIKEVILLE, KY 41502

MOUNTAIN WATER DISTRICT  
RUSSELL FORK CREEK  
43 HARLESS CREEK ROAD  
REGINA, KY 41559

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON		
5641	16005		Andrew Jackson		
WRITER		SHIP VIA	TERMS	SHIP DATE	ORDER DATE
Reed Templeton		ROUTE 23 SOUTH	NET 30 DAYS	08/18/2022	08/12/2022
ORDER QTY	SHIP QTY	DESCRIPTION	UNIT PRICE	EXT PRICE	
10ea	10ea	UN1791, HYPOCHLORITE SOLUTIONS, 8, PG III, 5 GALLON DRUM (SODIUM HYPOCHLORITE) NON RET. DRUM CERTIFIED TO NSF/ ANSI 60	37.000/ea	370.00	
1ea	1ea	FUEL SURCHARGE	0.000/ea	0.00	
<p>08-18-2022 11:01:53 AM</p> <p><i>Austin</i></p> <p>Austin</p>					

Invoice is due by 09/17/2022

**Past Due invoices may be subject to 1.50% late charge.**  
**Effective June 1, 2022, CITCO Water is updating its ACH/wire instructions as outlined below. Please continue to send all remittance**

PLEASE BE ADVISED THAT EFFECTIVE APRIL 1, 2021, CITCO Water IS CHANGING OUR POLICY ON ACCEPTING PAYMENTS BY USE OF A CREDIT CARD. PAYMENTS AT TIME OF DELIVERY WILL BE ACCEPTED WITH NO CREDIT CARD FEE. ALL OTHER PAYMENTS WITH A CREDIT CARD WILL BE CHARGED A 3.5% FEE IN ADDITION TO THE PAYMENT AMOUNT. FOR QUESTIONS, PLEASE CALL 1-800-999-3484.

Subtotal	370.00
S&H Charges	0.00
Tax	0.00
Payments	0.00
Amount Due	370.00



# Invoice

INVOICE DATE	INVOICE NUMBER
09/10/2021	S100161809.002
REMIT TO: CITCO Water P.O. BOX 2163 HUNTINGTON, WV 25722	
PAGE NO. 1 of 1	

BILL TO:

SHIP TO:

MOUNTAIN WATER DISTRICT  
P O BOX 3157  
PIKEVILLE, KY 41502

MOUNTAIN WATER DISTRICT  
RUSSELL FORK CREEK  
43 HARLESS CREEK ROAD  
REGINA, KY 41559

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON		
5641	14689		Andrew Jackson		
WRITER		SHIP VIA	TERMS	SHIP DATE	ORDER DATE
Larry Salmons		ROUTE 23 SOUTH	NET 30 DAYS	09/10/2021	08/27/2021
ORDER QTY	SHIP QTY	DESCRIPTION	UNIT PRICE	EXT PRICE	
7ea	7ea	UN1791, HYPOCHLORITE SOLUTIONS, 8, PG III, 5 GALLON DRUM (SODIUM HYPOCHLORITE) NON RET. DRUM CERTIFIED TO NSF/ ANSI 60	23.950/ea	167.65	

Invoice is due by 10/10/2021

Past Due invoices may be subject to 1.50% late charge.  
\*\*\*PLEASE SEE IMPORTANT CREDIT CARD UPDATE\*\*\*

PLEASE BE ADVISED THAT EFFECTIVE APRIL 1, 2021, CITCO Water IS CHANGING OUR POLICY ON ACCEPTING PAYMENTS BY USE OF A CREDIT CARD. PAYMENTS AT TIME OF DELIVERY WILL BE ACCEPTED WITH NO CREDIT CARD FEE. ALL OTHER PAYMENTS WITH A CREDIT CARD WILL BE CHARGED A 3.5% FEE IN ADDITION TO THE PAYMENT AMOUNT.

Subtotal	167.65
S&H Charges	0.00
Tax	0.00
Payments	0.00
Amount Due	167.65

**EXHIBIT CLA-10**







**EXHIBIT CLA-11**

**U.S. SPECIALTY INSURANCE COMPANY  
PUBLIC RISK  
13403 Northwest Freeway  
Houston, Texas 77040  
RENEWAL CERTIFICATE**

Policy No. **PKG80710770**  
Replacement Number **PKG80610770**

**NAMED INSURED AND ADDRESS:**  
MOUNTAIN WATER DISTRICT  
6332 ZEBULON HIGHWAY  
P.O. BOX 3157  
PIKEVILLE, KY 41502

**AGENT NAME AND ADDRESS:**  
PEOPLES INSURANCE AGENCY, LLC  
PO Box 991  
1999 Winchester Avenue  
Ashland, KY 41105  
**AGENT NO:** 00716

**POLICY PERIOD:** From: **08/31/2022** To: **08/31/2023**  
at 12:01 a.m. Standard Time at your mailing address shown above.

**PAYMENT PLAN:** ANNUAL

**BUSINESS DESCRIPTION:** GOVERNMENTAL SUBDIVISION

In return for payment of the renewal premium, the above numbered policy is renewed for the Policy Period specified above, subject to all the terms, conditions, exclusions and limits of this Policy, except as other specified herein.

<b>THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE FORMS FOR WHICH A PREMIUM IS INDICATED.</b>	
	<b>PREMIUM</b>
Commercial General Liability Coverage Part	\$ <u>INCLUDED</u>
Commercial Employee Benefits Coverage Part	\$ <u>INCLUDED</u>
Commercial Liquor Liability Coverage Part	\$ <u>EXCLUDED</u>
Public Officials Liability Coverage Part	\$ <u>INCLUDED</u>
Employment Practices Liability Coverage Part	\$ <u>INCLUDED</u>
Law Enforcement Liability Coverage Part	\$ <u>EXCLUDED</u>
Commercial Property Coverage Part	\$ <u>INCLUDED</u>
Equipment Breakdown Coverage Part	\$ <u>INCLUDED</u>
Commercial Inland Marine Coverage Part	\$ <u>INCLUDED</u>
EDP Coverage Part	\$ <u>INCLUDED</u>
Commercial Crime Coverage Part	\$ <u>INCLUDED</u>
Commercial Auto Coverage Part	\$ <u>INCLUDED</u>
Commercial Excess Coverage Part	\$ <u>INCLUDED</u>
TRIA Coverage	\$ <u>EXCLUDED</u>
	<b>SUBTOTAL: \$ 114,445.00</b>
	<b>KENTUCKY SURCHARGE FEE: \$ 2,060.01</b>
	<b>TOTAL: \$ 116,505.01</b>

**FORMS AND ENDORSEMENTS ATTACHED AT POLICY ISSUANCE**

Forms and endorsements applying to this Coverage Part and made a part of this policy at time of issue:  
Refer to AL000103

The Company has caused this policy to be signed by its President and Secretary:

*Michael J. Schell*

\_\_\_\_\_  
President

*Cheronda D. Jones*

\_\_\_\_\_  
Secretary

**U.S. SPECIALTY INSURANCE COMPANY  
PUBLIC RISK  
13403 Northwest Freeway  
Houston, Texas 77040  
RENEWAL CERTIFICATE**

Policy No. **PKG80610770**  
Replacement Number **PKG80510770**

**NAMED INSURED AND ADDRESS:**  
MOUNTAIN WATER DISTRICT  
6332 ZEBULON HIGHWAY  
P.O. BOX 3157  
PIKEVILLE, KY 41502

**AGENT NAME AND ADDRESS:**  
PEOPLES INSURANCE AGENCY, LLC  
PO Box 991  
1999 Winchester Avenue  
Ashland, KY 41105  
**AGENT NO:** 00716

**POLICY PERIOD:** From: **08/31/2021** To: **08/31/2022**  
at 12:01 a.m. Standard Time at your mailing address shown above.

**PAYMENT PLAN:** **QUARTERLY**

**BUSINESS DESCRIPTION:** **GOVERNMENTAL SUBDIVISION**

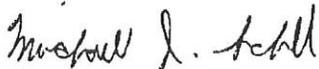
In return for payment of the renewal premium, the above numbered policy is renewed for the Policy Period specified above, subject to all the terms, conditions, exclusions and limits of this Policy, except as other specified herein.

<b>THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE FORMS FOR WHICH A PREMIUM IS INDICATED.</b>	
	<b>PREMIUM</b>
Commercial General Liability Coverage Part	\$ <u>INCLUDED</u>
Commercial Employee Benefits Coverage Part	\$ <u>INCLUDED</u>
Commercial Liquor Liability Coverage Part	\$ <u>EXCLUDED</u>
Public Officials Liability Coverage Part	\$ <u>INCLUDED</u>
Employment Practices Liability Coverage Part	\$ <u>INCLUDED</u>
Law Enforcement Liability Coverage Part	\$ <u>EXCLUDED</u>
Commercial Property Coverage Part	\$ <u>INCLUDED</u>
Equipment Breakdown Coverage Part	\$ <u>INCLUDED</u>
Commercial Inland Marine Coverage Part	\$ <u>INCLUDED</u>
EDP Coverage Part	\$ <u>INCLUDED</u>
Commercial Crime Coverage Part	\$ <u>INCLUDED</u>
Commercial Auto Coverage Part	\$ <u>INCLUDED</u>
Commercial Excess Coverage Part	\$ <u>INCLUDED</u>
TRIA Coverage	\$ <u>EXCLUDED</u>
<b>SUBTOTAL:</b>	\$ 98,999.00
<b>KENTUCKY SURCHARGE FEE:</b>	\$ 1,781.98
<b>TOTAL:</b>	\$ <b>100,780.98</b>

**FORMS AND ENDORSEMENTS ATTACHED AT POLICY ISSUANCE**

Forms and endorsements applying to this Coverage Part and made a part of this policy at time of issue:  
Refer to AL000103

The Company has caused this policy to be signed by its President and Secretary:



\_\_\_\_\_  
President



\_\_\_\_\_  
Secretary

**EXHIBIT CLA-12**

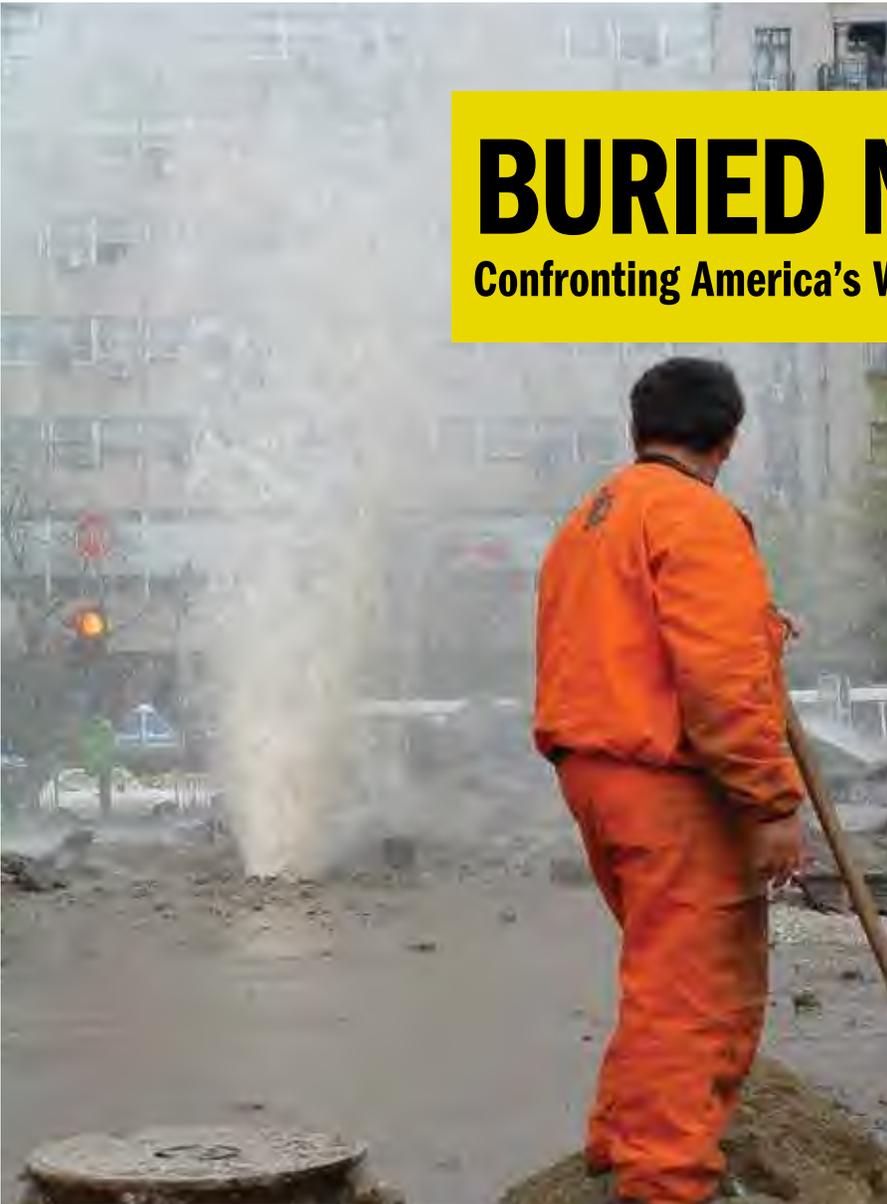




**EXHIBIT CLA-13**

# BURIED NO LONGER:

Confronting America's Water Infrastructure Challenge



American Water Works  
Association

The Authoritative Resource on Safe Water®



## Acknowledgments

This report was developed by the American Water Works Association under the direction of its Water Utility Council, through Stratus Consulting in Boulder, Colorado. Significant portions of the analyses described in this report were initiated or developed by John Cromwell, who unfortunately passed away before this project was completed. John was a true visionary, a wonderful friend and colleague, and an ardent believer in promoting sound management of water system infrastructure. We hope this report does proper service to John's intent, integrity and passion. Special recognition is also due to Bob Raucher, who completed the work with great attention to detail, patience and outstanding professionalism.

Haydn Reynolds is the developer of the Nessie Model and managed all the empirical investigations in this report. His continued engagement in the development of this report has been exemplary, as has been his willingness to address the many questions involved in the transition of the final report preparation from John Cromwell to Bob Raucher and others at Stratus Consulting. Finally, but not least, a number of AWWA utility members did significant work on this project, including Dave Rager (who chairs the Water Utility Council), Mike Hooker (who was WUC chair when the report was initiated), Aurel Arndt (who chairs the advisory work group on this project), and Joe Bella, John Sullivan, Richard Talley, Robert Walters, and Dave Weihrauch, all of whom made significant contributions as members of the advisory work group.

## Project Funding

Funding for this project was provided by the Water Industry Technical Action fund (WITAF). WITAF is funded through AWWA organizational member dues. It supports activities, information, and analysis to advance sound and effective drinking water legislation, regulation and policy.

**Introduction.** A new kind of challenge is emerging in the United States, one that for many years was largely buried in our national consciousness. Now it can be buried no longer. Much of our drinking water infrastructure, the more than one million miles of pipes beneath our streets, is nearing the end of its useful life and approaching the age at which it needs to be replaced. Moreover, our shifting population brings significant growth to some areas of the country, requiring larger pipe networks to provide water service.

As documented in this report, restoring existing water systems as they reach the end of their useful lives and expanding them to serve a growing population will cost at least \$1 trillion over the next 25 years, if we are to maintain current levels of water service. Delaying the investment can result in degrading water service, increasing water service disruptions, and increasing expenditures for emergency repairs. Ultimately we will have to face the need to “catch up” with past deferred investments, and the more we delay the harder the job will be when the day of reckoning comes.

In the years ahead, all of us who pay for water service will absorb the cost of this investment, primarily through higher water bills. The amounts will vary depending on community size and geographic region, but in some communities these infrastructure costs alone could triple the size of a typical family’s water bills. Other communities will need to collect significant “impact” or development fees to meet the needs of a growing population. Numerous communities will need to invest for replacement **and** raise funds to accommodate growth at the same time. Investments that may be required to meet new standards for drinking water quality will add even more to the bill.

Although the challenge to our water infrastructure has been less visible than other infrastructure concerns, it’s no less important. Our water treatment and delivery systems provide public health protection, fire protection, economic prosperity and the high quality of life we enjoy. Yet most Americans pay less than \$3.75 for every 1,000 gallons of safe water delivered to their taps.

This report demonstrates that as a nation, we need to bring the conversation about water infrastructure above ground. Deferring needed investments today will only result in greater expenses tomorrow and pass on a greater burden to our children and grandchildren. It’s time to confront America’s water infrastructure challenge.

**The Era of Infrastructure Replacement.** More than a decade ago the American Water Works Association (AWWA) announced that a new era was dawning: the replacement era, in which our nation would need to begin rebuilding the water and wastewater systems bequeathed to us by earlier generations. Our seminal report—*Dawn of the Replacement Era*—demonstrated that significant investments will be required in coming decades if we are to maintain the water and wastewater systems that are so essential to our way of life.



The *Dawn* report examined 20 water systems, using a relatively new technique to build what came to be called a “Nessie Curve” for each system. The Nessie Curve, so called because the graph follows an outline that someone likened to a silhouette of the Loch Ness Monster, revealed that each of the 20 water systems faced unprecedented needs to rebuild its underground water infrastructure—its pipe network. For each system, the future investment was an “echo” of the demographic history of the community, reflecting succeeding generations of pipe that were laid down as the community grew over many years. Most of those generations of pipe were shown to be coming to an end of their useful service lives in a relatively compressed period. Like the pipes themselves, the need for this massive investment was mostly buried and out of sight. But it threatens our future if we don’t elevate it and begin to take action now.

The present report was undertaken to extend the *Dawn* report beyond those 20 original cities and encompass the entire United States. The results are startling. They confirm what every water utility professional knows: we face the need for massive reinvestment in our water infrastructure over the coming decades. The pipe networks that were largely built and paid for by earlier generations—and passed down to us as an inheritance—last a long time, but they are not immortal. The nation’s drinking water infrastructure—especially the underground pipes that deliver safe water to America’s homes and businesses—is aging and in need of significant reinvestment. Like many of the roads, bridges, and other public assets on which the country relies, most of our buried drinking water infrastructure was built 50 or more years ago, in the post-World War II era of rapid demographic change and economic growth. In some older urban areas, many water mains have been in the ground for a century or longer.



Given its age, it comes as no surprise that a large proportion of US water infrastructure is approaching, or has already reached, the end of its useful life. The need to rebuild these pipe networks must come on top of other water investment needs, such as the need to replace water treatment plants and storage tanks, and investments needed to comply with standards for drinking water quality. They also come on top of wastewater and stormwater investment needs which—judging from the US Environmental Protection Agency’s (USEPA) most recent “gap analysis”—are likely to be as large as drinking water needs over the coming decades. Moreover, both water and wastewater infrastructure needs come on top of the other vital community infrastructures, such as streets, schools, etc.

Prudent planning for infrastructure renewal requires credible, analysis-based estimates of where, when, and how much pipe replacement or expansion for growth is required. This report summarizes a comprehensive and robust national-level analysis of the cost, timing, and location of the investments necessary to renew water mains over the coming decades. It also examines the additional pipe investments we can anticipate to meet projected population growth, regional population shifts, and service area growth through 2050.

This analysis is based on the insight that there will be “demographic echoes” in which waves of reinvestment are driven by a combination of the original patterns of pipe investment, the pipe materials used, and local operating environments. The report examines the reinvestment demands implied by these factors, along with population trends, in order to estimate needs for pipe replacement and concurrent investment demands to accommodate population growth.

Although this report does not substitute for a careful and detailed analysis at the utility level as a means of informing local decisions, it constitutes the most thorough and comprehensive analysis ever undertaken of the nation’s drinking water infrastructure renewal needs. The keys to our analysis include the following:

1. Understanding the original timing of water system development in the United States.
2. Understanding the various materials from which pipes were made, and where and when the pipes of each material were likely to have been installed in various sizes.
3. Understanding the life expectancy of the various types and sizes of pipe (“pipe cohorts”) in actual operating environments.
4. Understanding the replacement costs for each type and size of pipe.
5. Developing a probability distribution for the “wear-out” of each pipe cohort.



## Methodology

For this report, we differentiated across four water system size categories\*:

- Very small systems (serving fewer than 3,300 people, representing 84.5% of community water systems).
- Small systems (3,300 to 9,999 served, representing 8.5% of community water systems).
- Medium-size systems (10,000 to 49,999 served, representing over 5.5% of systems). And,
- Large systems (serving more than 50,000 people, representing 1.5% of community water systems).

*\* Note that the water system size categories used in this analysis are not identical to the size categories USEPA uses for regulatory purposes. Note also that although data were analyzed based on these four size categories, some of the graphs that accompany this report combine medium-size and small systems. This is done for simplicity in the visual presentation, when the particular dynamics being represented are closely similar for medium-size and small systems.*

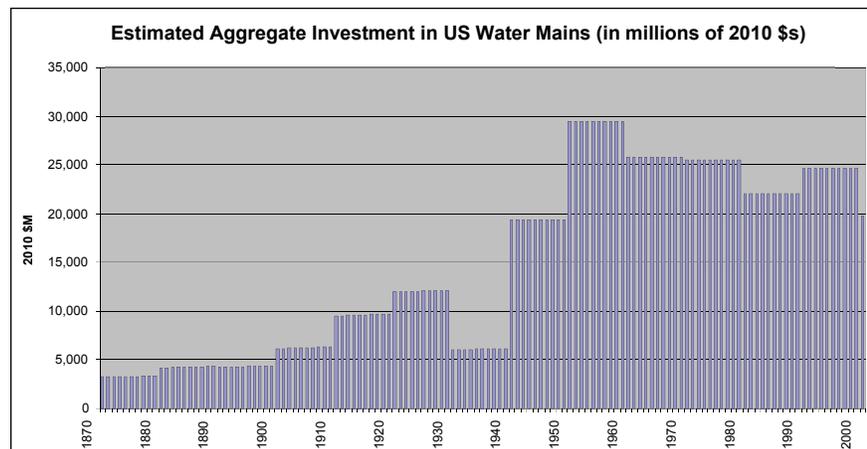
Next, we divided the country into four regions (Northeast, Midwest, South, and West), as shown in Figure 1. These regions are not equal in population, but they roughly share certain similarities, including their population dynamics and the

**Figure 1: Regions Used in This Report**



historical patterns of pipe installation driven by those dynamics. Data published by USEPA, the water industry, and the US Census Bureau were tapped to obtain a solid basis for regional pipe installation profiles by system size and pipe diameter. The US Census Bureau has produced a number of retrospective studies of the changes in urban and rural circumstances between 1900 and 2000 that proved especially useful in this analysis. The report also used the AWWA Water/Stats database, the USEPA Community Water Supply Survey, and data from the 2002 Public Works Infrastructure Survey (PWIS) as essential inputs in the analysis.

**Figure 2: Historic Investment Profile for All US Water Systems, 1850-2000**



In addition, we conducted a limited survey of professionals in the field concerning pipe replacement issues and other relevant “professional knowledge.” The national aggregate for the original investment in all types and sizes of pipes is shown in Figure 2, while Figure 3 shows the aggregate current replacement value of water pipes by pipe material and utility size, totaling over \$2.1 trillion.

**Figure 3: Aggregate Replacement Value of Water Pipes by Pipe Material and Utility Size (millions 2010 \$)**

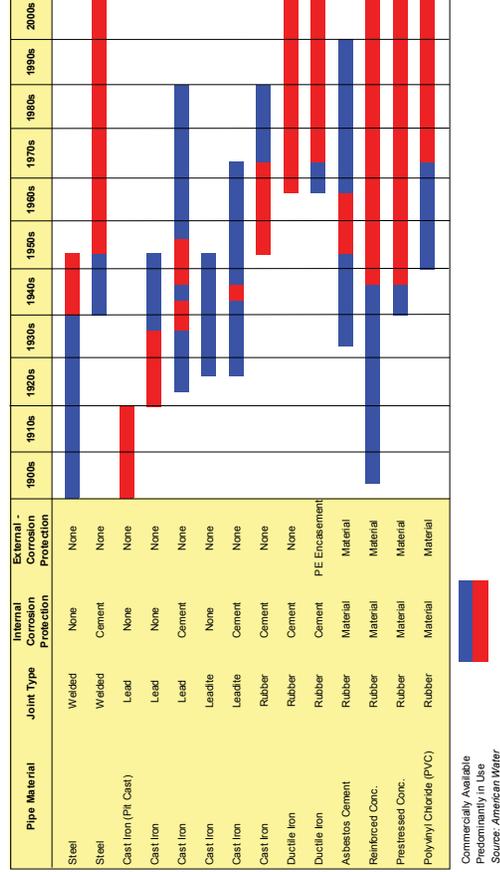
Region	CJ	CJCL	DI	AC	PV	Steel	PCCP	TOTAL
Northeast Large	48,958	8,995	5,050	2,308	1,875	335	0	67,522
Northeast Medium & Small	66,357	61,755	28,777	26,007	16,084	5,533	6,899	211,411
Northeast Very Small	14,491	15,992	10,661	7,281	7,937	329	462	57,152
Midwest Large	37,413	9,151	3,077	2,504	1,098	784	512	54,539
Midwest Medium & Small	74,654	92,106	51,577	37,248	30,506	8,682	11,152	305,925
Midwest Very Small	37,597	28,943	25,464	12,428	19,720	601	828	125,581
Southeast Large	30,425	28,980	29,569	21,229	14,936	9,337	7,227	141,703
South Medium & Small	54,772	98,608	140,079	103,659	102,804	21,394	17,160	538,475
South Very Small	43,183	24,998	49,791	34,529	47,823	1,461	1,244	203,028
West Large	15,448	16,055	28,949	14,774	14,723	7,443	6,215	103,607
West Medium & Small	15,775	50,145	70,355	50,541	48,885	12,276	9,806	257,782
West Very Small	16,344	11,199	17,910	13,166	17,245	545	453	76,862
Total	455,416	446,927	461,258	325,674	323,637	68,719	61,957	2,143,589

CJ: cast iron; CJCL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

Finally, we used historical data on the production and use of seven major types of pipe with 14 total variations (Figure 4) to estimate what kinds of pipe were installed in water systems in particular years. This was validated by field checking with a sample of water utilities as well as checking against the original Nessie analysis. Together these steps resulted in the development of 16 separate inventories (four regions with four utility sizes in each region), with seven types of pipe in each inventory, thus providing the most comprehensive picture of the nation’s water pipe inventory ever assembled. Note that in some of the report’s graphs, “long-” and “short-lived” versions of certain pipe materials are combined, for purposes of visual simplicity in the presentation.

In order to consider growth, it was also necessary to examine population trends across rural, suburban, and urban settings over the past century. US Census Bureau

**Figure 4: Historic Production and Use of Water Pipe by Material**





projections of demographic trends allowed the development of infrastructure need profiles for growth through 2050 in each of the regions and utility size categories (for the latter purpose, city size was used as a proxy for utility size).

The study generally assumes that utilities continue efforts to manage the number of main breaks that occur per mile of pipe rather than absorb increases in pipe failures. That is, the study assumes utilities will strive to maintain current levels of service rather than allow increasing water service outages. We assume that each utility’s objective is to make these investments at the optimal time for maintaining current service levels and to avoid replacing pipes while the repairs are still cost-effective. Ideally, pipe replacement occurs at the end of a pipe’s “useful life”;

that is, the point in time when replacement or rehabilitation becomes less expensive in going forward than the costs of numerous unscheduled breaks and associated emergency repairs.

With this data in hand and using the assumptions above, we projected the “typical” useful service life of the pipes in our inventory using the “Nessie Model”™. The model embodies pipe failure probability distributions based on many utilities’ current operating experiences, coupled with insights from extensive research and professional experiences with typical pipe

conditions at different ages and sizes, according to pipe material. The analysis used seven different types of pipe in three diameters and addressed pipe inventories dating back to 1870. Estimated typical service lives of pipes are

**Figure 5: Average Estimated Service Lives by Pipe Materials (average years of service)**

Derived Current Service Lives (Years)	CI	CICL (LSL)	CICL (SSL)	DI (LSL)	DI (SSL)	AC (LSL)	AC (SSL)	PVC	Steel	Conc & PCCP
Northeast Large	130	120	100	110	50	80	80	100	100	100
Midwest Large	125	120	85	110	50	100	85	55	80	105
South Large	110	100	100	105	55	100	80	55	70	105
West Large	115	100	75	110	60	105	75	70	95	75
Northeast Medium & Small	115	120	100	110	55	100	85	100	100	100
Midwest Medium & Small	125	120	85	110	50	70	70	55	80	105
South Medium & Small	105	100	100	105	55	100	80	55	70	105
West Medium & Small	105	100	75	110	60	105	75	70	95	75
Northeast Very Small	115	120	100	120	60	100	85	100	100	100
Midwest Very Small	135	120	85	110	60	80	75	55	80	105
South Very Small	130	110	100	105	55	100	80	55	70	105
West Very Small	130	100	75	110	60	105	65	70	95	75

*LSL indicates a relatively long service life for the material resulting from some combination of benign ground conditions and evolved laying practices etc.*

*SSL indicates a relatively short service life for the material resulting from some combination of harsh ground conditions and early laying practices, etc.*

**Figure 6: Aggregate Needs for Investment in Water Mains Through 2035 and 2050, by Region**

<b>2011-2035 Totals</b>			
<b>(2010 \$M)</b>	<b>Replacement</b>	<b>Growth</b>	<b>Total</b>
Northeast	\$92,218	\$16,525	\$108,744
Midwest	\$146,997	\$25,222	\$172,219
South	\$204,357	\$302,782	\$507,139
West	\$82,866	\$153,756	\$236,622
<b>Total</b>	<b>\$526,438</b>	<b>\$498,285</b>	<b>\$1,024,724</b>

<b>2011-2050 Totals</b>			
<b>(2010 \$M)</b>	<b>Replacement</b>	<b>Growth</b>	<b>Total</b>
Northeast	\$155,101	\$23,200	\$178,301
Midwest	\$242,487	\$36,755	\$279,242
South	\$394,219	\$492,493	\$886,712
West	\$159,476	\$249,794	\$409,270
<b>Total</b>	<b>\$951,283</b>	<b>\$802,242</b>	<b>\$1,753,525</b>

reflected in Figure 5. Note that the *actual* lives of pipes may be quite different in a given utility. Because pipe life depends on many important local variables as well as upon utility practices, predicting the actual life expectancy of any given pipe is outside the scope of this study. Many utilities will have pipes that last much longer than these values suggest while others will have pipes that begin to fail sooner. However, these values have been validated as national “averages” by comparing them to actual field experience in a number of utilities throughout the country. The model also includes estimates of the indicative costs to replace each size category of pipe, as well as the cost to repair the projected number of pipe breaks over time according to pipe size.

The analysis of pipe replacement needs is compiled in the Nessie Model by combining the demographically based pipe inventories with the projected effective service lifetimes for each pipe type. This yields an estimate of how much pipe of each size in each region must be replaced in each of the coming 40 years. Factoring in the typical cost to replace these pipes, we derive an estimate of the total investment cost for each future year. The model then derives a series of graphs (the Nessie curves) that depict the amount of spending required in each future year to replace each of the different pipe types by utility size and region. Aggregating this information, we derived the dollar value of total drinking water infrastructure replacement needs over the coming 25 and 40 years for each utility size category per region, and for the United States.



## Key Findings

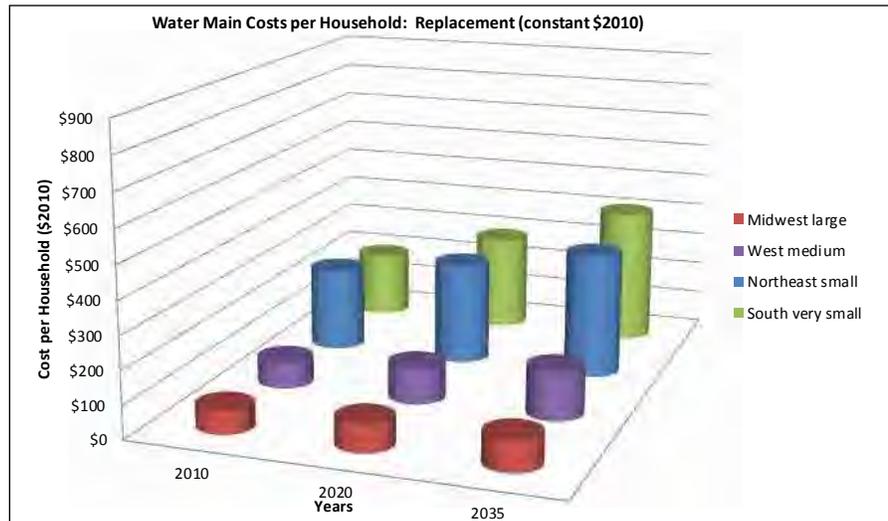
**1. The Needs Are Large.** Investment needs for buried drinking water infrastructure total more than \$1 trillion nationwide over the next 25 years, assuming pipes are replaced at the end of their service lives and systems are expanded to serve growing populations. Delaying this investment could mean either increasing rates of pipe breakage and deteriorating water service, or suboptimal use of utility funds, such as paying more to repair broken pipes than the long-term cost of replacing them. Nationally, the need is close to evenly divided between replacement due to wear-out and needs generated by demographic changes (growth and migration).

Over the coming 40-year period, *through 2050*, these needs exceed \$1.7 trillion. Replacement needs account for about 54% of the national total, with about 46% attributable to population growth and migration over that period.

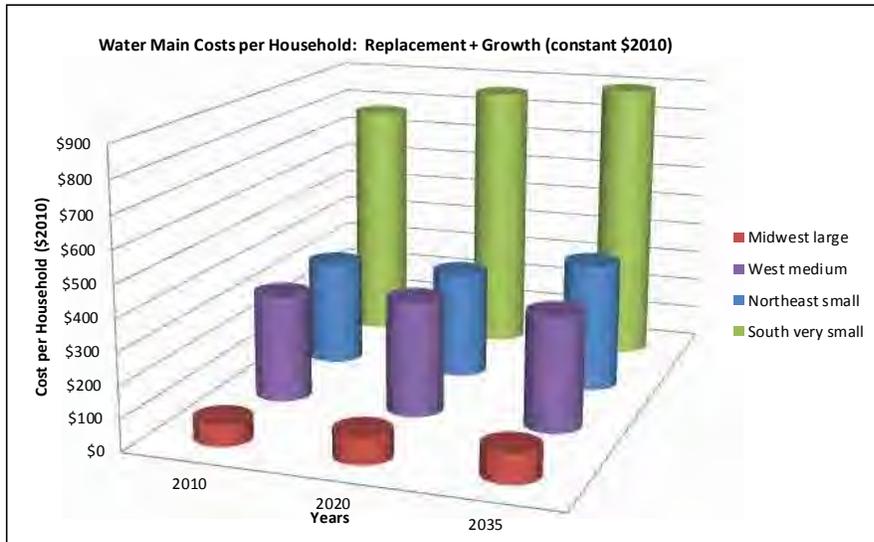
Figure 6 (previous page) shows aggregate needs for investment in water mains through 2050, due to wear-out and population growth.

**2. Household Water Bills Will Go Up.** Important caveats are necessary here, because there are many ways that the increased investment in water infrastructure can be allocated among customers. Variables include rate structures, how the investment is financed, and other important local factors. But the level of investment required to replace worn-out pipes and maintain current levels of water service *in the most affected communities could in some cases triple household water bills*. This projection assumes the costs are spread evenly across the population in a “pay-as-you-go” approach (See “The Costs Keep Coming” below). Figures 7 and 8 illustrate the increasing cost of water that can be expected by households for replacement, and for replacement plus growth, respectively. The utility categories shown in these figures are presented to depict a range of household cost impacts, from the least-to-the-most affected utilities.

**Figure 7: Costs per Household for Water Main Replacement by Utility Size and Region**



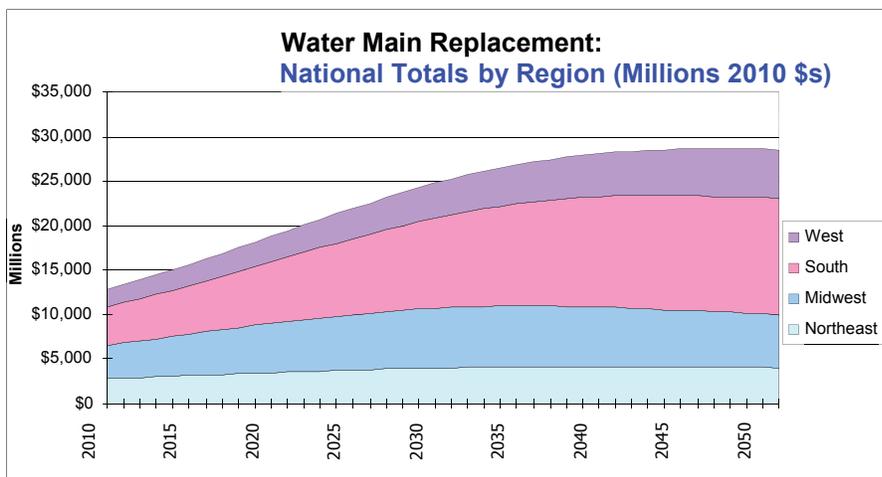
**Figure 8: Costs per Household for Water Main Replacement Plus Growth**



With respect to the cost of growth, other caveats are important. Many communities expect growth to pay or help pay for itself through developer fees, impact fees, or similar charges. In such communities, established residents will not be required to shoulder the cost of population growth to the extent that these fees recover those costs. *But regardless of how the costs of replacement and growth are allocated among builders, newcomers, or established residents, the total cost that must be borne by the community will still rise.*

**3. There Are Important Regional Differences.** The growing national need affects different regions in different ways. In general, the South and the West will face the steepest investment challenges, with total needs accounting for considerably more than half the national total (see Figures 6 and 9). This is largely attributable to the fact that the population of these regions is growing rapidly. In contrast, in the Northeast and Midwest, growth is a relatively small component of the projected need. However, the population shifts away from these regions complicate the infrastructure challenge, as there are fewer remaining local customers across whom to spread the cost of renewing their infrastructure.

**Figure 9: Water Main Replacement Costs per Region**



This regional perspective reveals the inherent difficulty of managing infrastructure supply and demand. Although water pipes are fixed in place and long-lasting, the population that drives the demand for these assets is very mobile and dynamic. People move out of one community, leaving behind a pipe network of fixed size but with fewer customers to support it. They move into a new community, requiring that the water system there be expanded to serve the new customers.

#### 4. There Are Important Differences Based on System Size.

As with many other costs, *small communities may find a steeper challenge ahead on water infrastructure*. Small communities have fewer people, and those people are often more spread out, requiring more pipe “miles per customer” than larger systems. In the most affected small communities, the study suggests that a typical three-person household could see its drinking water bill increase by as much as \$550 per year above current levels, simply to address infrastructure needs, depending as always on the caveats identified above.

In the largest water systems, costs can be spread over a large population base. Needed investments would be consistent with annual per household

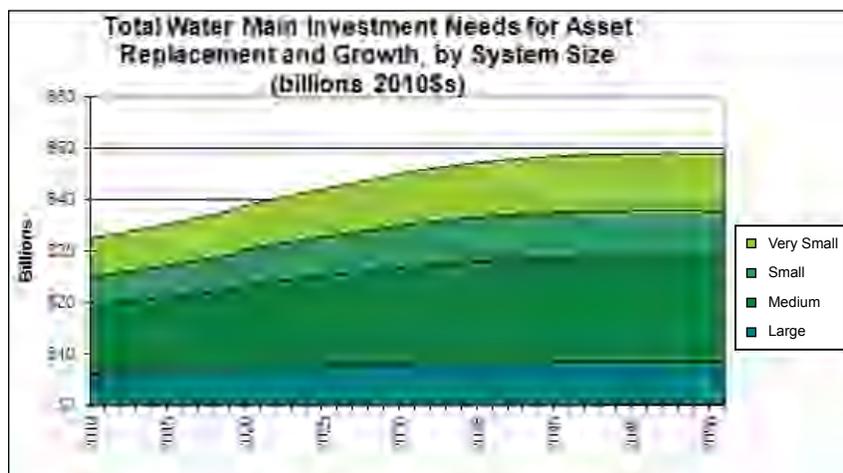
cost increases ranging from roughly \$75 to more than \$100 per year by the mid-2030s, assuming the expenses were spread across the population in the year they were incurred. Figure 10 illustrates the differing total costs of required investment by system size.

**5. The Costs Keep Coming.** The national-level investment we face will roughly double from about \$13 billion a year in 2010 to almost \$30 billion annually by the 2040s for replacement alone. If growth is included, needed investment must increase from a little over \$30 billion today to nearly \$50 billion over the same period. This level of investment must then be sustained for many years, if current levels of water service are to be maintained. *Many utilities will have to face these investment needs year after year, for at least several decades.* That is, by the time the last cohort of pipes analyzed in this study (predominantly the pipes laid between the late 1800s and 1960) has been replaced in, for example, 2050, it may soon thereafter be time to begin replacing the pipes laid after 1960, and so on. In that respect, these capital outlays are unlike those

required to build a new treatment plant or storage tank, where the capital costs are incurred up front and aren’t faced again for many years. Rather, infrastructure renewal investments are likely to be incurred each year over several decades. For that reason, *many utilities may choose to finance infrastructure replacement on a “pay-as-you-go” basis rather than through debt financing.*



Figure 10: Total Water Main Replacement and Growth Needs by System Size



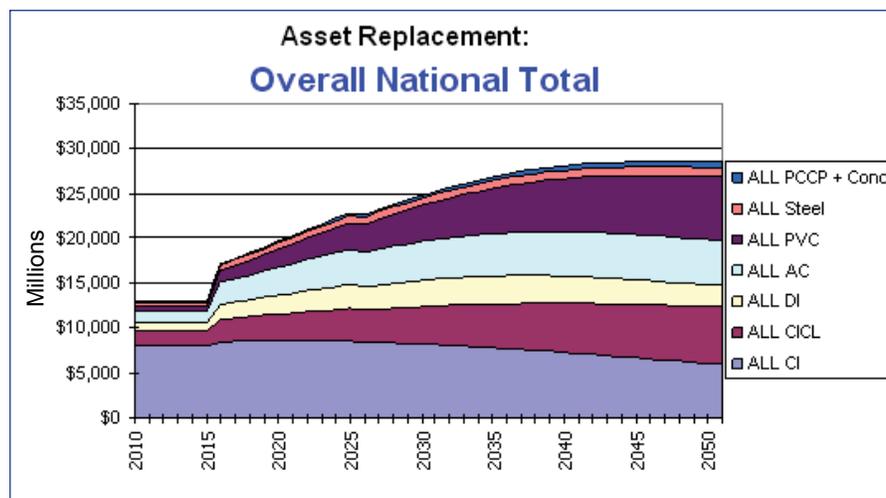
## 6. Postponing Investment Only Makes the Problem Worse.

Overlooking or postponing infrastructure renewal investments in the near term will only add to the scale of the challenge we face in the years to come. Postponing the investment steepens the slope of the investment curve that must ultimately be met, as shown in Figure 11 (next page). It also increases the odds of facing the high costs associated with water main breaks and other infrastructure failures. The good news is that *not all of the \$1 trillion investment through 2035 must be made right now*. There is time to make suitable plans and implement policies that will help address the longer-term challenge. The bad news is that the required investment level is growing, as more pipes continue to age and reach the end of their effective service lives.

As daunting as the figures in this report are, the prospect of not making the necessary investment is even more chilling. Aging water mains are subject to more frequent breaks and other failures that can threaten public health and safety (such as compromising tap water quality and fire-fighting flows). Buried infrastructure failures also may impose significant damages (for example, through flooding and sinkholes), are costly to repair, disrupt businesses and residential communities, and waste precious water resources. These maladies weaken our economy and undermine our quality of life. As large as the cost of reinvestment may be, **not** undertaking it will be worse in the long run by almost any standard.

This suggests that a crucial responsibility for utility managers now and in the future is to develop the processes necessary to continually improve their understanding of the “replacement dynamics” of their own water systems. Those dynamics should be reflected in an Asset Management Plan (AMP) and, of course, in a long-term capital investment plan. The 2006 AWWA Report *Water Infrastructure at a Turning Point* includes a full discussion of this issue.

**Figure 11: Effect of Deferring Investment Five Years with a Ten-Year Make-Up Period**



## Conclusion

Because pipe assets last a long time, water systems that were built in the latter part of the 19th century and throughout much of the 20th century have, for the most part, never experienced the need for pipe replacement on a large scale. The dawn of the era in which these assets will need to be replaced puts a growing financial stress on communities that will continually increase for decades to come. It adds large and hitherto unknown expenses to the more apparent above-ground spending required to meet regulatory standards and address other pressing needs.



It is important to reemphasize that there are significant differences in the timing and magnitude of the challenges facing different regions of the country and different sizes of water systems. But the investments we describe in this report are real, they are large, and they are coming.

The United States is reaching a crossroads and faces a difficult choice. We can incur the haphazard and growing costs of living with aging and failing drinking water infrastructure. Or, we can carefully prioritize and undertake drinking water infrastructure renewal investments to ensure that our water utilities can continue to reliably and cost-effectively support the public

health, safety, and economic vitality of our communities. AWWA undertook this report to provide the best, most accurate information available about the scale and timing of these needed investments.

It is clear the era AWWA predicted a decade ago—the replacement era—has arrived. The issue of aging water infrastructure, which was buried for years, can be buried no longer. Ultimately, the cost of the renewal we face must come from local utility customers, through higher water rates. However, the magnitude of the cost and the associated affordability and other adverse impacts on



communities—as well as the varying degrees of impact to be felt across regions and across urban and rural areas—suggest that there is a key role for states and the federal government as well. In particular, states and the federal government can help with a careful and cost-effective program that lowers the cost of necessary investments to our communities, such as the creation of a credit support program—for example, AWWA's proposed Water Infrastructure Finance and Innovation Authority (WIFIA).

Finally, in many cases, difficult choices may need to be made between competing needs if water bills are to be kept affordable. Water utilities are willing to ask their customers to invest more, but it's important this investment be in things that bring the greatest actual benefit to the community. Only in that spirit can we achieve the goal to which we all aspire, the reliable provision of safe and affordable water to all Americans.

## Additional Information and Resources.

A full and robust infrastructure analysis is an indispensable tool for decision making by water and wastewater utilities. This report does not substitute for such detailed local analysis for purposes of designing an infrastructure asset management program for individual utilities.

Additional information is available from AWWA concerning asset management. Particular attention should be given to the WITAF reports *Dawn of the Replacement Era*, *Avoiding Rate Shock*, *Thinking Outside the Bill* and *Water Infrastructure at a Turning Point*. In addition, Manual M1, *Principles of Water Rates, Fees, and Charges*, and the AWWA Utility Management Standards may be helpful. For more information, visit the AWWA Bookstore at [www.awwa.org/store](http://www.awwa.org/store).

A number of graphs and figures from this report are also available through the AWWA website at [www.awwa.org/infrastructure](http://www.awwa.org/infrastructure). They include:

<b>Estimated Distribution of Mains by Material</b> Northeast and Midwest South and West	<b>Household Cost of Needed Investment by Region and Size of Utility</b>
<b>Proportion of 2010 Systems Built by Year</b> Northeast Midwest South West	<b>Northeast</b> Large Medium Small Very Small
<b>Investment for Replacement Plus Growth, by Region and Size of Utility</b>	<b>Midwest</b> Large Medium Small Very Small
<b>Northeast</b> Large Medium Small Very Small	<b>South</b> Large Medium Small Very Small
<b>Midwest</b> Large Medium Small Very Small	<b>West</b> Large Medium Small Very Small
<b>South</b> Large Medium Small Very Small	
<b>West</b> Large Medium Small Very Small	

[www.awwa.org/infrastructure](http://www.awwa.org/infrastructure)

## Estimated Distribution of Mains by Material Over Time Northeast & Midwest Regions

	<6 inch diameter						6-10 inch diameter						>10 inch diameter												
	CI	CI:CL (LSL)	CI:CL (SSL)	DI (LSL)	DI (SSL)	AC (LSL)	AC (SSL)	PVC	CI	CI:CL (LSL)	CI:CL (SSL)	DI (LSL)	DI (SSL)	AC (LSL)	AC (SSL)	PVC	CI	CI:CL (LSL)	CI:CL (SSL)	DI (LSL)	DI (SSL)	AC (LSL)	AC (SSL)	Steel	Conc & PCCP
1870	100%								100%								100%								
1880	100%								100%								100%								
1890	100%								100%								100%								
1900	100%								100%								100%								
1910	100%								100%								100%								
1920	100%								100%								100%								
1930	50%	30%	20%						50%	30%	20%						50%	30%	20%						
1940	20%	60%	20%						20%	60%	20%						20%	40%	20%						
1950		60%								60%								40%							
1960		50%								50%								35%							
1970		20%								20%								40%							
1980										25%	30%							40%							
1990										25%	30%							40%							
2000										50%	5%							45%							
2010										55%								45%							
2020										55%								45%							
2030										55%								45%							

Steel and PCCP pipe not in widespread use in sizes under 10 inches.

CI: cast iron; CI:CL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

The regions are combined because they share similar dynamics for this distribution.

Note:

"\_SL\_" indicates a relatively long service life for the material resulting from some combination of benign ground conditions and evolved laying practices etc.

"SSL" indicates a relatively short service life for the material resulting from some combination of harsh ground conditions and early laying practices etc.

## Estimated Distribution of Mains by Material Over Time South & West Regions

	<6 Inch diameter						6-10 Inch diameter						>10 Inch diameter										
	CI	CI/CL (LSL)	CI/CL (SSL)	DI (LSL)	DI (SSL)	AC (LSL)	AC (SSL)	PVC	CI	CI/CL (LSL)	CI/CL (SSL)	DI (LSL)	DI (SSL)	AC (LSL)	AC (SSL)	PVC	CI	CI/CL (LSL)	CI/CL (SSL)	DI (LSL)	AC (LSL)	Steel	Conc & PCCP
1870	100%							100%									100%						
1880	100%							100%									100%						
1890	100%							100%									100%						
1900	100%							100%									100%						
1910	100%							100%									100%						
1920	100%							100%									100%						
1930	50%	30%	20%					50%	30%	20%							50%	30%	20%				
1940		70%	30%						70%	30%								50%	30%			20%	
1950		25%				40%	35%		25%				40%	35%				40%			15%	25%	20%
1960		25%		2%	3%	40%	30%		25%		2%	3%	40%	30%				40%		5%	10%	25%	20%
1970		10%		10%	10%	40%		30%	10%		10%	10%	40%			30%			45%	10%	25%	20%	
1980				25%	25%			50%			30%	30%				40%			60%		20%	20%	
1990				45%	5%			50%			50%	5%				45%			60%		20%	20%	
2000				50%				50%			50%					50%			60%		20%	20%	
2010				50%				50%			50%					50%			60%		20%	20%	
2020				50%				50%			50%					50%			60%		20%	20%	
2030				50%				50%			50%					50%			60%		20%	20%	

Steel and PCCP pipe not in widespread use in sizes under 10 inches.  
*CI: cast iron; CI/CL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe*

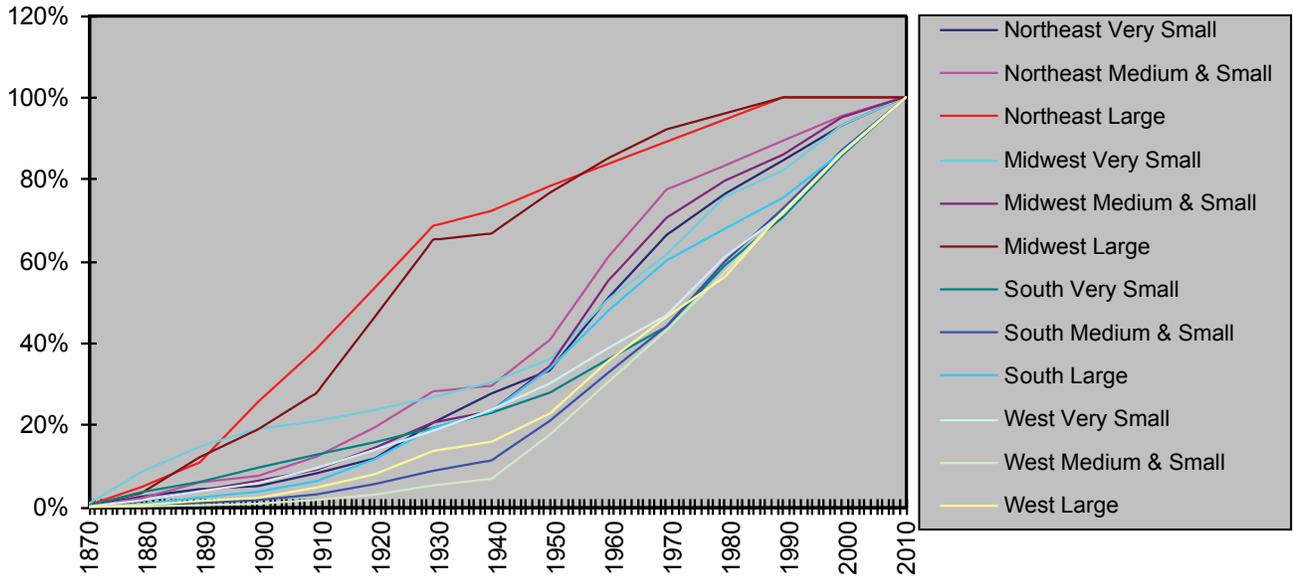
The regions are combined because they share similar dynamics for this distribution.

Note:

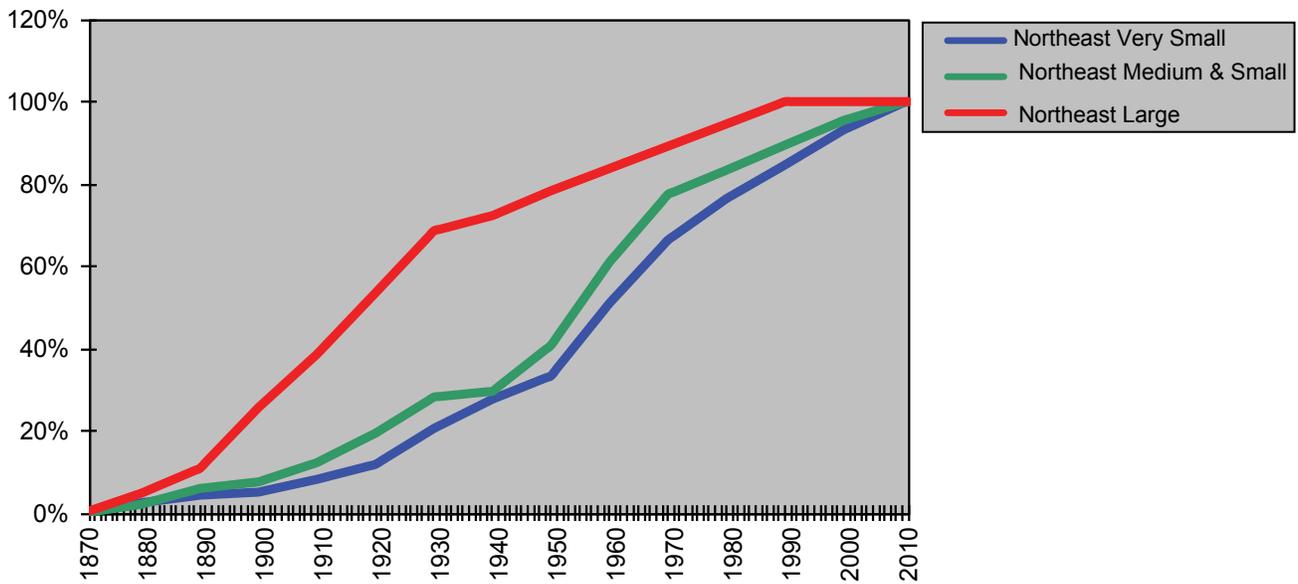
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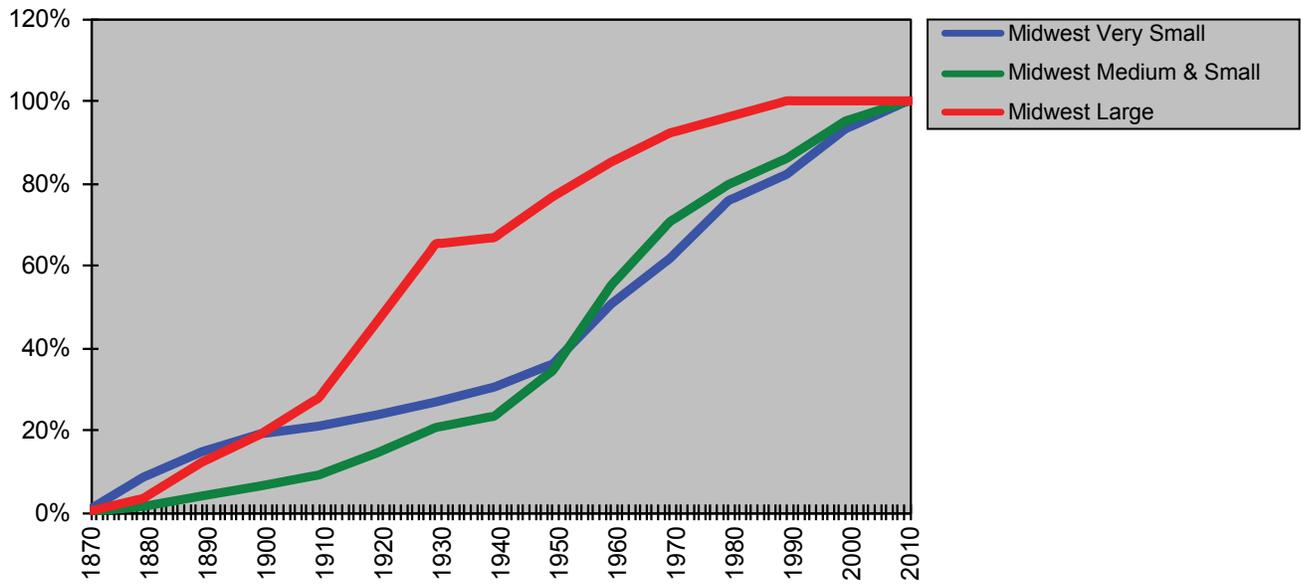
### Proportion of Current System Built by Decade: All Regions



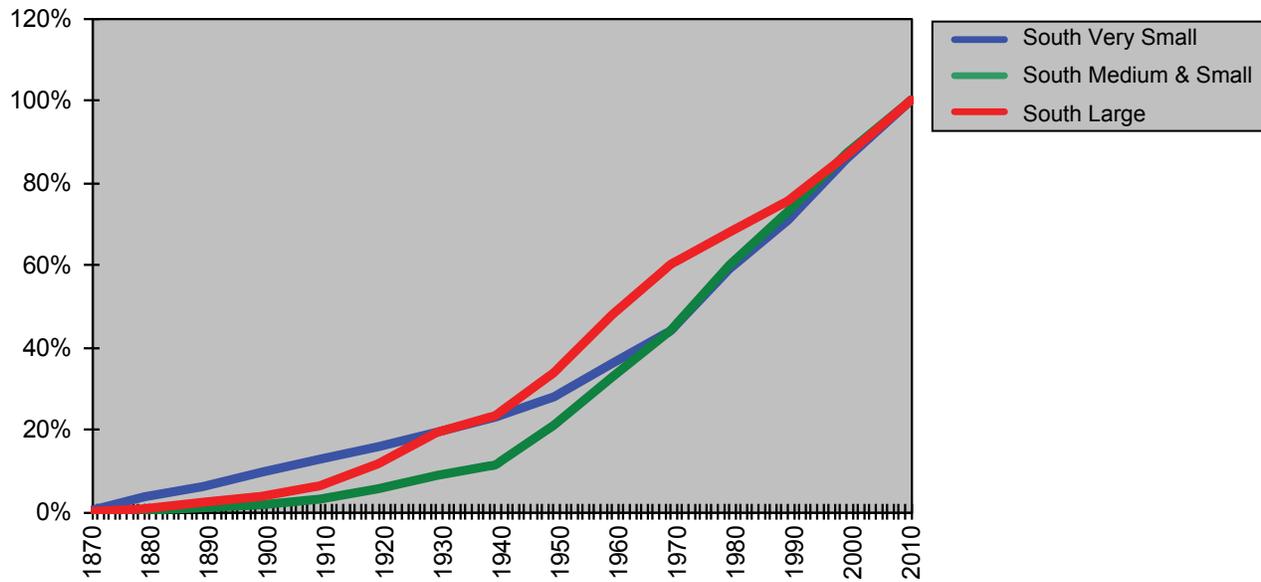
### Proportion of Current System Built by Decade: Northeast



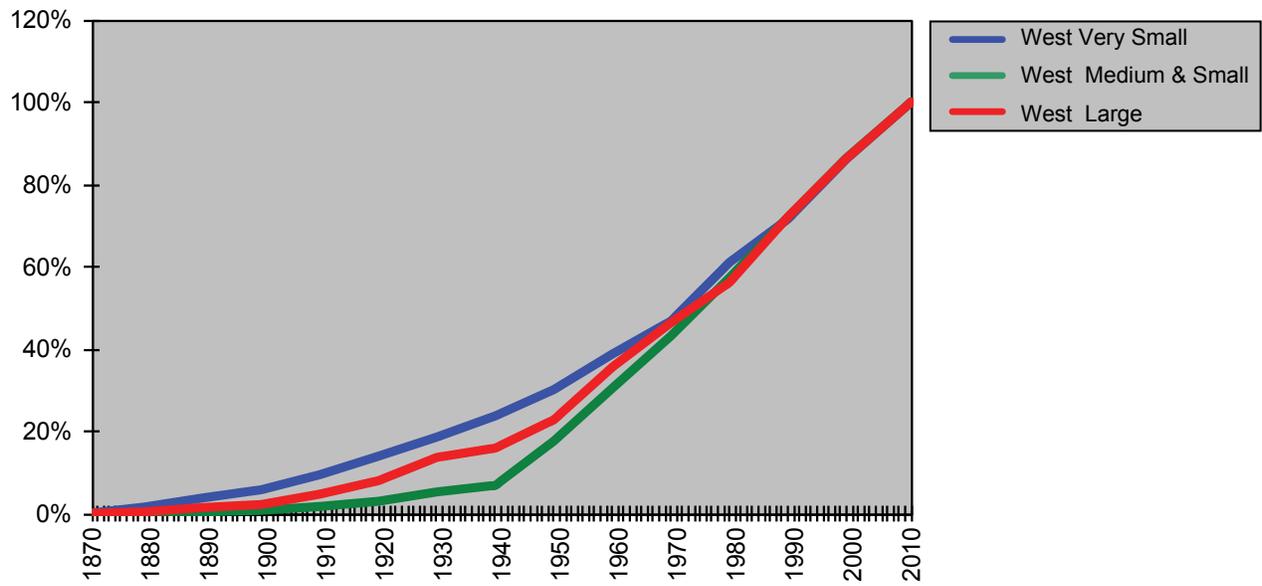
### Proportion of Current System Built by Decade: Midwest



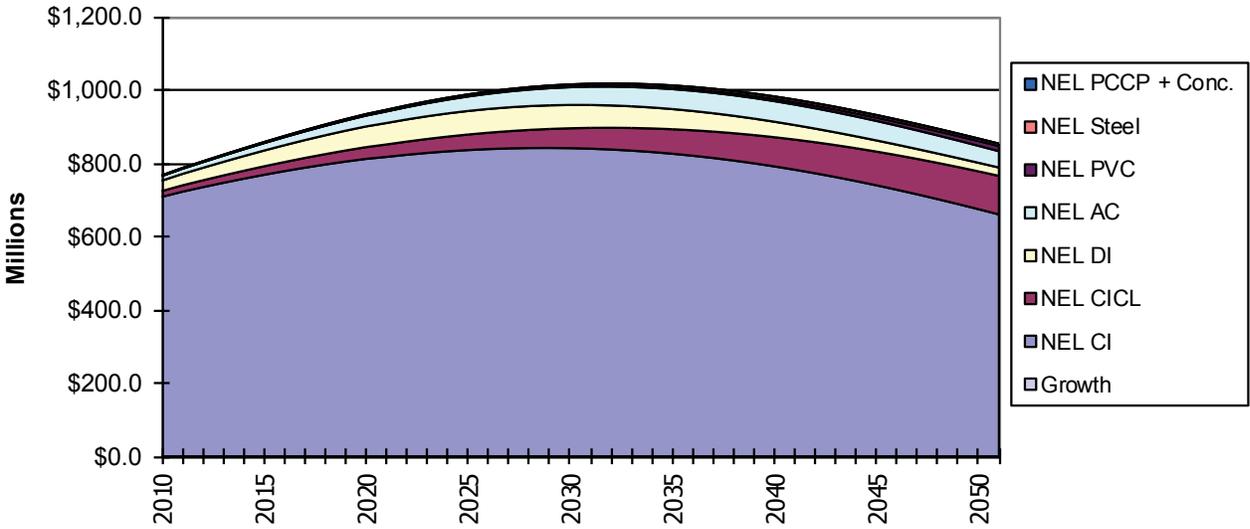
### Proportion of Current System Built by Decade: South



### Proportion of Current System Built by Decade: South

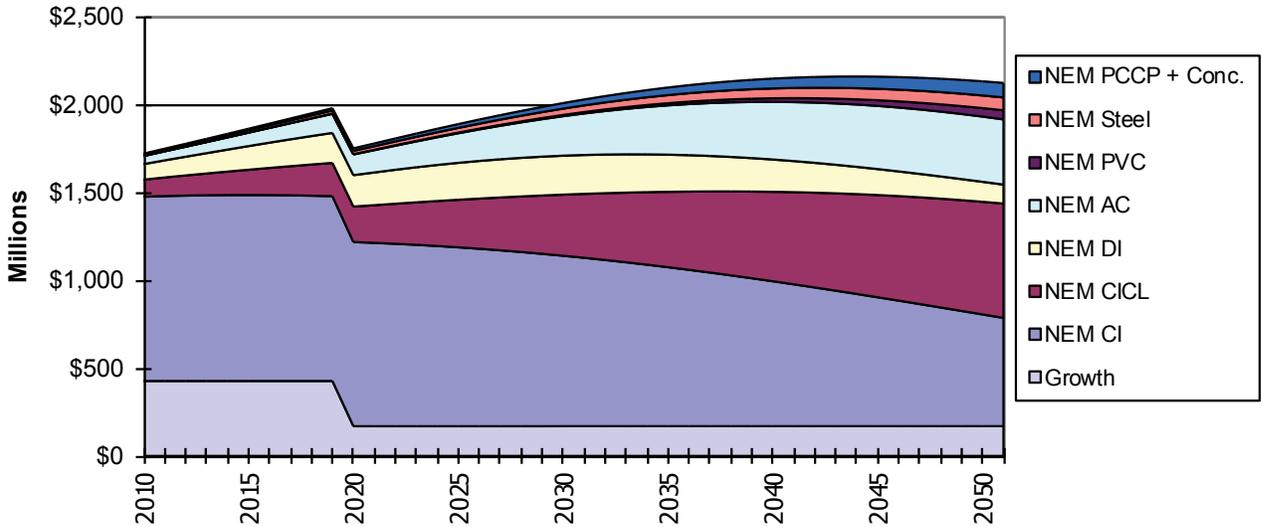


## Investment for Replacement & Growth Northeast Large



CI: cast iron; CI: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

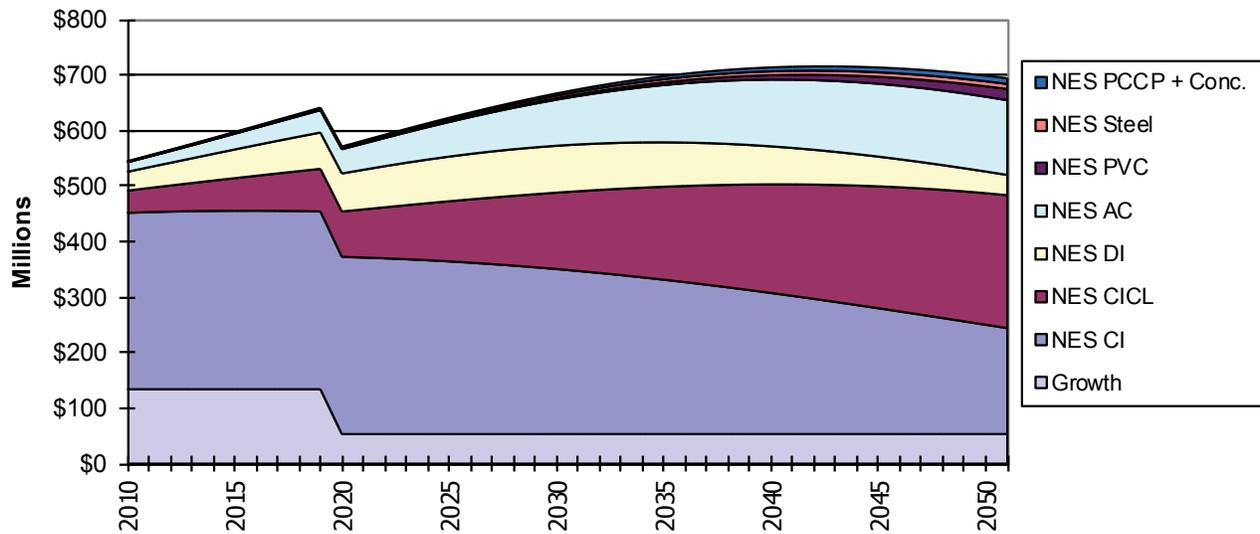
## Investment for Replacement & Growth Northeast Medium



CI: cast iron; CI: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

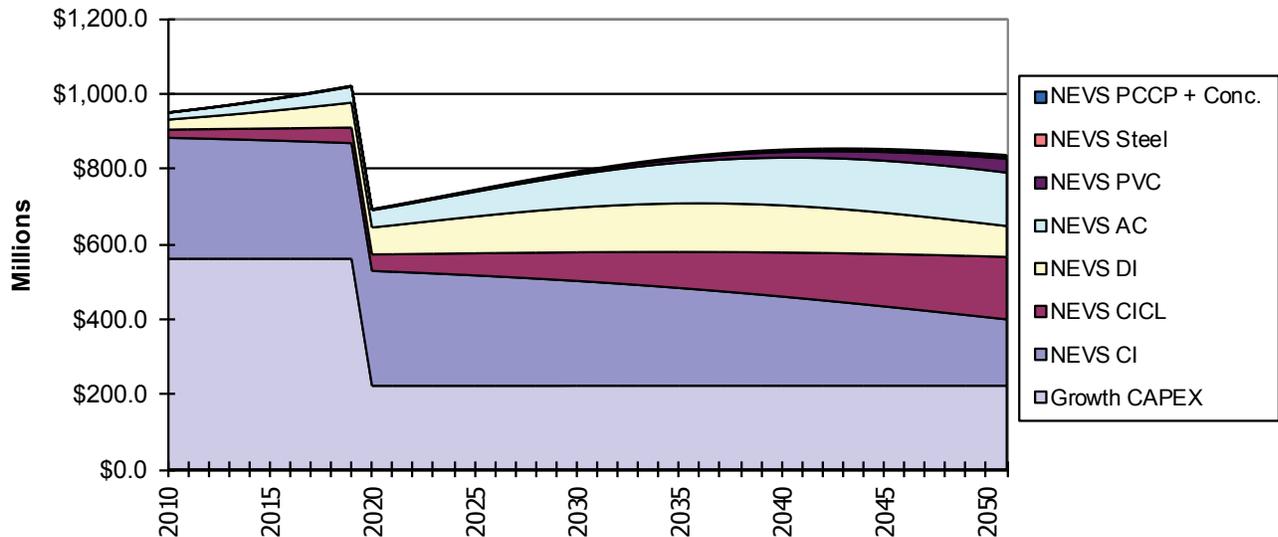
**The charts show needs for replacement of particular types of pipe and for growth (see the keys below and to the right of the chart). An artifact of the model and US Census data result in an apparent upward or downward “spike” in growth-related needs between certain decades. In reality, the apparent sudden shift in growth-related needs will be spread more evenly over the years bridging each decade to the next.**

## Investment for Replacement & Growth Northeast Small



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

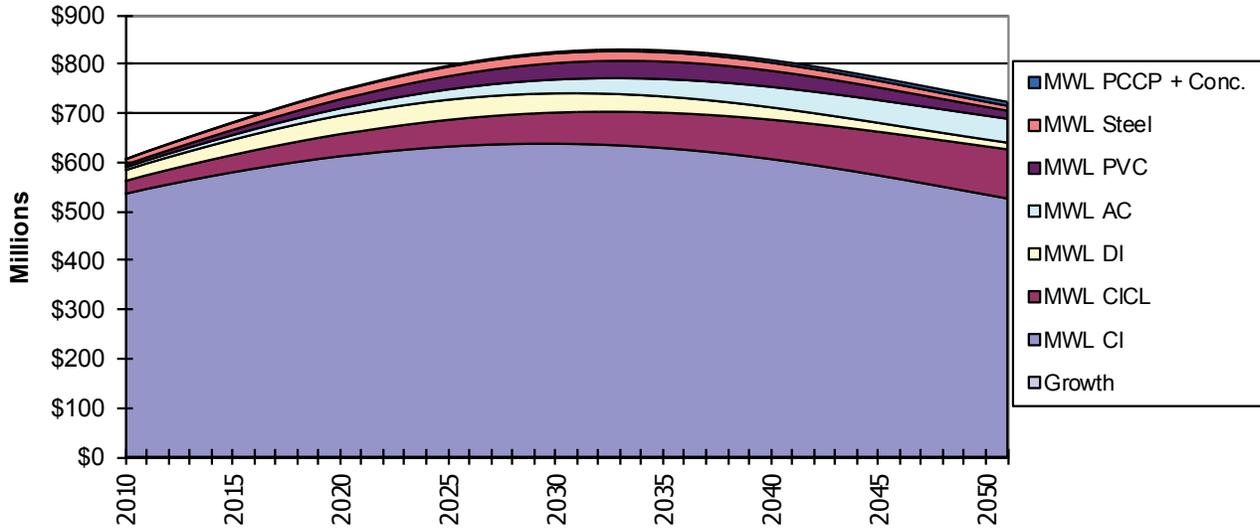
## Investment for Replacement & Growth Northeast Very Small



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

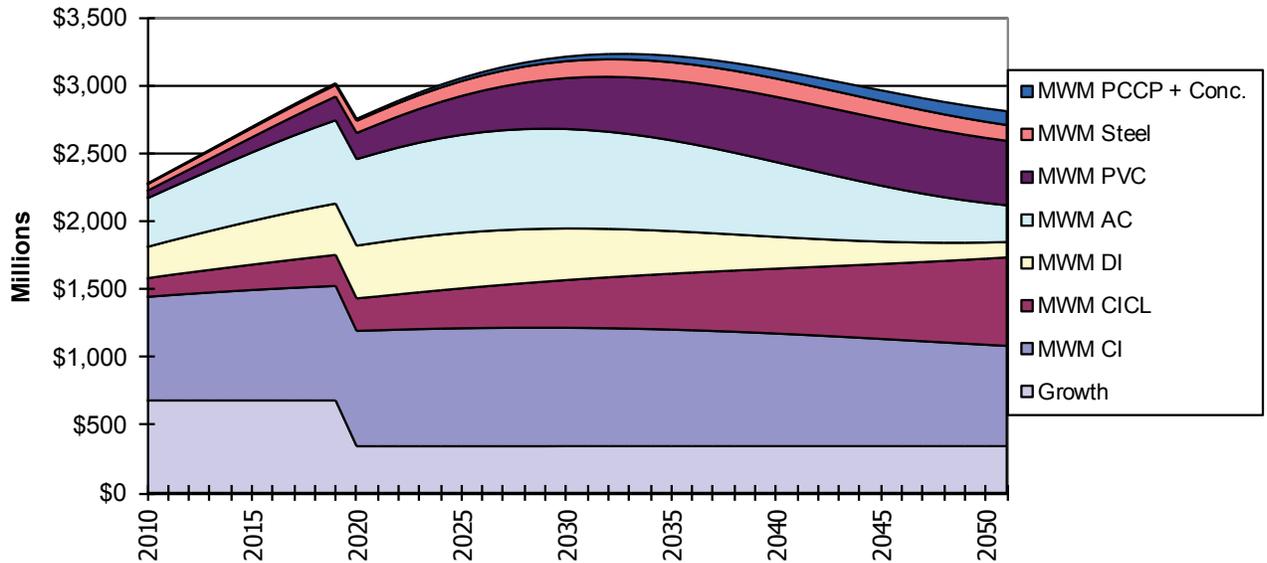
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## Investment for Replacement & Growth Midwest Large



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

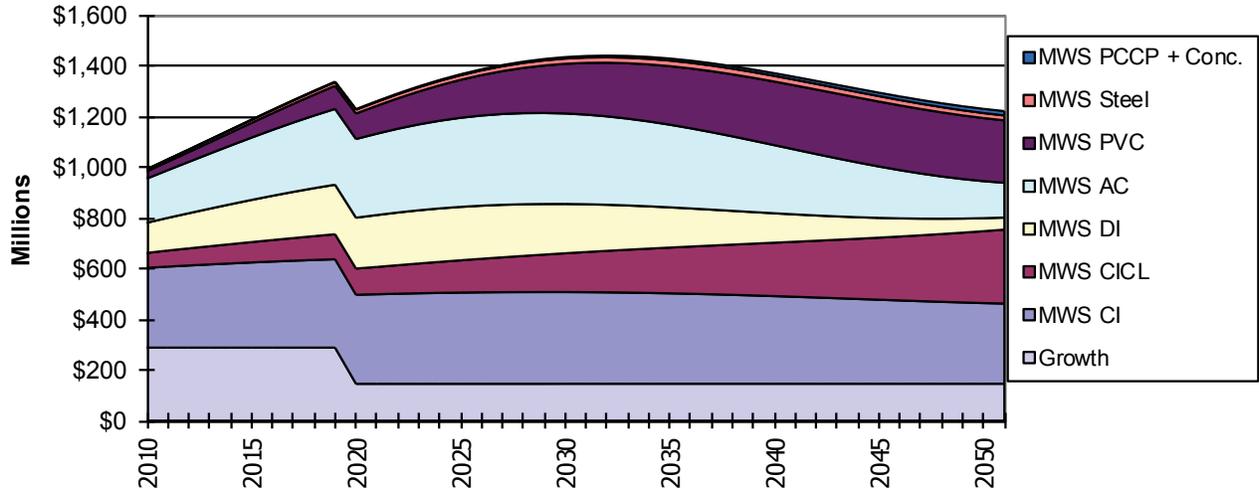
## Investment for Replacement & Growth Midwest Medium



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

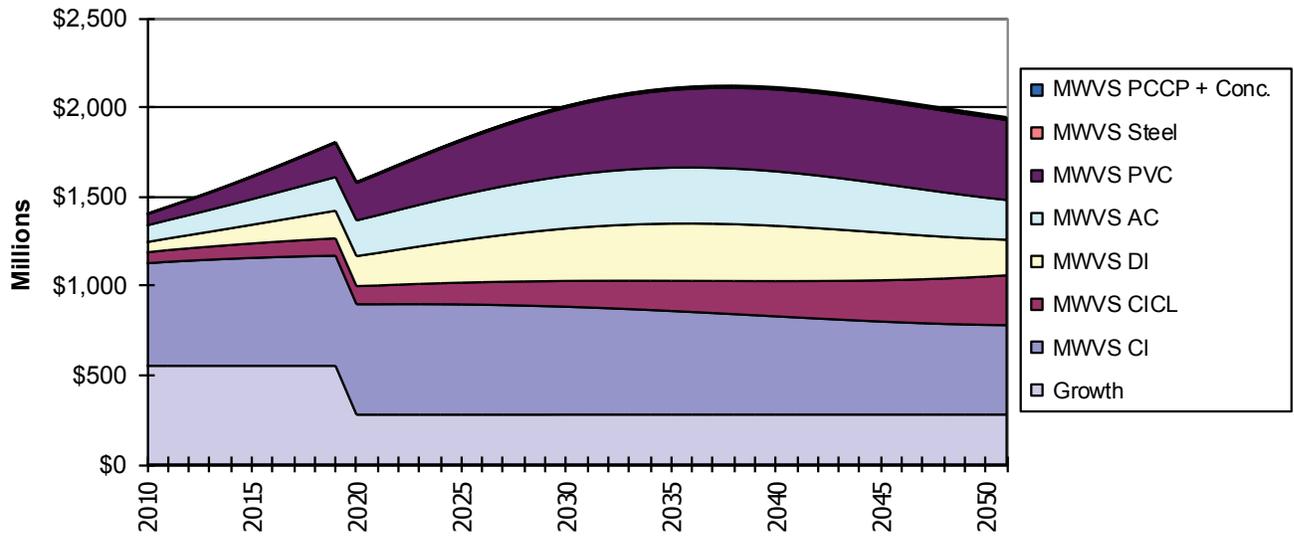
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## Investment for Replacement & Growth Midwest Small



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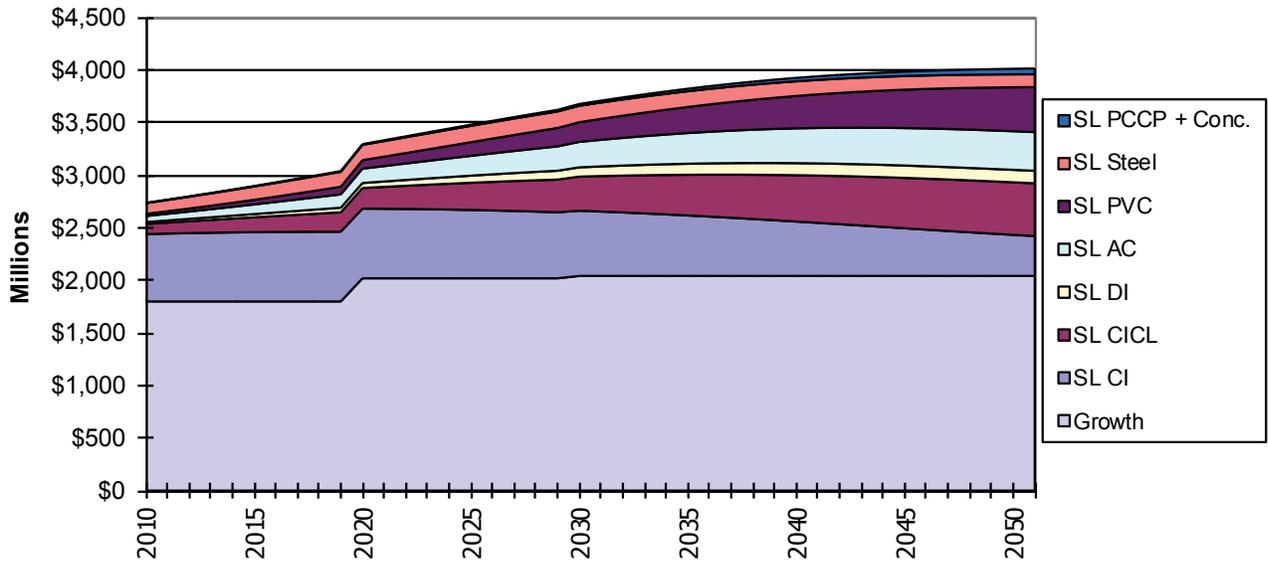
## Investment for Replacement & Growth Midwest Very Small



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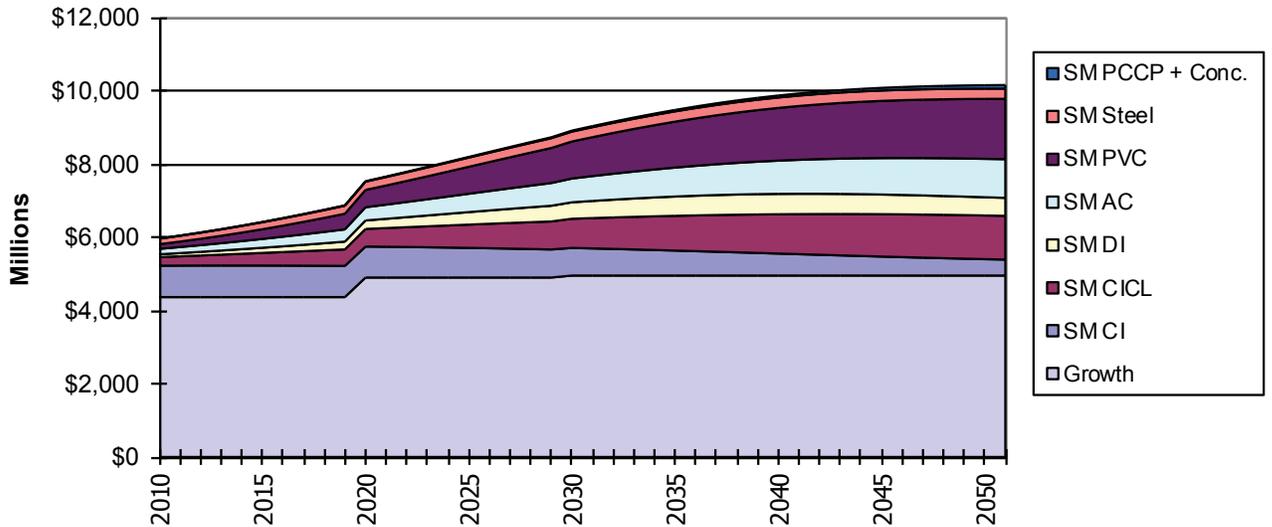
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## Investment for Replacement & Growth South Large



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

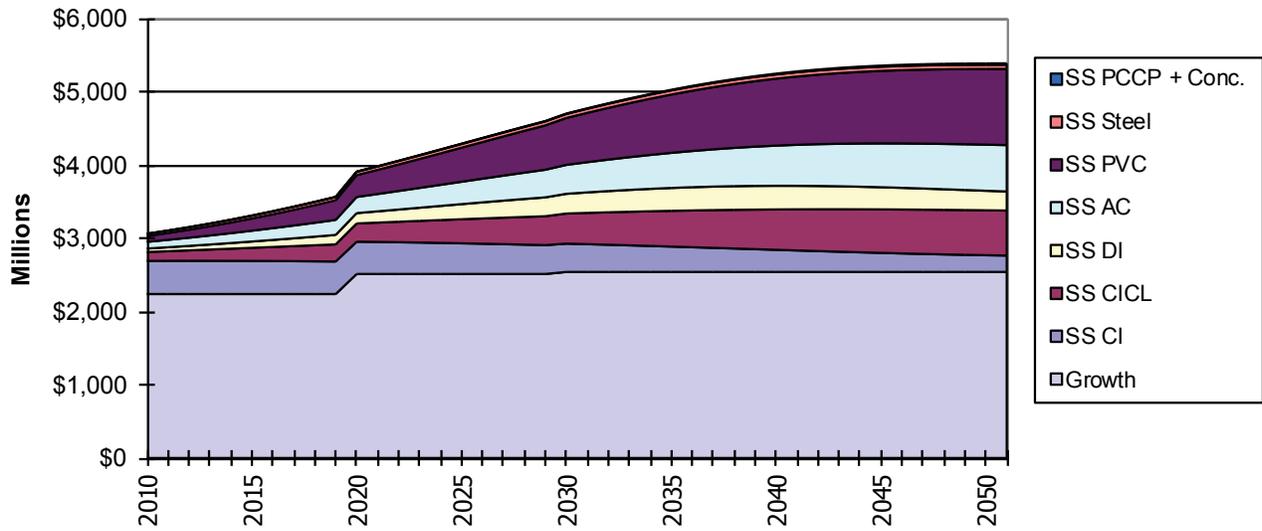
## Investment for Replacement & Growth South Medium



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

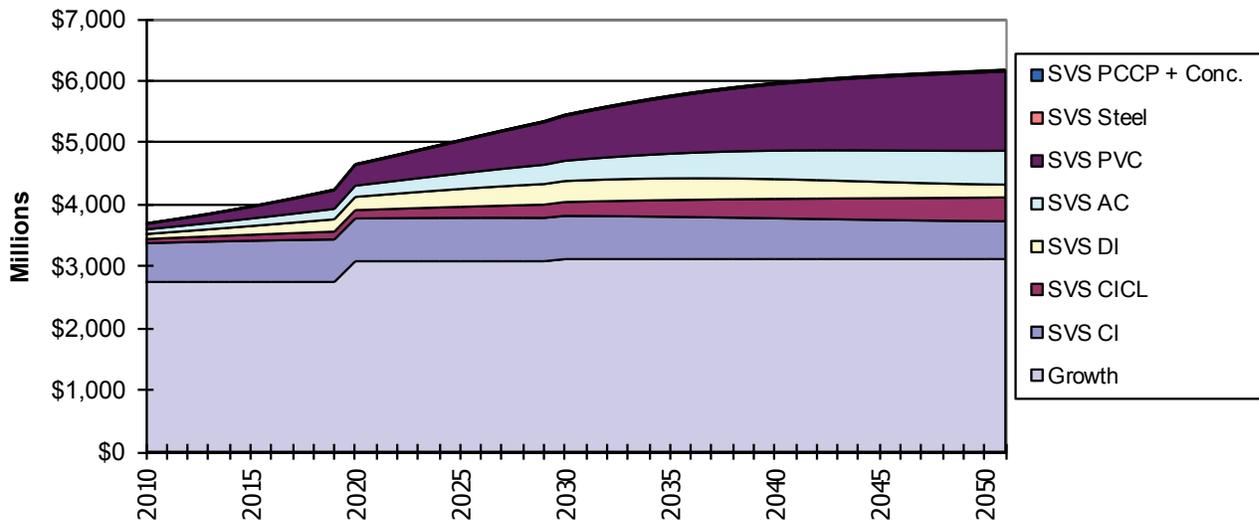
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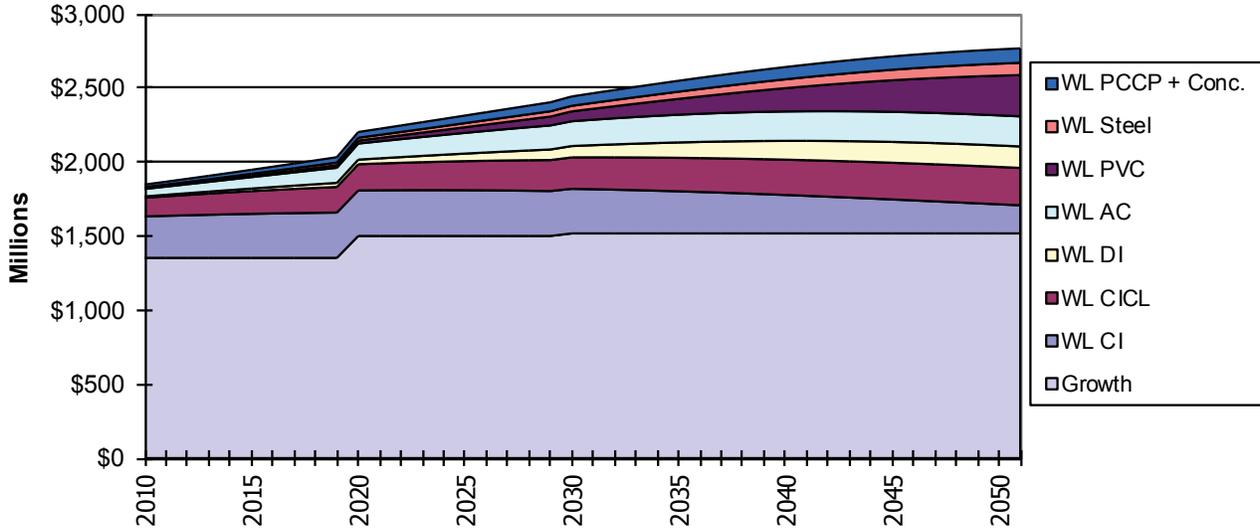
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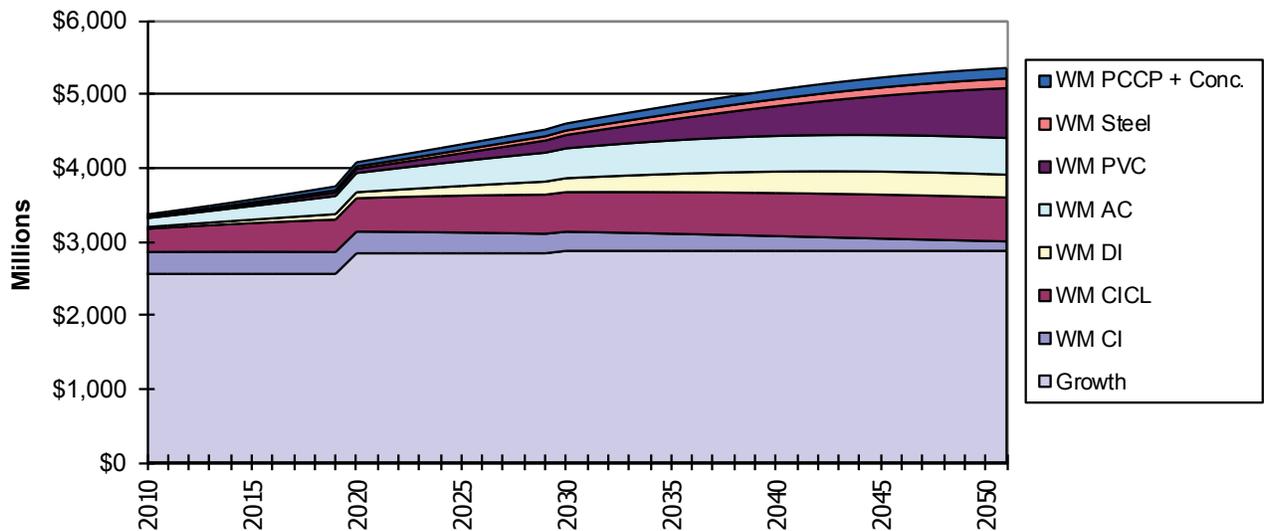
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## Investment for Replacement & Growth West Large



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

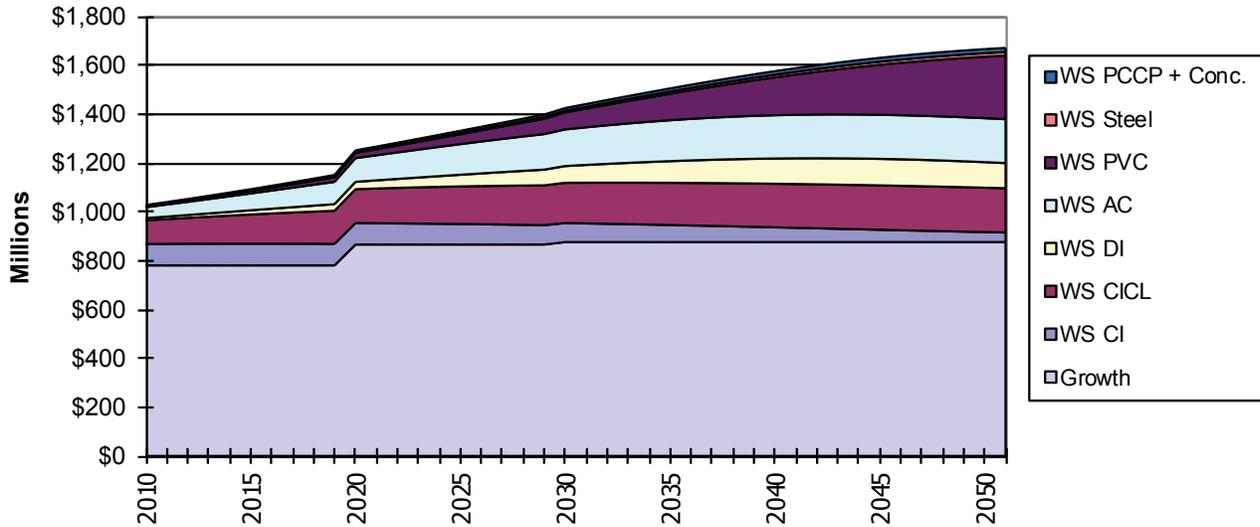
## Investment for Replacement & Growth West Medium



CI: cast iron; CICL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

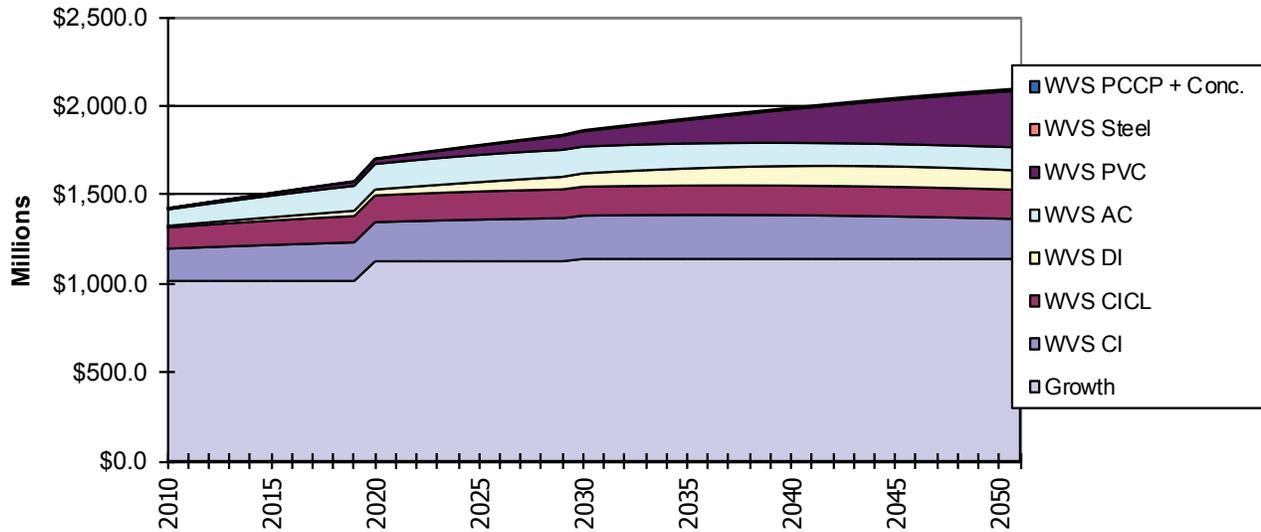
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## Investment for Replacement & Growth West Small



CI: cast iron; CACL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

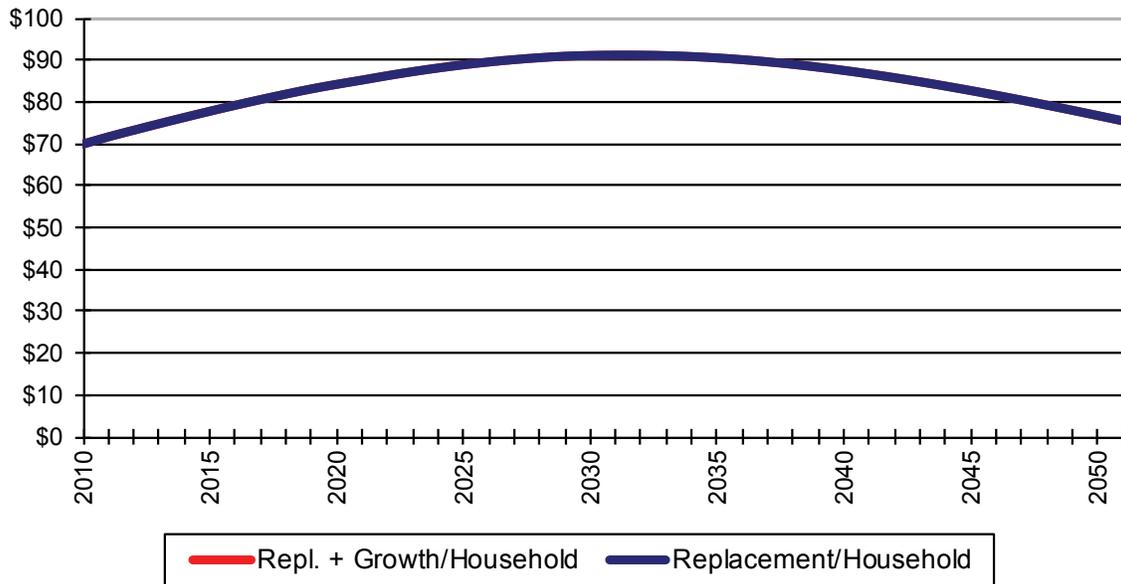
## Investment for Replacement & Growth West Very Small



CI: cast iron; CACL: cast iron cement lined; DI: ductile iron; AC: asbestos cement; PV: polyvinyl chloride; PCCP: prestressed concrete cylinder pipe

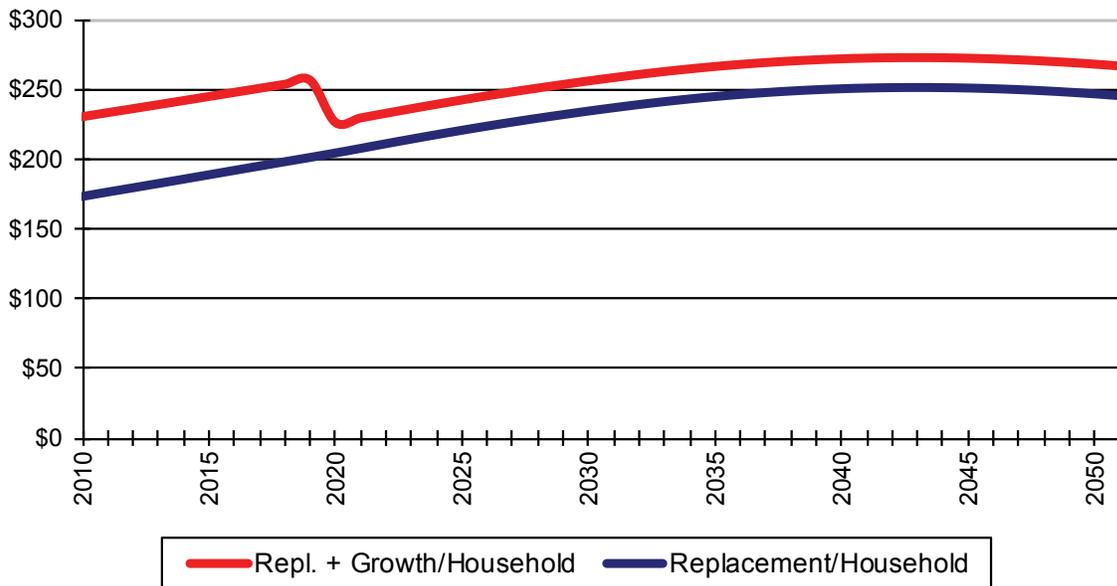
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## Household Cost of Needed Investment for Replacement Plus Growth\* Northeast Large



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

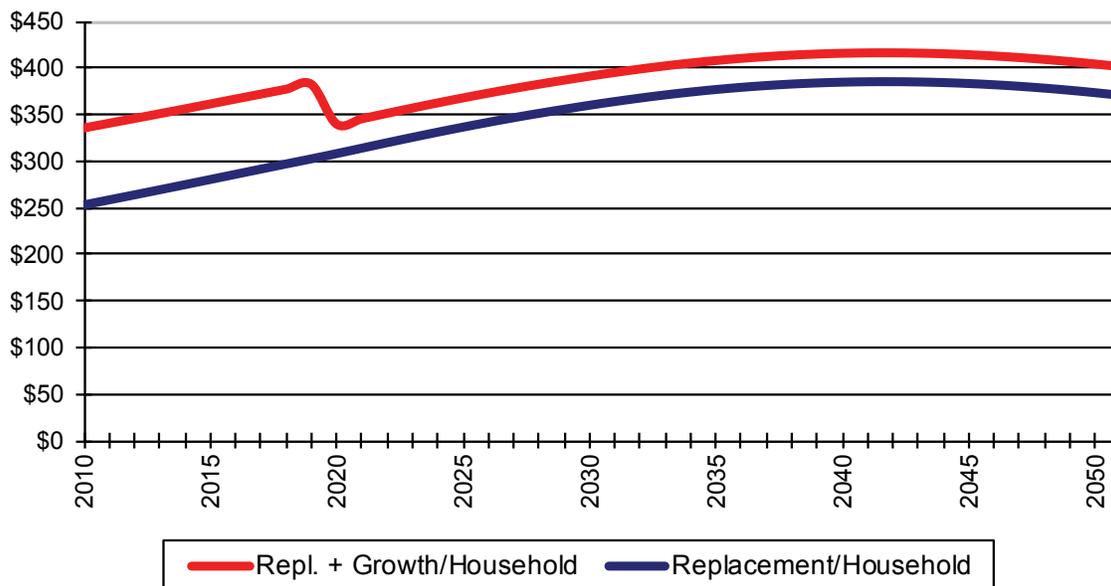
## Household Cost of Needed Investment for Replacement Plus Growth\* Northeast Medium



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

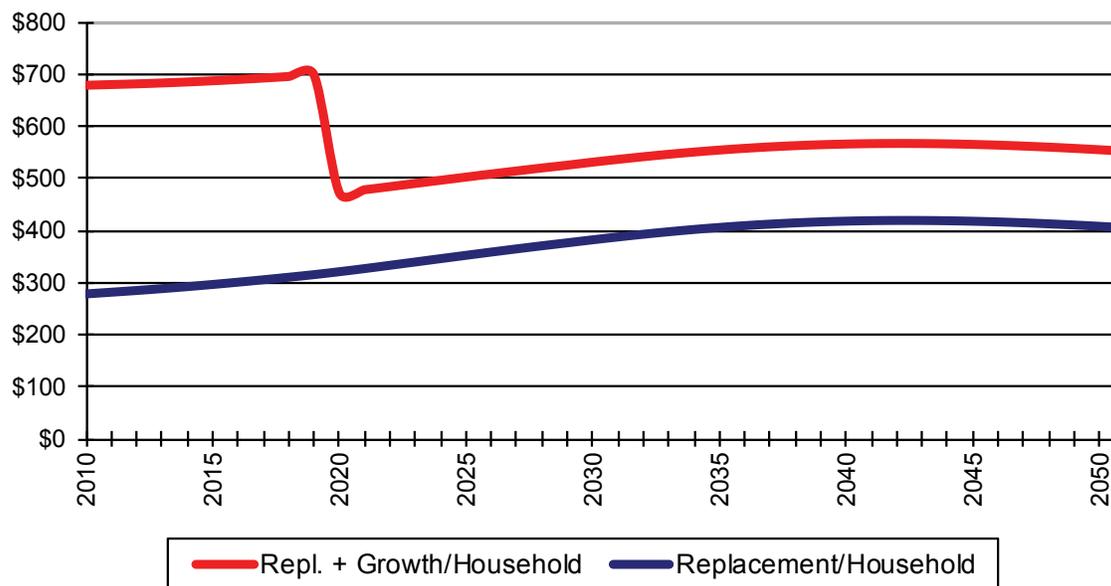
The charts show per household costs for replacement, and for replacement plus growth. The model assumes costs are spread evenly over households averaging 2.6 persons per household in accordance with US Census data. An artifact of the model and US Census data result in an apparent upward or downward “spike” in growth-related needs between certain decades. In reality, the apparent sudden shift in growth-related needs will be spread more evenly over the years bridging each decade to the next.”

## Household Cost of Needed Investment for Replacement Plus Growth\* Northeast Small



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

## Household Cost of Needed Investment for Replacement Plus Growth\* Northeast Very Small

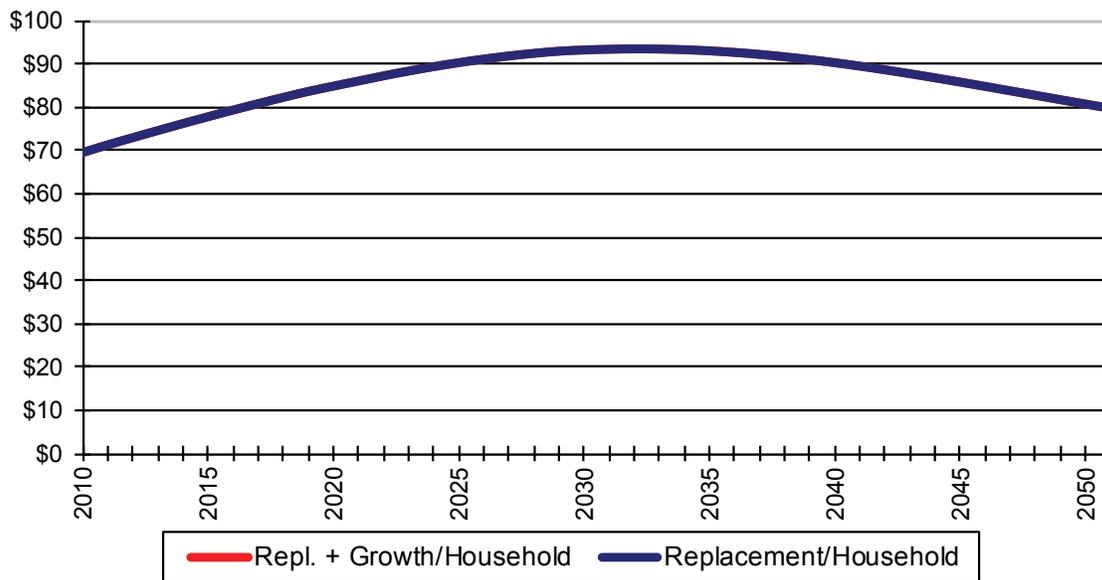


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## Household Cost of Needed Investment for Replacement Plus Growth\*

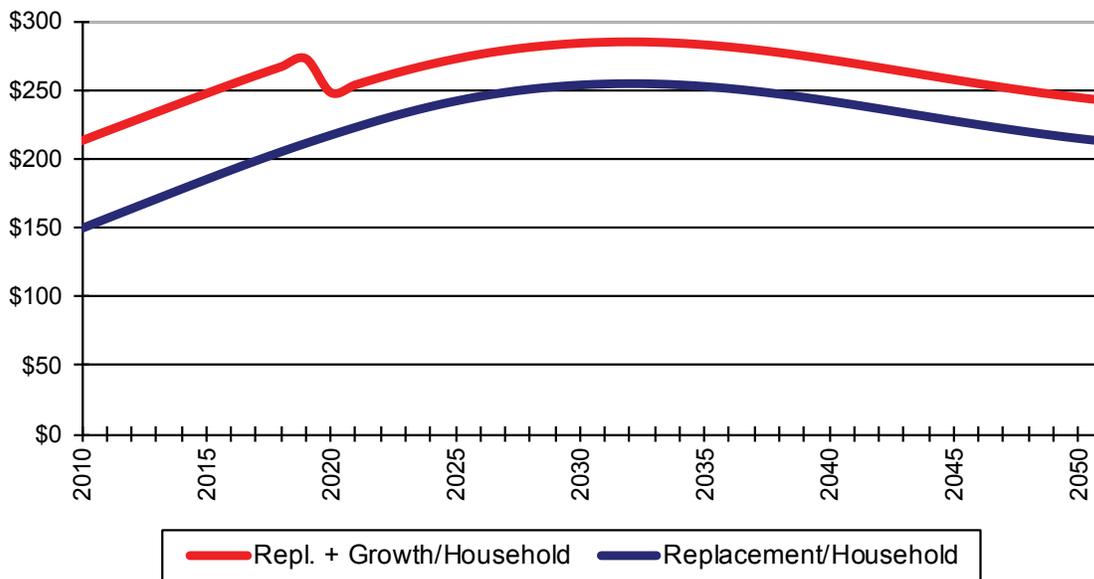
### Midwest Large



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

## Household Cost of Needed Investment for Replacement Plus Growth\*

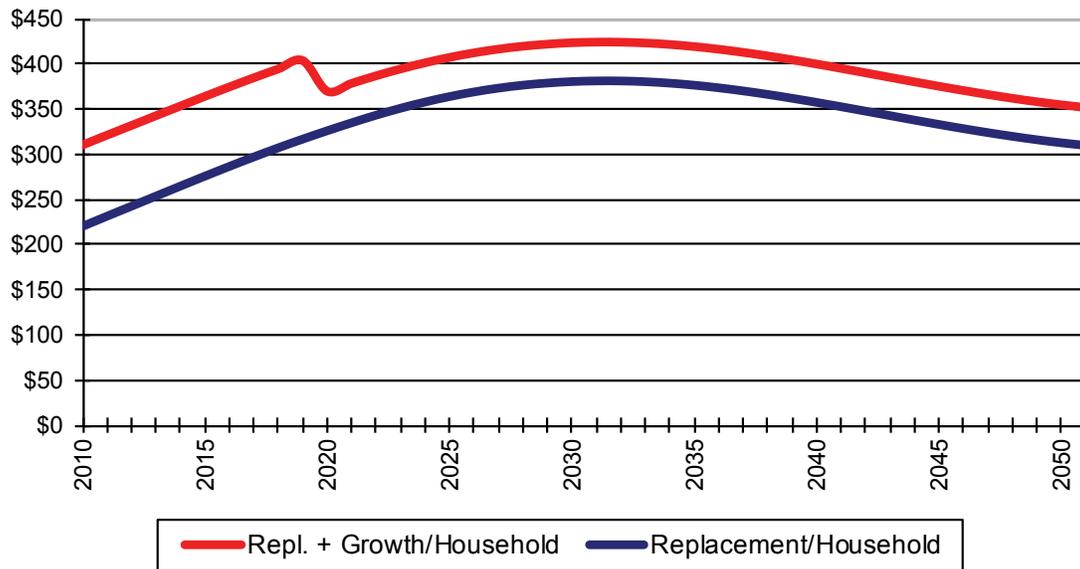
### Midwest Medium



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

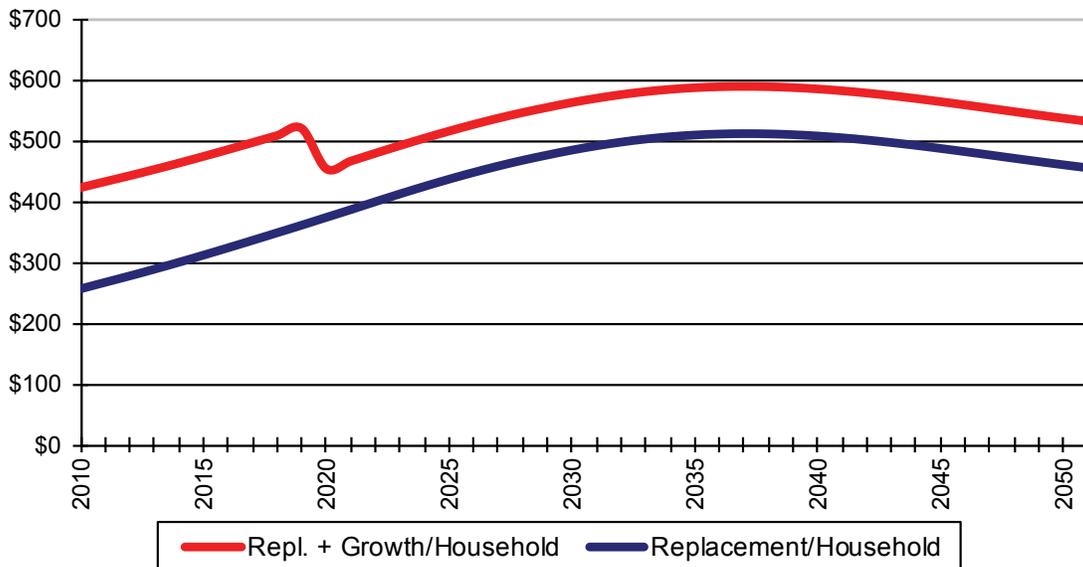
The charts show per household costs for replacement, and for replacement plus growth. The model assumes costs are spread evenly over households averaging 2.6 persons per household in accordance with US Census data. An artifact of the model and US Census data result in an apparent upward or downward “spike” in growth-related needs between certain decades. In reality, the apparent sudden shift in growth-related needs will be spread more evenly over the years bridging each decade to the next.”

## Household Cost of Needed Investment for Replacement Plus Growth\* Midwest Small



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

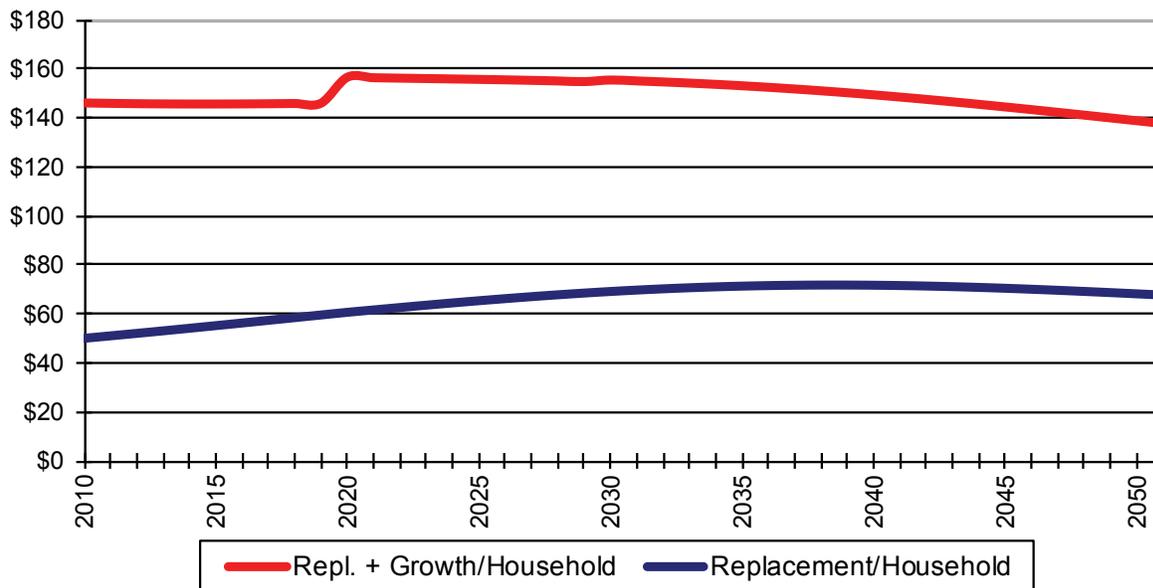
## Household Cost of Needed Investment for Replacement Plus Growth\* Midwest Very Small



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

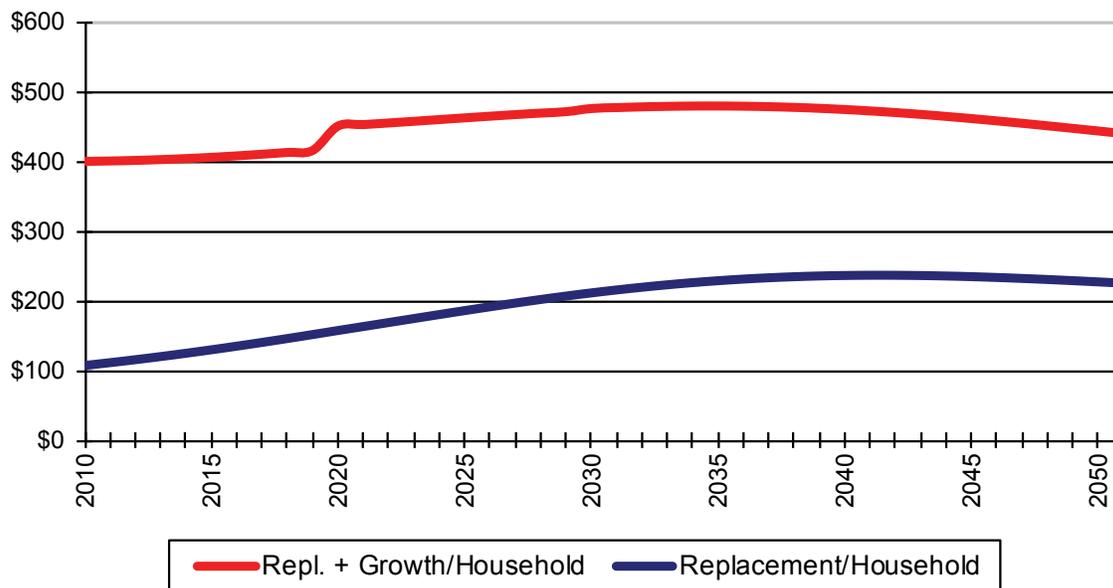
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## Household Cost of Needed Investment for Replacement Plus Growth\* South Large



\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.

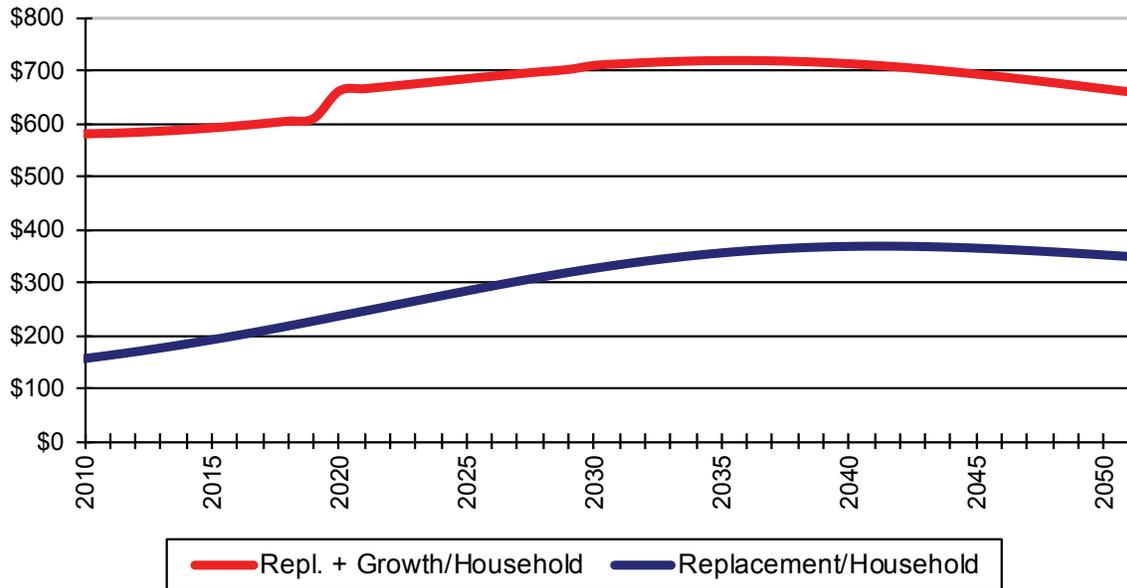
## Household Cost of Needed Investment for Replacement Plus Growth\* South Medium



\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.

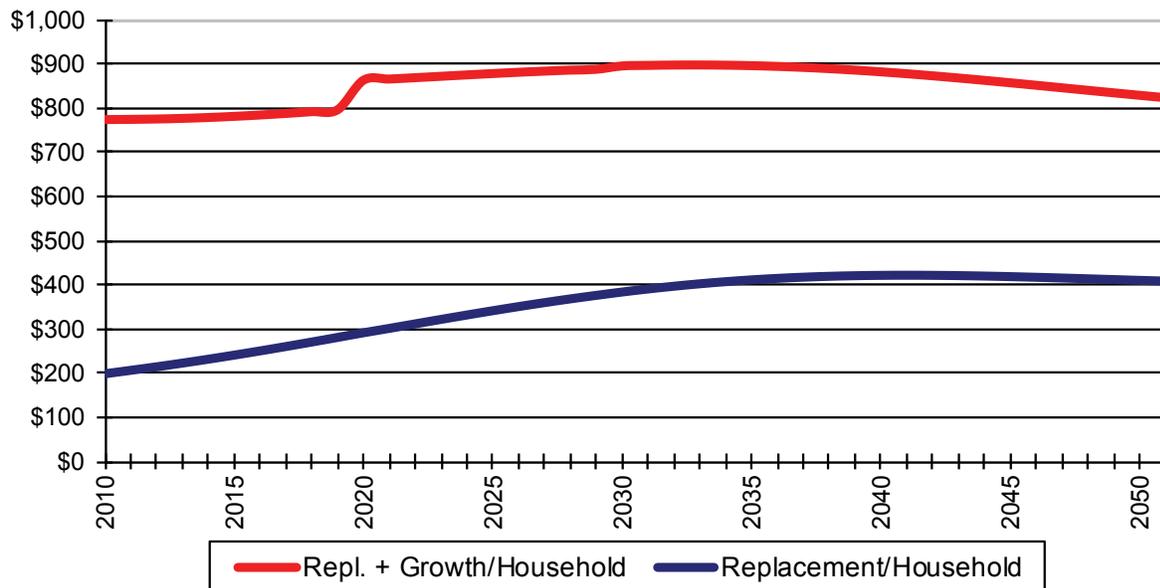
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## Household Cost of Needed Investment for Replacement Plus Growth\* South Small



\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.

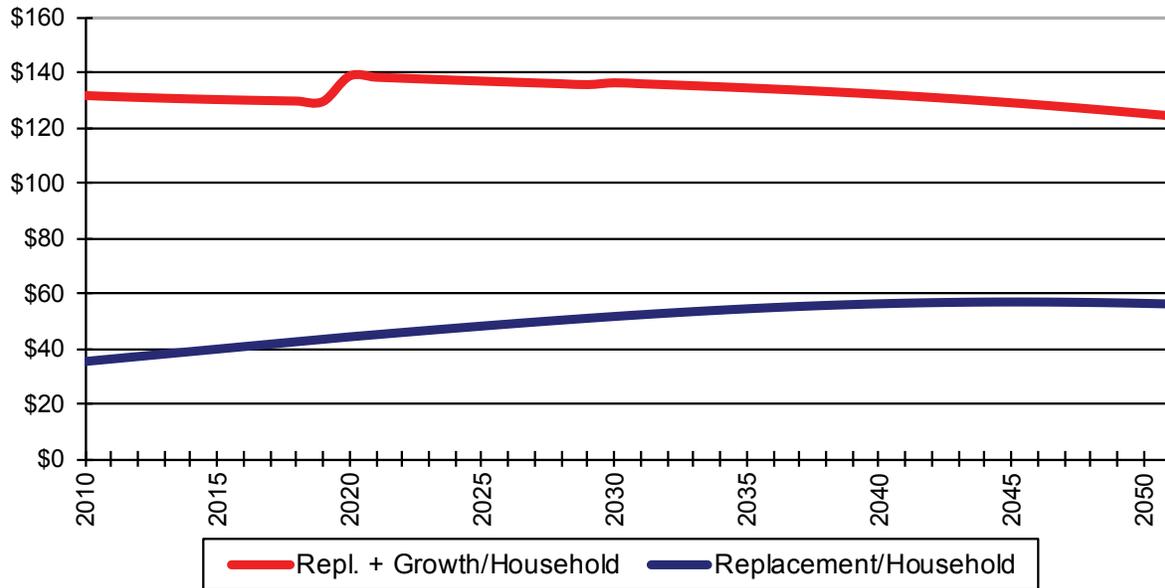
## Household Cost of Needed Investment for Replacement Plus Growth\* South Very Small



\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.

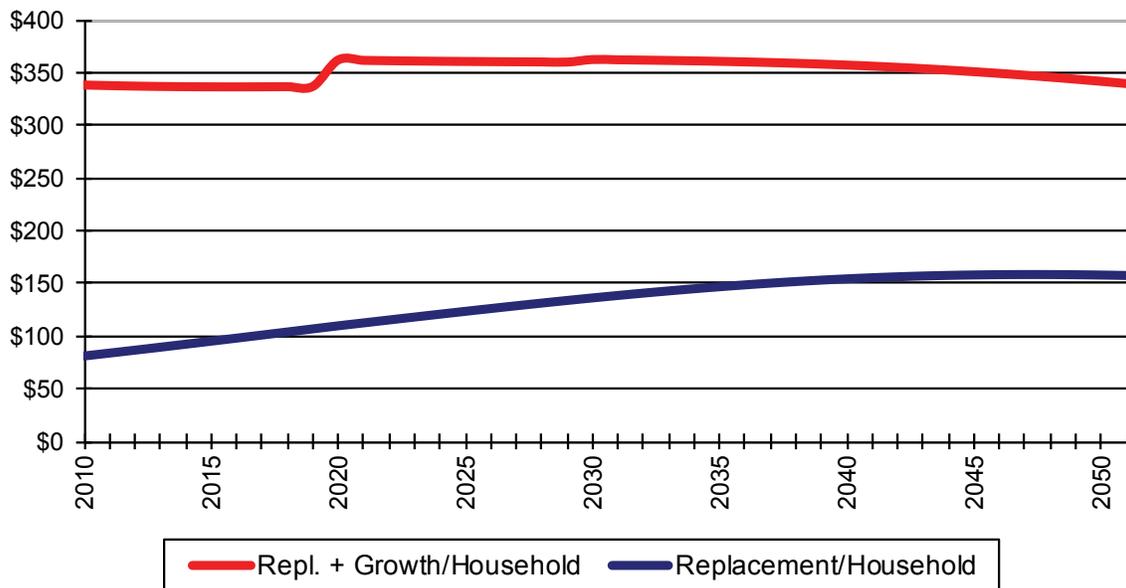
The charts show per household costs for replacement, and for replacement plus growth. The model assumes costs are spread evenly over households averaging 2.6 persons per household in accordance with US Census data. An artifact of the model and US Census data result in an apparent upward or downward “spike” in growth-related needs between certain decades. In reality, the apparent sudden shift in growth-related needs will be spread more evenly over the years bridging each decade to the next.”

## Household Cost of Needed Investment for Replacement Plus Growth\* West Large



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

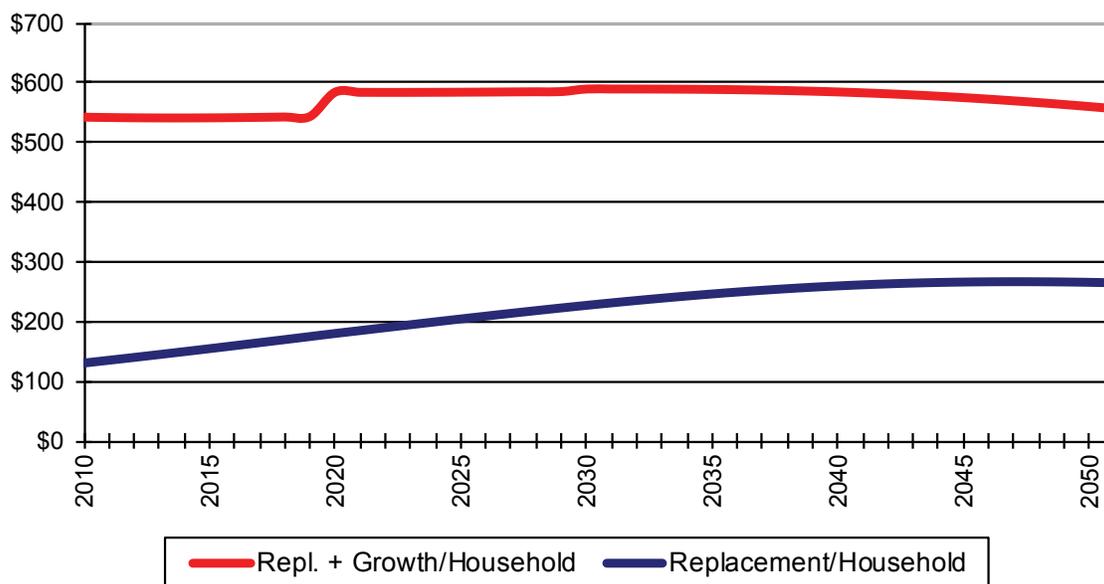
## Household Cost of Needed Investment for Replacement Plus Growth\* West Medium



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

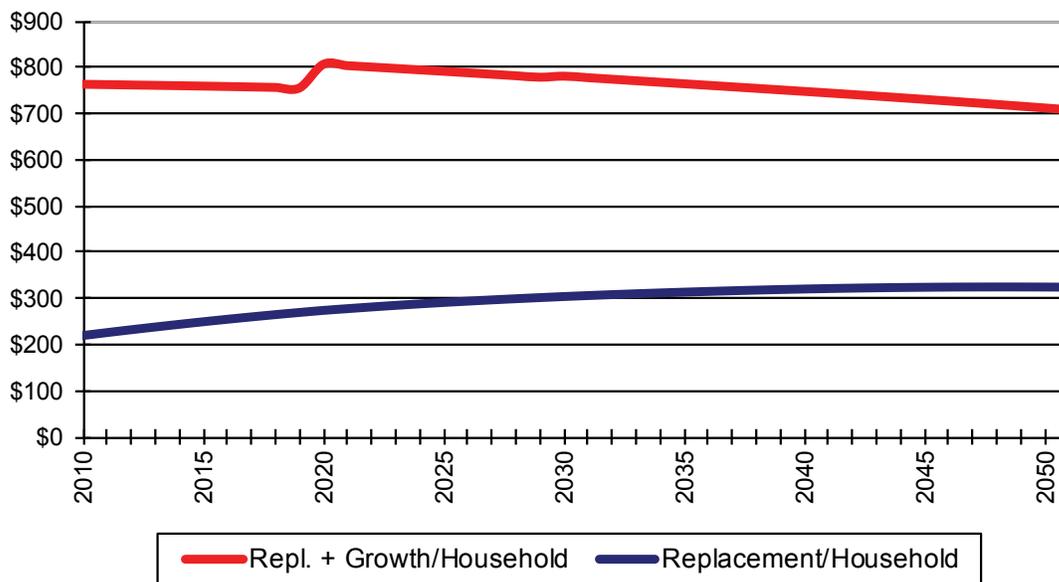
**The charts show per household costs for replacement, and for replacement plus growth. The model assumes costs are spread evenly over households averaging 2.6 persons per household in accordance with US Census data. An artifact of the model and US Census data result in an apparent upward or downward “spike” in growth-related needs between certain decades. In reality, the apparent sudden shift in growth-related needs will be spread more evenly over the years bridging each decade to the next.”**

## Household Cost of Needed Investment for Replacement Plus Growth\* West Small



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

## Household Cost of Needed Investment for Replacement Plus Growth\* West Very Small



*\*This assumes costs are spread evenly across households of 2.6 persons each, based on data from the US Census.*

The charts show per household costs for replacement, and for replacement plus growth. The model assumes costs are spread evenly over households averaging 2.6 persons per household in accordance with US Census data. An artifact of the model and US Census data result in an apparent upward or downward “spike” in growth-related needs between certain decades. In reality, the apparent sudden shift in growth-related needs will be spread more evenly over the years bridging each decade to the next.”

**EXHIBIT CLA-14**

**Strength** and **Durability** for **LiFe**<sup>®</sup>



2

ADVANCEMENTS IN PIPE LONGEVITY

## THE DESIGN DECISION MODEL

*Learn more at [www.dipra.org](http://www.dipra.org)*

**Better Together!**

Corrpro and DIPRA Share Technical Resources for Corrosion Control

Last Revised:  
May 2018

16  
15  
14  
13

In 2003, the Ductile Iron Pipe Research Association (“DIPRA”) and Corrpro Companies (“Corrpro”), a subsidiary of Aegion Corporation, announced the development of a risk-based model for corrosion control of Ductile iron pipelines—the Design Decision Model® (“DDM®”). The DDM® leveraged the combined experiences, resources and data of DIPRA and its member company technical staffs with corrosion control experts from Corrpro.

**The DDM® provides a two-dimensional, risk-based model for corrosion control that utilities can use to achieve century-long service lives of their water pipelines.**

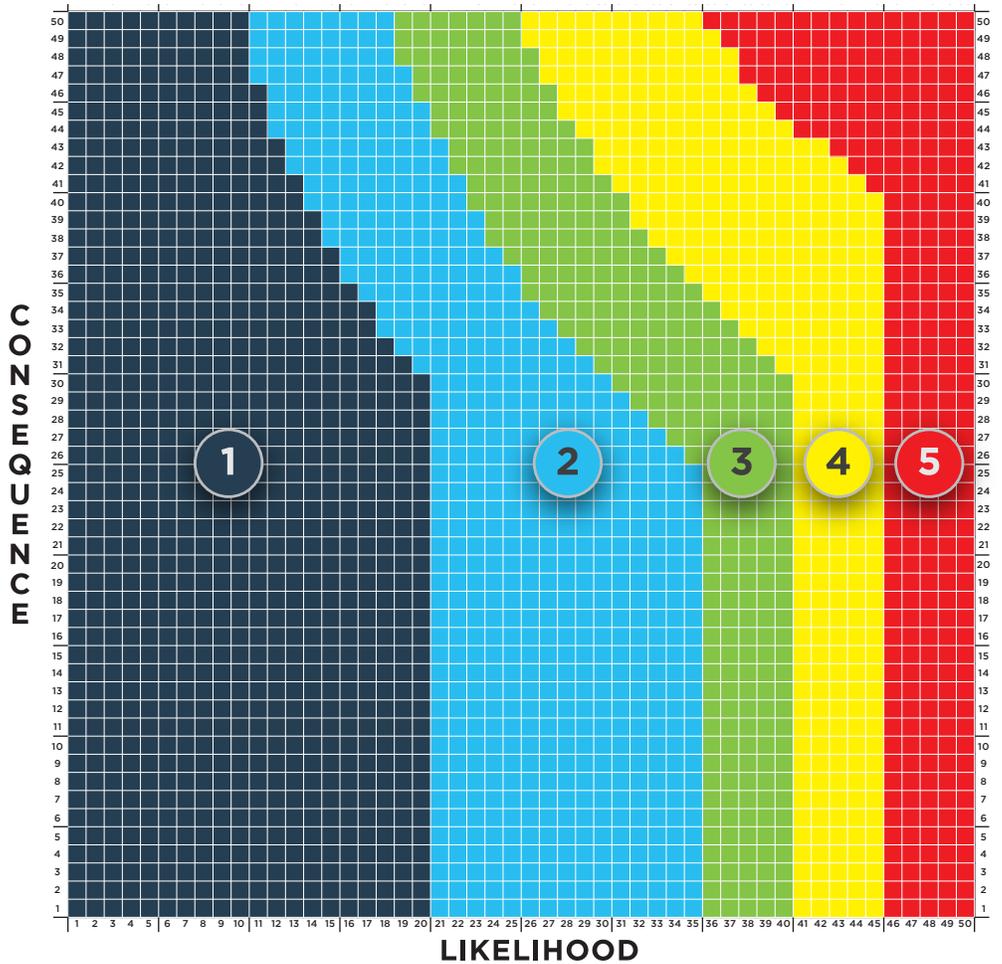
DIPRA provided more than 75 years of research data and decades of hands-on experience with water and wastewater utilities and their engineers. Corrpro brought their extensive knowledge in the control of corrosion, not just for pipe, but for all structures in water and wastewater systems. Together, in a synergistic learning experience covering more than three years, DIPRA gained a higher appreciation of the nuances of corrosion control, and Corrpro came to better understand those aspects of Ductile iron pipe that are an advantage in mitigating corrosion. Where gaps in knowledge or data were identified, the development of the DDM® was augmented by ongoing research efforts in the lab, in DIPRA test sites and in field investigations of existing pipelines. Moreover, those efforts did not stop with the introduction of the DDM® in 2003 and they continue today.

The DDM® provided the first two-dimensional risk-based model for corrosion control of Ductile iron pipe—one that balances the likelihood of a corrosion-related concern against the consequences of such an occurrence. The DDM® provides the most practical and effective means of ensuring the century-long service life that users have come to expect as the benchmark for iron pipe. It is that benchmark of service that is the foundation of the life-cycle value for the strongest, most resilient pipe material available today for water and wastewater pipelines.

Over the past 15 years, research has continued, and field experiences have increased. We have listened and learned from users of Ductile iron pipe and from other experts in the field. These additions to our collective knowledge have culminated in significant advancements to the DDM®.

**FIGURE 1**

**DDM<sup>®</sup> Two-Dimensional Matrix**



**TABLE 1**

**Design Decision Model<sup>®</sup> (DDM<sup>®</sup>)**

Recommendations	
<b>1</b>	As manufactured with shop coat
<b>2</b>	V-Bio <sup>®</sup> Enhanced Polyethylene Encasement
<b>3</b>	V-Bio <sup>®</sup> Enhanced Polyethylene Encasement, or V-Bio <sup>®</sup> Enhanced Polyethylene Encasement with Joint Bonds
<b>4</b>	V-Bio <sup>®</sup> Enhanced Polyethylene Encasement with Metallized Zinc Coating, or V-Bio <sup>®</sup> Enhanced Polyethylene Encasement with Life Extension Cathodic Protection
<b>5</b>	V-Bio <sup>®</sup> Enhanced Polyethylene Encasement with Metallized Zinc Coating, or V-Bio <sup>®</sup> Enhanced Polyethylene Encasement with Cathodic Protection

\* Recommendations in Zones 4 and 5 recognize a practical difference between distribution and transmission mains. Distribution mains are generally smaller sized pipes, with the final classification to be defined by the pipeline owner. Cathodic protection should be considered where external corrosion is a significant risk or where pipe repairs/replacements would be cost prohibitive.

**For the first time, point counts for the DDM<sup>®</sup> are published. This means users can access state-of-the-art data for corrosion control methods.**

**V-Bio<sup>®</sup> enhanced polyethylene encasement is now a part of the DDM<sup>®</sup>.**

Since the origin of the DDM<sup>®</sup>, innovations in polyethylene encasement and the availability of metallized zinc coatings provide options that offer active methods of controlling corrosion. This gives us the ability to design practical mitigation protocols that recognize the differences between transmission and distribution pipelines.

### **Published Factors to Mitigate Corrosion**

Perhaps most importantly, DIPRA and Corpro agreed the details of the DDM<sup>®</sup> should be published, allowing all users of Ductile iron pipe to fully understand the state-of-the-art in corrosion control for Ductile iron pipelines and use this well-founded design tool. In the two-dimensional DDM<sup>®</sup> model, individual test results for the various contributors to the aggressive nature of a soil result in the assignment of points that accumulate, taking the user along the x-axis in Figure 1: DDM<sup>®</sup> Two-Dimensional Matrix. Similarly, factors addressing the consequences of corrosion are identified and points accumulate moving the user up the y-axis of the grid in Figure 1. These will intersect in a zone that provides the appropriate design recommendation for mitigation, as shown in Table 1: Recommendations. The listing of the various factors for Likelihood and Consequence, along with their previously unpublished point counts, are found in Tables 2: Likelihood Score Sheet and 3: Consequence Score Sheet.

### **V-Bio<sup>®</sup> Enhanced Polyethylene Encasement – The Active Inhibitor**

In 2013, based on a decade of research, DIPRA introduced V-Bio<sup>®</sup> enhanced polyethylene encasement, an innovative polyethylene made possible by co-extrusion technology in film production. This durable material is infused with a volatile corrosion inhibitor and an anti-microbial component that actively prevent the growth of galvanic corrosion cells and depolarizing bacteria in that minimal annular environment between the film and the pipe surface. As a result, V-Bio<sup>®</sup> enhanced polyethylene encasement is now a part of the DDM<sup>®</sup>.

**TABLE 2**

**Likelihood Score Sheet**

LIKELIHOOD FACTOR		POINTS	MAXIMUM POSSIBLE POINTS
RESISTIVITY	< 500 ohm-cm	30	<b>30</b>
	≥ 500 - 1000 ohm-cm	25	
	> 1000 - 1500 ohm-cm	22	
	> 1500 - 2000 ohm-cm	19	
	> 2000 - 3000 ohm-cm	10	
	> 3000 - 5000 ohm-cm	5	
	> 5000 ohm-cm	0	
CHLORIDES	> 100 ppm = positive	8	<b>8</b>
	50 - 100 ppm = trace	3	
	< 50 ppm = negative	0	
MOISTURE CONTENT	> 15% = Wet	5	<b>5</b>
	5 - 15% = Moist	2.5	
	< 5% = Dry	0	
GROUND WATER INFLUENCE	Pipe below the water table at any time	5	<b>5</b>
pH	pH 0 - 4	4	<b>4</b>
	pH > 4 - 6	1	
	pH 6 - 8, with sulfides and low or negative redox	4	
	pH > 6	0	
SULFIDE IONS	positive (≥1 ppm)	4	<b>4</b>
	trace (> 0 and < 1 ppm)	1.5	
	negative ( 0 ppm)	0	
REDOX POTENTIAL	= negative	2	<b>2</b>
	= positive 0 - 100 mv	1	
	= positive > 100 mv	0	
BI-METALLIC CONSIDERATIONS	Connected to noble metals (e.g. copper) - yes	2	<b>2</b>
	Connected to noble metals (e.g. copper) - no	0	
<b>TOTAL POSSIBLE POINTS</b>			<b>60</b>
Known Corrosive Environments	Cinders, Mine Waste, Peat Bog, Landfill, Fly Ash, Coal		<b>21</b>

\* Soils with Known Corrosive Environments shall be assigned 21 points or the total of points for Likelihood Factors, whichever is greater.

**TABLE 3****Consequence Score Sheet**

CONSEQUENCE FACTOR		POINTS	MAXIMUM POSSIBLE POINTS
PIPE SERVICE	3" to 24"	0	<b>22</b>
	30" to 36"	8	
	42" to 48"	12	
	54" to 64"	22	
LOCATION: Construction-Repair Considerations	Routine (Fair to good access, minimal traffic/other utility consideration, etc.)	0	<b>20</b>
	Moderate (Typical business/ residential areas, some right of way limitations, etc.)	8	
	Difficult (Subaqueous crossings, downtown metropolitan business areas, multiple utilities congestion, swamps, etc.)	20	
DEPTH OF COVER CONSIDERATIONS	0 to 10 feet depth	0	<b>5</b>
	> 10 to 20 feet depth	3	
	> 20 feet depth	5	
ALTERNATE WATER SUPPLY	Alternate supply available - no	3	<b>3</b>
	Alternate supply available - yes	0	
<b>TOTAL POSSIBLE POINTS</b>			<b>50</b>

**The revised DDM® recognizes the practical differences in corrosion control needs between transmission mains and distribution systems.**

DIPRA and Corpro again listened to the needs of utility operators and recognized the differences between long, large diameter, straight-run transmission mains and the more complicated networks of distribution pipelines that bring water to our neighborhoods and businesses. The result provides a more practical solution for pipeline networks that comprise the distribution systems within a utility's service area. The use of V-Bio® enhanced polyethylene encasement in conjunction with metallized zinc provides water operators with an effective alternative to controlling corrosion in distribution systems.

In recognition of best-practices in the water industry, DIPRA has also adopted and endorsed a method of installing polyethylene encasement that was first observed being used by several utilities. This learning experience resulted from individual utility innovations that DIPRA learned of through the very useful working relationships we strive to develop and maintain with utilities and their engineers. The result is an innovative method that greatly simplifies the installation of V-Bio® enhanced polyethylene, making proper installation much easier to achieve while also addressing concerns expressed by utility operators and corrosion professionals down through the years.

Modified Method A, a preferred method for the installation of the V-Bio® film, is described in ANSI/AWWA C105/A21.5. [Click here](#) to see a short installation video from our website that will provide the step-by-step procedure. This simple innovation makes installation damage less likely and facilitates the overlap of the encasement across each joint.

## SUMMARY

The DDM® offers a simple, practical means of determining the most economical way to ensure the long service life that utilities and engineers have come to expect from Ductile iron pipelines. The innovations that are now a part of the DDM®—from the use of V-Bio® enhanced polyethylene, to the practical recognition of the different needs for transmission and distribution pipelines, to the innovative new method of installation of the V-Bio® film are only examples of the ongoing efforts our industry is making to better serve the utilities who want and need the great strength and proven resilience of Ductile iron pipe for their water and wastewater systems.

Combining the recommendations of the DDM® with an active and determined policy to ensure proper installation will allow those users to experience the unparalleled advantages of Ductile iron throughout its desired life of service.

# For more information contact DIPRA or any of its member companies.

## Ductile Iron Pipe Research Association

An association of quality producers dedicated to the highest pipe standards through a program of continuing research and service to water and wastewater professionals.

P.O. Box 190306  
Birmingham, AL 35219  
205.402.8700 Tel  
[www.dipra.org](http://www.dipra.org)

## Member Companies

AMERICAN Ductile Iron Pipe  
P.O. Box 2727  
Birmingham, Alabama 35202-2727  
[www.american-usa.com](http://www.american-usa.com)

Canada Pipe Company, Ltd.  
55 Frid St. Unit #1  
Hamilton, Ontario L8P 4M3 Canada  
[www.canadapipe.com](http://www.canadapipe.com)

McWane Ductile  
P.O. Box 6001  
Coshocton, Ohio 43812-6001  
[www.mcwaneductile.com](http://www.mcwaneductile.com)

U.S. Pipe  
Two Chase Corporate Drive  
Suite 200  
Birmingham, Alabama 35244  
[www.uspipe.com](http://www.uspipe.com)

## Social Media

Get in the flow with Ductile iron pipe by connecting with us on [Facebook](#), [Twitter](#), and [LinkedIn](#).

Visit our website, [www.dipra.org](http://www.dipra.org) and click on the YouTube icon for informational videos on Ductile iron pipe's ease of use, economic benefits, strength and durability, advantages over PVC, and more.



**EXHIBIT CLA-15**



## Pipe Service Life for Rate Case

## Mountain Water District

To: **Roy Sawyers**  
**Operational Manager**

August 2022

The Kentucky Public Service Commission has long held fast to the midpoint of NARUC’s service life range as the service life used for their regulated utilities’ calculation of depreciation. For water transmission and distribution lines, the NARUC midpoint is 62.5 years. While most Eastern Kentucky utilities dispute that, none can successfully mount a defense against PSC’s edict because PSC insists on a depreciation study to provide alternative lives. No utility whose rates are regulated wants to spend money on a depreciation study, especially when “success” might not result in an increase to revenue requirements greater than the cost of the study.

In 2012, AWWA published the results of their research project, “Buried No Longer: Confronting America’s Water Infrastructure Challenge.”<sup>1</sup> In the publication, AWWA provides average estimated service lives by pipe material. For medium-sized utilities in the South (as MWD is categorized), ductile iron pipe installed in “benign” conditions has a 105-year average service life; installations in “harsh” conditions have service lives of 55 years.<sup>2</sup> Harsh conditions include, among other things, those conditions favorable for galvanic corrosion. The Ductile Iron Pipe Research Association (DIPRA) has provided extensive information regarding the potential of a soil to exhibit the resistivity that enables aggressive galvanic corrosion. The text box includes factors which promote harsh conditions in soils.<sup>3</sup> In their study, AWWA assigned PVC pipe an average service life of 55 years regardless of installation conditions.

The Ductile Iron Pipe Research Association (DIPRA), in its Design Decision Model, provides a “Likelihood Score Sheet” for determining the presence of a corrosive environment for iron pipe installation. Factors such as resistivity, chloride presence, moisture content, pH, sulfide ion presence and redox are evaluated to arrive at a likelihood score. Additionally, if known corrosive environments exist, i.e., cinders, mine waste, peat bog, landfill, fly ash and coal, the soil is assigned additional points.

Mountain Water District Line Inventory by Pipe Diameter (from last filed PSC Audit)

pipe material (PSC Audit)	pipe size/diameter (inches)						inch-feet	% of total LF	
	2	3	4	6	8	12			
PVC pipe (and PE)	1741555	441883.2	665808	1093646	585024		5280	18777422	80.0%
Ductile Iron pipe		6204		253282	158400		158400	4706302	20.0%
inch-feet	3483110	1344262	2663232	8081568	5947392	0	1964160	23,483,724	

The table summarizes MWD’s pipe material in the water distribution system as reported in MWD’s last PSC Audit. According to MWD, the vast majority of the ductile iron pipe in the system was installed as part of a Kentucky Department of Highways utility relocation or an Abandoned Mine Lands project. In the former

<sup>1</sup> “Buried No Longer: Confronting America’s Water Infrastructure Challenge,” American Water Works Association, 2012.

<sup>2</sup> Ibid, Figure 5.

<sup>3</sup> “The Design Decision Model,” Ductile Iron Pipe Research Association, May 2018.

case, the line would likely be installed just inside, or just outside, the highway right-of-way. The latter case results in trenches cut in soils laden with coal mining waste and cinders. Numerous reports have attributed increases in resistivity of soils to chlorides (salts) applied to roads in icy conditions. Chloride is an ion known to cause corrosion and effects are seen as much as 100 feet away from the application.<sup>4</sup> Decades of transporting coal along Pike County roads and highways have left coal cinders covering the shoulders of the roads. The chloride and the cinders, along with the in-situ corrosive soils which make up the majority of water and sewer line trenches, constitute the “harsh conditions” DIPRA contends that reduce the service life of iron pipe. As an example, the picture is of a DI 90-degree fitting in a trench along Bent Branch near the on-ramp and immediately downgrade of a ditch draining US119. The fitting was in the ground for only seven years.



Since PSC relies heavily on the American Water Works Association for guidance on rate studies and water utility operation and management, we can expect the staff and Commissioners to recognize 55 years as a more appropriate service life for DI and PVC pipe in MWD’s service area. The effect of using a shorter service life for water lines is to increase the annual depreciation. Depreciation represents the monetary amount of replacements MWD should be making to depreciated lines in the distribution system. We are confident in the fact that most of the distribution lines in the MWD system do not, or will not have a 62.5-year service life. However, annual depreciation using 55 years should result in a financial situation where MWD can schedule replacement of critical distribution and transmission lines in a pro-active manner, rather than reacting to failures. Additionally, MWD should employ measures to interrupt the corrosion cycle when installing DI pipe. Polyethylene encasement (polywrap) is likely the most economical and successful method of controlling corrosion in DI pipe. One product, V-Bio® from McWane Ductile, can be incorporated for approximately \$1.25 per foot.

Given the results of AWWA’s study and the known harsh soil conditions of Pike County pipe installations, I plan to use 55 years for water and sewer line service life in the calculation of depreciation for MWD’s water and sewer rate study. I also recommend that MWD follows a more aggressive replacement program for failing pipes, since a shorter service life should avail the necessary funds. Finally, employing corrosion control measures will help to ensure the 55-year service life is actually realized.

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<sup>4</sup> “Potential Mobility of Road Salt - Soil Interpretation for the Soil Survey of the State of Connecticut,” United States Department of Agriculture, September 2017.

**EXHIBIT CLA-16**

**REVENUE REQUIREMENT CALCULATION  
DEBT COVERAGE METHOD**

**Utility Proposal: Only FY 2023 (July 1, 2022-June 30, 2023) Interest Requested**

Pro forma Operating Expense	
Pro forma Operation and Maintenance Expense	\$ 7,733,569
Depreciation Expense	\$ 2,691,586
FICA	\$ 132,944
Worker's Comp	<u>\$ 53,742</u>
Total <sup>1</sup>	\$ 10,611,841
Plus: Debt Principal and Interest Payment*	\$ 283,082
Debt Coverage Requirement	<u>\$ 0</u>
Total Revenue Requirement	\$ 10,894,923
Less: Other Operating Revenue	\$ 361,180
Non-Operating Revenue	\$ 11,503
Interest Income	<u>\$ 2,910</u>
Revenue Required from Rates <sup>1</sup>	\$ 10,519,330

\* Mountain Water District has not requested that principal payments be included in the calculation of Debt Service Coverage requirement. Interest payments on leased equipment, AEP Lighting Project and PS Rehab Project are included in Interest.

<sup>1</sup> Adjustments related to excessive line loss (\$146,923) are not reflected pro forma operating expense or in the Revenue Required from Rates. This amount is removed from Pro Forma Expense later in the allocation process. Subtracting the \$146,923 from \$10,519,330 results in a difference of \$10,372,407. This result is the same as shown on Exhibit 11 of the District's Application.

**EXHIBIT CLA-17**

Mountain Water District  
Functionalization and Allocation of Rate Base - with Pro Forma Changes to Test Year (FY 22)

account description	original capital cost	commodity (COMM)	capacity (CAP)	weighted customer		meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
				actual customer (AC)	customer accounting (WCA)					
intangible										
OS studies	333,145	95,510	98,080	76,181	0	48,529	14,845	0	0	factor "SS, WTP & TD"
total intangible plant	333,145	95,510	98,080	76,181	0	48,529	14,845	0	0	balance
source of supply (SS)										
LD land & land rights	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	64,100	41,665	22,435	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	20,450	13,293	7,158	0	0	0	0	0	0	65 COMM/35 CAP
total source of supply	84,550	54,958	29,593	0	0	0	0	0	0	balance
water treatment plant (WTP)										
LD land & land rights	348,368	226,439	121,929	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	9,571,788	6,221,662	3,350,126	0	0	0	0	0	0	65 COMM/35 CAP
FN furniture	173	112	61	0	0	0	0	0	0	65 COMM/35 CAP
PM pumping	213,264	138,622	74,642	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	481,613	313,048	168,565	0	0	0	0	0	0	65 COMM/35 CAP
HE heavy equipment	13,098	8,514	4,584	0	0	0	0	0	0	65 COMM/35 CAP
total water treatment plant	10,628,304	6,908,398	3,719,906	0	0	0	0	0	0	balance
transmission & distribution (TD)										
LD land & land rights	126,506	45,689	40,100	34,944	0	0	5,157	0	617	as trans & dist lines
TM transmission mains	26,585,951	26,231,951	0	0	0	0	0	0	354,000	100% COMM
DL distribution lines	46,046,454	0	23,023,227	20,062,609	0	0	2,960,618	0	0	dist main analysis
TK storage tanks	8,366,458	0	4,183,229	3,645,297	0	0	537,932	0	0	dist main analysis
PM pumping	5,186,590	0	2,593,295	2,259,816	0	0	333,479	0	0	dist main analysis
EQ equipment	1,303,087	0	651,544	567,760	0	0	83,784	0	0	dist main analysis
ST structures	237,330	85,714	75,230	65,556	0	0	9,674	0	1,157	as trans & dist lines
SV services	7,400,074	0	0	0	0	7,400,074	0	0	0	100 WCMS

Mountain Water District  
Functionalization and Allocation of Rate Base - with Pro Forma Changes to Test Year (FY 22)

account description	original capital cost	commodity (COMM)	capacity (CAP)	weighted customer		meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
				actual customer (AC)	customer accounting (WCA)					
MT meters	9,673,197	0	0	0	0	9,673,197	0	0	0	100 WCMS
HY hydrants	1,267,523	0	0	0	0	0	1,267,523	0	0	100 PFP
HE heavy equipment	599,101	216,372	189,905	165,484	0	0	24,420	0	2,920	as trans & dist lines
IT computer hardware/software	6,961	6,961	0	0	0	0	0	0	0	100% COMM
ZM zone meters	51,970	51,970	0	0	0	0	0	0	0	100% COMM
total transmission & distribution	106,851,202	26,638,657	30,756,529	26,801,466	0	17,073,271	5,222,586	0	358,693	balance
		25%	29%	25%	0%	16%	5%	0%		factor "T & D"
total SS, WTP & TD	117,564,056	33,602,012	34,506,028	26,801,466	0	17,073,271	5,222,586	0	358,693	balance
% total SS, WTP & TD		28.7%	29.4%	22.9%	0.0%	14.6%	4.5%	0.0%		factor "SS, WTP & TD"
general plant (AP)										
ST structures	407,904	116,943	120,090	93,276	0	59,419	18,176	0	0	as factor SS, WTP & TD
FN office equipment	15,881	4,553	4,675	3,632	0	2,313	708	0	0	as factor SS, WTP & TD
VE vehicles	1,627,761	466,668	479,224	372,222	0	237,115	72,532	0	0	as factor SS, WTP & TD
EQ tools & shop equipment	40,327	11,561	11,873	9,222	0	5,874	1,797	0	0	as factor SS, WTP & TD
LD land	103,766	29,749	30,549	23,728	0	15,116	4,624	0	0	as factor SS, WTP & TD
IT computer hardware/software	110,752	31,752	32,606	25,326	0	16,133	4,935	0	0	as factor SS, WTP & TD
BL billing		0	0	0	0	0	0	0	0	as factor SS, WTP & TD
total general plant	2,306,391	661,227	679,017	527,405	0	335,971	102,771	0	0	balance
gross plant in service	120,203,592	34,358,750	35,283,125	27,405,051	0	17,457,771	5,340,202	0	358,693	balance
% of total plant in service		28.7%	29.4%	22.9%	0.0%	14.6%	4.5%	0.0%		factor "plant in service"
less accumulated depreciation										
from sheet	(51,479,364)	(16,267,139)	(13,590,056)	(10,609,709)	0	(8,722,411)	(2,193,574)	0	(96,475)	see acc dep sheet
net plant in service	68,724,228	18,091,611	21,693,068	16,795,343	0	8,735,360	3,146,628	0	262,218	
less contributions in aid										

Mountain Water District  
Functionalization and Allocation of Rate Base - with Pro Forma Changes to Test Year (FY 22)

account description	original capital cost	commodity (COMM)	capacity (CAP)	weighted customer							basis of classification	
				actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	as gross plant in service		
distribution mains	0	0	0	0	0	0	0	0	0	0	0	distr main analysis
meters and services	0	0	0	0	0	0	0	0	0	0	0	as meters & services
total contributions in aid	0	0	0	0	0	0	0	0	0	0	0	balance
grants in aid												
taps, meters, and services	(753,731)	0	0	0	0	(753,731)	0	0	0	0	0	direct customer cost
hydrants	(28,350)	0	0	0	0	0	(28,350)	0	0	0	0	fire protection
trans & distribution lines	(2,930,164)	0	(1,465,082)	(1,276,683)	0	0	(188,399)	0	0	0	0	distr main analysis
pumps and tanks	(368,590)	0	(184,295)	(160,596)	0	0	(23,699)	0	0	0	0	distr main analysis
total grants in aid	(4,080,834)	0	(1,649,377)	(1,437,279)	0	(753,731)	(240,447)	0	0	0	0	balance
plus												
materials & supplies	102,602	29,415	30,207	23,462	0	14,946	4,572	0	0	0	0	as gross plant in service
prepayments	0	0	0	0	0	0	0	0	0	0	0	100% WCA
1/8 O&M (working capital)	913,111	410,162	268,250	143,192	60,951	21,344	9,212	0	0	0	0	as O&M expense
total working capital	1,015,713	439,578	298,457	166,654	60,951	36,290	13,784	0	0	0	0	balance
total rate base	65,659,108	18,531,188	20,342,149	15,524,718	60,951	8,017,919	2,919,964	0	0	262,218	0	balance
% total rate base		28.22%	30.98%	23.64%	0.09%	12.21%	4.45%	0.00%	0.40%			factor RATE BASE

date acquired	asset description	initial cost	G/L asset account number	asset life	current depreciation	accumulated years	accumulated depreciation	assets depreciated-out since test period ended
8/1/1982	METERS	\$ 178,599.71	1034-	40 \$	4,464.99	41 \$	178,599.71	MT TD
7/28/2017	2017 VEHICLE # 153	\$ 22,814.00	1041-	5 \$	4,562.80	6 \$	22,814.00	VE AD
2/1/2000	OFFICE CHAIR	\$ 193.95	1040-	22.5 \$	8.62	23 \$	193.95	FN AD
3/1/2000	FILING CABINETS	\$ 466.72	1040-	22.5 \$	20.74	23 \$	466.72	FN AD
9/15/2017	2017 F250 VEH. # 154	\$ 33,789.20	1041-	5 \$	6,757.84	5 \$	33,789.20	VE AD
4/30/2005	STHL WEEDEATERS (2)	\$ 439.04	1043-	17.5 \$	25.09	18 \$	439.04	EQ TD
6/1/2000	OFFICE CHAIR	\$ 139.88	1040-	22.5 \$	6.22	23 \$	139.88	FN AD
6/1/2000	OFFICE CHAIR	\$ 139.88	1040-	22.5 \$	6.22	23 \$	139.88	FN AD
6/1/2000	COMPUTER DESK	\$ 368.74	1040-	22.5 \$	16.39	23 \$	368.74	FN AD
5/31/2005	WACKER BTS935 SAW	\$ 795.00	1043-	17.5 \$	45.43	18 \$	795.00	EQ TD
5/31/2005	WACKER BTS935 SAW	\$ 795.00	1043-	17.5 \$	45.43	18 \$	795.00	EQ TD
5/31/2005	TROYBILT 5500W GENERATOR	\$ 699.00	1043-	17.5 \$	39.94	18 \$	699.00	EQ TD
6/30/2005	VERMEER HAMMERHEAD MOLE	\$ 3,700.00	1043-	17.5 \$	211.43	18 \$	3,700.00	EQ TD
3/29/2018	VEH # 155 (2018 F150)	\$ 22,042.00	1041-	5 \$	4,408.40	5 \$	21,546.81	VE AD
5/10/2018	VEH. #156 (2018 CHEVY SILVERADO)	\$ 23,799.00	1041-	5 \$	4,759.80	5 \$	22,716.63	VE AD
5/10/2018	VEH. # 157 (2018 GMC SIERRA)	\$ 24,789.00	1041-	5 \$	4,957.80	5 \$	23,661.61	VE AD
12/1/2000	DESK FOR STAFF ACCOUNTANT I	\$ 166.24	1040-	22.5 \$	7.39	22 \$	164.19	FN AD
12/1/2000	WORKSTATION FOR CASHIERS P	\$ 395.84	1040-	22.5 \$	17.59	22 \$	390.95	FN AD
6/30/1983	HOOKEUPS	\$ 1,657.08	1034-	40 \$	41.43	40 \$	1,642.89	MT TD
7/1/1983	METERS	\$ 9,823.73	1034-	40 \$	245.59	40 \$	9,738.95	MT TD
7/1/1983	METER INSTALLATIONS	\$ 2,907.35	1034-	40 \$	72.68	40 \$	2,882.26	MT TD

Mountain Water District  
Accumulated Depreciation with Pro Forma Changes to Test Year (FY22)

account description	total expenses	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)					
intangible											
organization & franchises	(276,520)	(79,276)	(81,409)	(63,232)	0	(40,281)	(12,322)	0	0	0	factor "SS, WTP & TD"
total intangible plant	(276,520)	(79,276)	(81,409)	(63,232)	0	(40,281)	(12,322)	0	0	0	balance
source of supply (SS)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
sST structures	(4,509)	(2,931)	(1,578)	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(4,636)	(3,013)	(1,623)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total source of supply	(9,145)	(5,944)	(3,201)	0	0	0	0	0	0	0	balance
water treatment plant (WTP)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	(3,633,697)	(2,361,903)	(1,271,794)	0	0	0	0	0	0	0	65 COMM/35 CAP
FN furniture	(173)	(112)	(61)	0	0	0	0	0	0	0	65 COMM/35 CAP
PM pumping	(95,174)	(61,863)	(33,311)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(161,996)	(105,297)	(56,699)	0	0	0	0	0	0	0	65 COMM/35 CAP
HE heavy equipment	(7,071)	(4,596)	(2,475)	0	0	0	0	0	0	0	65 COMM/35 CAP
TS improvements	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total water treatment plant	(3,898,111)	(2,533,772)	(1,364,339)	0	0	0	0	0	0	0	balance
transmission & distribution (TD)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	as trans & dist lines
TM transmission mains	(13,053,149)	(12,958,402)	0	0	0	0	0	0	0	(94,747)	100% COMM
DL distribution lines	(15,217,827)	0	(7,608,914)	(6,630,463)	0	0	(978,450)	0	0	0	dist main analysis
TK storage tanks	(4,518,521)	0	(2,259,261)	(1,968,736)	0	0	(290,524)	0	0	0	dist main analysis
PM pumping	(2,752,076)	0	(1,376,038)	(1,199,090)	0	0	(176,948)	0	0	0	dist main analysis

Mountain Water District  
Accumulated Depreciation with Pro Forma Changes to Test Year (FY22)

account description	total expenses	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)					
EQ equipment	(780,269)	0	(390,135)	(339,966)	0	0	(50,168)	0	0	0	dist main analysis
ST structures	(203,834)	(93,430)	(54,860)	(47,806)	0	0	(7,055)	0	0	(683)	as trans & dist lines
VE vehicles	0	0	0	0	0	0	0	0	0	0	as trans & dist lines
SV services	(3,453,019)	0	0	0	0	(3,453,019)	0	0	0	0	100 WCMS
MT meters	(4,992,588)	0	0	0	0	(4,992,588)	0	0	0	0	100 WCMS
HY hydrants	(607,896)	0	0	0	0	0	(607,896)	0	0	0	100 PFP
HE heavy equipment	(311,691)	(142,868)	(83,889)	(73,102)	0	0	(10,788)	0	0	(1,045)	as trans & dist lines
IT	(6,961)	(6,961)	0	0	0	0	0	0	0	0	100% COMM
ZM zone meters	(5,485)	(5,485)	0	0	0	0	0	0	0	0	COMM
total transmission & distribution	(45,903,316)	(13,207,146)	(11,773,096)	(10,259,163)	0	(8,445,607)	(2,121,830)	0	0	(96,475)	balance
total SS, WTP & TD	(49,810,572)	(15,746,863)	(13,140,636)	(10,259,163)	0	(8,445,607)	(2,121,830)	0	0	(96,475)	balance
% total SS, WTP & TD		32%	26%	21%	0%	17%	4%	0%			factor "SS, WTP & TD"
general plant (AD)											
ST land & structures	(81,070)	(25,679)	(21,429)	(16,730)	0	(13,772)	(3,460)	0	0	0.00	as factor SS, WTP & TD
FN office equipment	(11,504)	(3,644)	(3,041)	(2,374)	0	(1,954)	(491)	0	0	0.00	as factor SS, WTP & TD
VE vehicles	(1,188,258)	(376,379)	(314,085)	(245,213)	0	(201,865)	(50,716)	0	0	0	as factor SS, WTP & TD
EQ tools & shop equipment	(24,395)	(7,727)	(6,448)	(5,034)	0	(4,144)	(1,041)	0	0	0	as factor SS, WTP & TD
LB lab equipment	0	0	0	0	0	0	0	0	0	0	as factor SS, WTP & TD
IT comm, hardware/software	(87,045)	(27,571)	(23,008)	(17,963)	0	(14,788)	(3,715)	0	0	0	as factor SS, WTP & TD
BL billing	0	0	0	0	0	0	0	0	0	0	as factor SS, WTP & TD
total general plant	(1,392,272)	(441,000)	(368,011)	(287,314)	0	(236,524)	(59,423)	0	0	0.00	balance
total accumulated depreciation	(51,479,364)	(16,267,139)	(13,590,056)	(10,609,709)	0	(8,722,411)	(2,193,574)	0	0	(96,475)	balance

Mountain Water District  
Functionalization and Allocation of Expenses - Test Year (FY22)

acct no	account description	TY (FY21) total expenses	commodity (COMM)	capacity (CAP)	weighted customer										basis of classification
					actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)					
water purchase															
WP	Williamson	464,098	0	464,098	0	0	0	0	0	0	0	0	0	0	CAP
WP	Pikeville	716,542	0	716,542	0	0	0	0	0	0	0	0	0	0	CAP
total water purchase expenses		1,180,640	0	1,180,640	0	0	0	0	0	0	0	0	0	0	balance
water treatment & distribution (operating) expense															
WOP	treatment operations labor	133,584	86,830	46,754	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
BN	treatment operations bene's	30,170	19,611	10,560	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
TD	trans & distr labor - ops	777,790	777,790	0	0	0	0	0	0	0	0	0	0	0	distr main analysis
BN	trans & distr - ops bene's	127,102	127,102	0	0	0	0	0	0	0	0	0	0	0	distr main analysis
MN	trans & distr labor - maint	120,835	0	60,417	52,648	0	0	0	7,769	0	0	0	0	0	distr main analysis
BN	trans & distr - maint bene's	27,253	0	13,626	11,874	0	0	0	1,752	0	0	0	0	0	distr main analysis
MT	meters labor	119,040	0	0	0	0	0	119,040	0	0	0	0	0	0	WCMS
BN	meters benefits	35,667	0	0	0	0	0	35,667	0	0	0	0	0	0	WCMS
WL	water loss labor	97,096	97,096	0	0	0	0	0	0	0	0	0	0	0	COMM
BN	water loss benefits	24,680	24,680	0	0	0	0	0	0	0	0	0	0	0	COMM
WQ	water quality labor	67,456	67,456	0	0	0	0	0	0	0	0	0	0	0	COMM
BN	water quality benefits	12,803	12,803	0	0	0	0	0	0	0	0	0	0	0	COMM
LB	services - manpower	234,090	152,158	81,931	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
PS	professional svcs - engineerin	3,998	3,998	0	0	0	0	0	0	0	0	0	0	0	COMM
CH	chemicals	173,233	173,233	0	0	0	0	0	0	0	0	0	0	0	COMM
UP	operational utilities - power	1,274,389	455,594	245,320	573,475	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP & AC
OU	other utilities	12,481	12,481	0	0	0	0	0	0	0	0	0	0	0	COMM
CM	mobile phone communication	24,572	24,572	0	0	0	0	0	0	0	0	0	0	0	COMM
EC	uniforms - water	25,384	25,384	0	0	0	0	0	0	0	0	0	0	0	COMM
IT	computers, software & IT	47,200	47,200	0	0	0	0	0	0	0	0	0	0	0	COMM



Mountain Water District  
Functionalization and Allocation of Expenses - Test Year (FY22)

acct no	account description	TY (FY21) total expenses	weighted customer										basis of classification			
			commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (W/CMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)						
CC	bank service fees	10,488	0	0	0	10,488	0	0	0	0	0	0	0	0	0	WCA
CC	bad debt	78,794	0	0	78,794	0	0	0	0	0	0	0	0	0	0	AC
OF	office supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	COMM
AU	admin utilities	237	237	0	0	0	0	0	0	0	0	0	0	0	0	COMM
AD	advertising	1,956	0	0	1,956	0	0	0	0	0	0	0	0	0	0	AC
RN	rents - easements	6,746	6,746	0	0	0	0	0	0	0	0	0	0	0	0	COMM
IN	property & liability insurance	110,120	31,571	32,420	25,181	0	0	16,041	4,907	0	0	0	0	0	0	gross plant in service
	total all administrative expense	1,649,656	765,255	157,896	203,544	487,608	16,041	19,312	0	0	0	0	0	0	0	balance
	total operation & maintenance	7,304,886	3,281,298	2,146,001	1,145,537	487,608	170,748	73,693	0	0	0	0	0	0	0	factor O&M
			45%	29%	16%	7%	2%	1%	0%	0%						



Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	commodity (COMM)	capacity (CAP)	weighted customer							basis of classification
					actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)		
includes pro forma changes												
water purchase												
	Williamson	464,098	0	464,098	0	0	0	0	0	0	0	CAP
1	Pikeville	776,251	0	776,251	0	0	0	0	0	0	0	CAP
	total water purchase expenses	1,240,349	0	1,240,349	0	0	0	0	0	0	0	balance
water treatment & distribution (operating) expense												
2	treatment operations labor	151,787	98,661	53,125	0	0	0	0	0	0	0	65 COMM/35 CAP
3	treatment operations bene's	26,083	16,954	9,129	0	0	0	0	0	0	0	65 COMM/35 CAP
2	trans & distr labor - ops	753,844	753,844	0	0	0	0	0	0	0	0	distr main analysis
3	trans & distr - ops bene's	102,808	102,808	0	0	0	0	0	0	0	0	distr main analysis
2	trans & distr labor - maint	125,285	0	62,643	54,587	0	0	8,055	0	0	0	distr main analysis
3	trans & distr - maint bene's	20,340	0	10,170	8,862	0	0	1,308	0	0	0	distr main analysis
2	meters labor	154,176	0	0	0	0	0	154,176	0	0	0	WCMS
3	meters benefits	33,451	0	0	0	0	0	33,451	0	0	0	WCMS
2	water loss labor	79,072	79,072	0	0	0	0	0	0	0	0	COMM
3	water loss benefits	23,051	23,051	0	0	0	0	0	0	0	0	COMM
2	water quality labor	77,681	77,681	0	0	0	0	0	0	0	0	COMM
3	water quality benefits	9,750	9,750	0	0	0	0	0	0	0	0	COMM
4	services - manpower	519,168	337,459	181,709	0	0	0	0	0	0	0	65 COMM/35 CAP
	professional svcs - engineerin	3,998	3,998	0	0	0	0	0	0	0	0	COMM
5	chemicals	192,312	192,312	0	0	0	0	0	0	0	0	COMM
	operational utilities - power	1,274,389	828,353	446,036	0	0	0	0	0	0	0	65 COMM/35 CAP & AC
	other utilities	12,481	12,481	0	0	0	0	0	0	0	0	COMM
	mobile phone communication	24,572	24,572	0	0	0	0	0	0	0	0	COMM
	uniforms - water	25,384	25,384	0	0	0	0	0	0	0	0	COMM
	computers, software & IT	47,200	47,200	0	0	0	0	0	0	0	0	COMM

Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	commodity (COMMM)	capacity (CAP)	weighted customer							public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification	
					actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)									
	laboratory	67,760	67,760	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	leak detection	1,951	1,951	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	safety equipment	16,588	16,588	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	tools & equipment	21,414	21,414	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	uniforms - plant	110	110	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	vehicle expenses	256,127	256,127	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	PS/L/S repair	115,511	0	57,756	0	50,329	0	0	0	7,427	0	0	0	0	0	distr main analysis
	maintenance supplies	3,255	0	1,628	0	1,418	0	0	0	209	0	0	0	0	0	distr main analysis
	heavy equipment repair	62,081	0	31,040	0	27,049	0	0	0	3,992	0	0	0	0	0	distr main analysis
	employee expense	7,611	7,611	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	general maintenance	516,865	0	258,432	0	225,200	0	0	0	33,232	0	0	0	0	0	distr main analysis
	education, travel & dues	36,494	36,494	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	total operating expense	4,762,601	3,041,636	1,111,668	0	367,445	0	0	0	187,628	54,224	0	0	0	0	balance
administration & general expenses																
2	admin and general salaries	445,674	445,674	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
3	admin benefits	42,588	42,588	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
2	customer accounts labor	187,762	0	0	0	0	0	0	0	187,762	0	0	0	0	0	WCA
3	customer accounts benefits	33,433	0	0	0	0	0	0	0	33,433	0	0	0	0	0	WCA
	board salaries	22,601	22,601	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	pension obligation/retirement	469,703	341,915	27,987	0	13,148	0	0	0	45,834	38,879	1,940	0	0	0	as labor - table below
	PSC & legal services	10,736	10,736	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	professional services - acctn	66,304	66,304	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	outside services	10,260	10,260	0	0	0	0	0	0	0	0	0	0	0	0	COMMM
	postage	197,235	0	0	0	0	0	0	0	197,235	0	0	0	0	0	WCA
6	rate case expense	24,974	24,974	0	0	0	0	0	0	0	0	0	0	0	0	COMMM

Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	weighted customer							revenue related (RR)	direct assign (DA)	basis of classification	
			commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)					
	bank service fees	10,488	0	0	0	0	0	0	0	10,488	0	0	REV
	bad debt	78,794	0	0	78,794	0	0	0	0	0	0	0	AC
	office supplies		0	0	0	0	0	0	0	0	0	0	COMM
	admin utilities	237	237	0	0	0	0	0	0	0	0	0	COMM
	advertising	1,956	0	0	1,956	0	0	0	0	0	0	0	AC
	rents - easements	6,746	6,746	0	0	0	0	0	0	0	0	0	COMM
7	property & liability insurance	121,127	34,726	35,661	27,698	0	17,645	5,397	0	10,488	0	0	gross plant in service
	total all administrative expense	1,730,620	1,006,762	63,648	121,596	464,265	56,523	7,337	0	10,488	0	0	balance
	total operation & maintenance	7,733,569	4,048,399	2,415,665	489,041	464,265	244,151	61,561	10,488	0	0	0	factor O&M
			52%	31%	6%	6%	3%	1%	0%	0%			
	FICA/UC	132,944	132,944	0	0	0	0	0	0	0	0	0	COMM
8	workers' comp	53,742	53,742	0	0	0	0	0	0	0	0	0	COMM
	total taxes and fees	186,686	186,686	0	0	0	0	0	0	0	0	0	balance
9	principal expense		0	0	0	0	0	0	0	0	0	0	see debt service tab
9	interest expense	283,082	173,999	34,619	43,903	26,108	0	4,452	0	0	0	0	see debt service tab
	total debt service	283,082	173,999	34,619	43,903	26,108	0	4,452	0	0	0	0	balance
10	annual depreciation	2,691,586	191,705	1,603,116	168,624	0	528,126	193,572	0	0	6,444	6,444	see tab "depreciation"
	total revenue requirement	10,894,923	4,600,789	4,053,400	701,568	490,373	772,276	259,584	10,488	6,444	6,444	6,444	balance
	less miscellaneous revenues												
00	other operating	(175,147)	0	0	0	0	(173,622)	(1,525)	0	0	0	0	fire & connect charges

Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	weighted customer												
			commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	intrust & gain on dispos	basis of classification			
NO	non-operating	(14,413)	(14,413)	0	0	0	0	0	0	0	0	0	0	0	intst & gain on dispos
MI	other income	(26,760)	(26,760)	0	0	0	0	0	0	0	0	0	0	0	other revenue
OO	other operating	(159,273)	0	0	(159,273)	0	0	0	0	0	0	0	0	0	late charges
	total miscellaneous revenues	(375,593)	(41,173)	0	(159,273)	0	0	(173,622)	(1,525)	0	0	0	0	0	balance
	total revenue requirement	10,519,330	4,559,616	4,053,400	542,295	490,373	598,654	258,059	10,488	6,444					balance

TY operating revenue + PWA

(8,274,887)

-27.12% this does not account for excess water loss deductions

Mountain Water District  
COSS 2022 - Annual Depreciation - Water

account description	total depreciation	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)					
intangible											
studies	(3,551)	(254)	(2,120)	(223)	0	(698)	(256)	0	0	0	factor "SS, WTP & TD"
total intangible plant	(3,551)	(254)	(2,120)	(223)	0	(698)	(256)	0	0	0	balance
source of supply (SS)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	(1,603)	(1,042)	(561)	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(1,169)	(760)	(409)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total source of supply	(2,772)	(1,802)	(970)	0	0	0	0	0	0	0	balance
water treatment plant (WTP)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	(235,754)	(153,240)	(82,514)	0	0	0	0	0	0	0	65 COMM/35 CAP
FN furniture	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
PM pumping	(11,920)	(7,748)	(4,172)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(25,120)	(16,328)	(8,792)	0	0	0	0	0	0	0	65 COMM/35 CAP
HE heavy equipment	(663)	(431)	(232)	0	0	0	0	0	0	0	65 COMM/35 CAP
TS improvements	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total water treatment plant	(273,457)	(177,747)	(95,710)	0	0	0	0	0	0	0	balance
transmission & distribution (TD)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	as trans & dist lines
TM transmission mains	(483,381)	0	(476,945)	0	0	0	0	0	0	(6,436)	100 CAP
DL distribution lines	(841,280)	0	(715,088)	0	0	0	(126,192)	0	0	0	85 CAP/15 PFP
TK storage tanks	(185,721)	0	(92,861)	(80,919)	0	0	(11,941)	0	0	0	dist main analysis
PM pumping	(87,951)	0	(43,976)	(38,321)	0	0	(5,655)	0	0	0	dist main analysis
EQ equipment	(91,425)	0	(45,712)	(39,834)	0	0	(5,878)	0	0	0	dist main analysis
ST structures	(1,666)	0	(1,499)	0	0	0	(159)	0	0	(8)	as trans & dist lines



Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - COMM-1

Commodity Distribution Factor				
Customer Class	FY21 Metered Water (gallons)	Plus % Non-Revenue	Total at the Source (gallons)	% of Total
Single Family Residential	591,098,340	76.98%	1,046,125,842	76.33%
Multi-Family Residential	27,607,160	76.98%	48,859,152	3.57%
Commercial	65,254,160	76.98%	115,486,812	8.43%
Industrial	8,241,000	76.98%	14,584,922	1.06%
Public Authority	25,231,640	76.98%	44,654,956	3.26%
Wholesale - City of Jenkins	-	75.40%	-	0.00%
Wholesale - Mingo County (V) Water Distric	2,216,900	75.40%	3,888,443	0.28%
Wholesale - Martin County Water District	127,600	75.40%	223,810	0.02%
Wholesale - Elkhorn City Water Departmen	55,093,000	75.40%	96,633,122	7.05%
<b>Total</b>	<b>774,869,800</b>	<b>595,587,260</b>	<b>1,370,457,060</b>	<b>100.00%</b>
DISTRIBUTION FACTOR (COMM-1)				

water purchased and produced 1,371,944,000  
 water sales 775,300,000  
 accounted-for non-revenue 208,172,000  
 accounted-for non-revenue (fire) 12,183,000  
 water loss 376,289,000

27.43% percent PSC-defined water loss  
 26.86% have to recover this from all customers  
 1.58% have to recover this from direct customers only  
 48.54% have to calculate factor by recovery from all customers

All we are doing here is creating a factor for allocating non-revenue water volume and showing that we are not charging non-revenue fire water to wholesales. The reduction in revenue requirements due to costs for water loss in excess of PSC allowable are calculated on the "summary" tab and those credits are applied on the "PF expenses" tab.

average residential daily usage (ERU), in gallons based on single family customers, only 104  
 average per person water usage, in gallons, at home, per US EPA (USGS 2015) 82  
 US Census 2016-2020 people per household Pike County 2.25

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - CAP-1

Capacity Distribution Factor						
Customer Class	Total at the Source (gallons)	Ave Day Use (gallons)	Peaking Factor	Peak Day Use (gallons)	% of Total	
Single Family Residential	1,046,125,842	2,866,098	2.00	5,732,196	83.08%	
Multi-Family Residential	48,859,152	133,861	2.00	267,721	3.88%	
Commercial	115,486,812	316,402	1.35	427,143	6.19%	
Industrial	14,584,922	39,959	1.25	49,948	0.72%	
Public Authority	44,654,956	122,342	1.20	146,811	2.13%	
Wholesale - City of Jenkins	-	-	-	-	0.00%	
Wholesale - Mingo Cnty (VA) Water District	3,888,443	10,653	1.00	10,653	0.15%	
Wholesale - Martin County Water District	223,810	613	1.00	613	0.01%	
Wholesale - Elkhorn City Water Departmen	96,633,122	264,748	1.00	264,748	3.84%	
Total	1,370,457,060			6,899,835	100.00%	
Peak Day Estimated from Production + Purchase				6,616,000		
DISTRIBUTION FACTOR				(CAP-1)		

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - CUST-X

Customer Distribution Factors							
Customer Class	Ave Number of Customers	% of Total	Customer Accounting Weighting Factor	Customers Weighted for Customer Accounting	% of Total	Meters and Services Weighting Factor	
Single Family Residential	15,596	94.16%	1.0	15,596	90.50%	\$650	
Multi-Family Residential	112	0.68%	2.5	280	1.62%	\$650	
Commercial	703	4.24%	1.5	1,055	6.12%	\$1,625	
Industrial	2	0.01%	2.0	4	0.02%	\$10,400	
Public Authority	147	0.89%	2.0	294	1.71%	\$5,200	
Wholesale - City of Jenkins	1	0.01%	1.0	1	0.01%	\$5,200	
Wholesale - Mingo County WD	1	0.01%	1.0	1	0.01%	\$10,400	
Wholesale - Martin County WD	1	0.01%	1.0	1	0.01%	\$5,200	
Wholesale - Elkhorn City Water	1	0.01%	1.0	1	0.01%	\$32,500	
<b>Total</b>	<b>16,564</b>	<b>100%</b>		<b>17,233</b>	<b>100%</b>	<b>\$12,191,075</b>	
<b>DISTRIBUTION FACTOR</b>	<b>AC</b>	<b>(CUST-1)</b>		<b>WCA</b>	<b>(CUST-2)</b>	<b>WCMS</b>	<b>(CUST-3)</b>

Meters and Services Weighting Factor based on meter equivalent ratios from AWWA Manual M-1, Table VI.2-5, page 274

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - PFP-1

Public Fire Distribution Factor					
Customer Class	Number of Units	Public Fire Protection Requirements (GPM)	Duration (mins)	Total Fire Protection Requirement (MG)	% of Total
Single Family Residential	15,596	750	120	1403.640	82.90%
Multi-Family Residential	112	1400	120	18.816	1.11%
Commercial	703	2250	120	189.810	11.21%
Industrial	2	4500	180	1.620	0.10%
Public Authority	147	3000	180	79.380	4.69%
Wholesale - City of Jenkins	1	750	0	0.000	0.00%
Wholesale - Mingo County (V) Water Distric	1	750	0	0.000	0.00%
Wholesale - Martin County Water District	4,746	750	0	0.000	0.00%
Wholesale - Elkhorn City Water Departmen	734	750	0	0.000	0.00%
<b>Total</b>	<b>22,042</b>			<b>1693.266</b>	<b>100.00%</b>
<b>DISTRIBUTION FACTOR</b>					<b>(PFP-1)</b>

This table is meant to distinguish the possible demands placed upon the water distribution system during fire fighting activities. It is not meant for fire protection design purposes as generalities were used, recognizing the vast differences in building size and construction materials that exist within the various customer classes.

Fire protection flow requirements are based on AWWA Manual M-31 (Table 1-1 and 1-6), specifically 750 gpm for 1 and 2-family dwellings, 31 to 100 feet apart, 3000 gpm for the example of a supermarket, 30 feet away from the exposure building of masonry construction; and, that same example building but 60 feet away from the exposure building (2250 gpm). Again, these are not specific design requirements-- just an estimate to differentiate demands between the customer classes. Realize, most industrial building will be sprinkled, but this comparison can be used to allow for the costs of ensuring the industry has adequate flow and pressure to operate its sprinkler system at all times.

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - REV-1

Revenue Related Distribution Factor		
Customer Class	Revenues at Present Rates	% of Total
Single Family Residential	\$6,861,534	82.92%
Multi-Family Residential	\$304,367	3.68%
Commercial	\$634,818	7.67%
Industrial	\$64,299	0.78%
Public Authority	\$234,774	2.84%
Wholesale - City of Jenkins	\$0	0.00%
Wholesale - Mingo County (V) Water Distric	\$10,487	0.13%
Wholesale - Martin County Water District	\$403	0.00%
Wholesale - Elkhorn City Water Departmen	\$164,205	1.98%
<b>Total</b>	<b>\$8,274,887</b>	<b>100.00%</b>
<b>REVENUE RELATED DISTRIBUTION FACTOR</b>		<b>(REV-1)</b>

operating revenue estimated from revenue projection (used to set schedule)	\$	8,308,005
PWA adjustment revenue	\$	100,902
difference		-1.62%

Mountain Water District  
 Cost of Service/Rate Study  
 Allocation Factors  
 Water - distr main analysis

Distribution Main Analysis			
Pipe Size (in)	Linear Feet	Installed Cost (\$/LF)	Replacement Cost (\$)
2	1,741,555	20.00	\$ 34,831,104
3	448,087	30.00	\$ 13,442,616
4	665,808	50.00	\$ 33,290,400
6	1,346,928	65.00	\$ 87,550,320
8	743,424	76.00	\$ 56,500,224
10	-	95.00	\$ -
12	15,840	135.00	\$ 2,138,400
16	-	140.00	\$ -
18	-	142.00	\$ -
20	-	155.00	\$ -
24	-	170.00	\$ -
Totals	4,961,642		\$ 227,753,064

Customer % = 4,961,642 X \$20.00 =	\$	99,232,848	
divided by	\$	227,753,064	gives
			43.57%
			Customer Component
Add cost of 2 inch through 6 inch pipe			\$ 169,114,440
Equivalent for 8 inch through 24 inch			
Add	743,424	-	15,840
-	-	-	-
		multiplied by	\$ 65
Add \$	(99,232,848)	\$	169,114,440
		gives	\$ 49,352,160
		divided by	\$ 227,753,064
			50.00%
			Capacity Component
100%	minus	44%	50%
			6.43%
			Fire Protection Component

Mountain Water District  
 Annotation of Direct Assignments for Rate Base

Annotation of Direct Assignments for Rate Base											
Direct Assignment	Total	Residential				Public Authority	Jenkins	Wholesale			notes
		single-family	multi-family	Commercial	Industrial			Mingo County	Martin County WD	Elkhorn City WD	
Jenkins Connector	\$ 354,000.00					\$ 354,000.00				1	
collateral factor from JC	\$ 4,693.22					\$ 4,693.22				2	
<b>accumulated depreciation</b>	<b>\$ (96,474.72)</b>					<b>\$ (96,474.72)</b>				3	
Total of Direct Assign for Rate Base	\$ 262,218.49	\$ -	\$ -	\$ -	\$ -	\$ 262,218.49	\$ -	\$ -	\$ -		

- 1 transmission lines direct assigned to Jenkins ("Jenkins Connector")
- 2 land, structures and heavy equipment portion direct assigned by the "T & D" factor resulting from the Jenkins Connector
- 9 the portion of accumulated depreciation allocated to the Jenkins Connector direct assignment

Mountain Water District  
Distribution of Rate Base

Rate Base - Distribution of Costs												
Direct Assignment	Total	Residential		Commercial	Industrial	Public Authority	Wholesale					Basis of Distribution
		single-family	multi-family				Jenkins	Mingo County	Martin County W/D	Elkhorn City W/D		
commodity (COMM)	18,531,188	14,145,613	660,669	1,561,602	197,216	603,820	0	52,579	3,026	1,306,664	COMM-1	
capacity (CAP)	20,342,149	16,899,708	789,298	1,259,306	147,258	432,829	0	31,408	1,808	780,533	CAP-1	
actual customer (AC)	15,524,718	14,617,454	104,973	658,891	1,875	137,777	937	937	937	937	CUST-1	
customer accounting (WCA)	60,951	55,163	990	3,730	14	1,040	4	4	4	4	CUST-2	
meters and services (WCMS)	8,017,919	6,667,242	47,880	751,326	13,680	502,736	3,420	6,840	3,420	21,375	CUST-3	
public fire (PFP)	2,919,964	2,420,517	32,447	327,319	2,794	136,887	0	0	0	0	PFP-1	
revenue related (RR)	0	0	0	0	0	0	0	0	0	0	RR-1	
direct assign (DA)	262,218	0	0	0	0	0	262,218	0	0	0	direct assignment	
Total Rate Base	65,659,108	54,805,696	1,636,257	4,562,174	362,836	1,815,089	266,579	91,768	9,195	2,109,512	balance	

Mountain Water District  
 Annotation of Direct Assignment Expenses

Annotation of Direct Assignments for Expenses											
Direct Assignment	Total	Residential			Commercial	Industrial	Public Authority	Jenkins	Wholesale		
		single-family	multi-family						Mingo County	Martin County WD	Eikhorn City WD
annual depreciation associated with Jenkins Connector	6,444							6,444			
Total of Direct Assign for Expenses	6,444	0	0	0	0	0	0	6,444	0	0	0
											balance

Mountain Water District  
Distribution of Expenses

Pro Forma Expenses (less deductions for excess water loss) - Distribution of Costs											
Assignment	Total	Residential		Commercial	Industrial	Public Authority	Wholesale				Basis of Distribution
		single-family	multi-family				Jenkins	Mingo County	Martin County WD	Elkhorn City WD	
commodity (COMM)	4,504,220	3,438,255	160,583	379,565	47,936	146,765	0	12,780	736	317,600	COMM-1
capacity (CAP)	3,961,873	3,291,417	153,725	245,265	28,680	84,299	0	6,117	352	152,018	CAP-1
actual customer (AC)	542,295	510,604	3,667	23,016	65	4,813	33	33	33	33	CUST-1
customer accounting (WCA)	490,373	443,804	7,968	30,007	114	8,366	28	28	28	28	CUST-2
meters and services (W/CMS)	598,654	497,806	3,575	56,097	1,021	37,537	255	511	255	1,596	CUST-3
public fire (PFP)	258,059	213,919	2,868	28,928	247	12,098	0	0	0	0	PFP-1
revenue related (RR)	10,488	8,697	386	805	81	298	0	13	1	208	RR-1
direct assign (DA)	6,444	0	0	0	0	0	6,444	0	0	0	direct assignment
Total Expenses	10,372,407	8,404,503	332,771	763,683	78,145	294,175	6,761	19,482	1,405	471,483	balance

-\$ 146,923.29 total expense reduction due to excess water loss

## Mountain Water District Summary

Line No.	Cost Component	Total	Residential			Commercial	Industrial	Public Authority	Jenkins	Wholesale		
			single-family	multi-family						Mingo County	Martin County W/D	Elkhorn City W/D
1	revenues at present rates	8,274,887	6,861,534	304,367		634,818	64,299	234,774	-	10,487	403	164,205
2	allocated revenue requirement	10,372,407	8,404,503	332,771		763,683	78,145	294,175	6,761	19,482	1,405	471,483
3	net income	(2,097,520)	(1,542,969)	(28,404)		(128,865)	(13,846)	(59,400)	(6,761)	(8,996)	(1,001)	(307,278)
4	rate base	65,659,108	54,805,696	1,636,257		4,562,174	362,836	1,815,089	266,579	91,768	9,195	2,109,512
5	present return on rate base	-3.2%	-2.8%	-1.7%		-2.8%	-3.8%	-3.3%	-2.5%	-9.8%	-10.9%	-14.6%
6	proposed rate of return	0.02%	0.00%	0.00%		0.00%	4.25%	0.00%	0.00%	0.00%	0.00%	0.00%
7	proposed return component	15,421	-	-		-	15,421	-	-	-	-	-
8	proposed rate revenues	10,387,828	8,404,503	332,771		763,683	93,566	294,175	6,761	19,482	1,405	471,483
9	balance (deficiency) of funds	(2,112,940)	(1,542,969)	(28,404)		(128,865)	(29,266)	(59,400)	(6,761)	(8,996)	(1,001)	(307,278)
10	change over present rates	-25.53%	-22.49%	-9.33%		-20.30%	-45.52%	-25.30%	#DIV/0!	-85.78%	-248.36%	-187.13%
weighted customer												
	deductions due to excess water loss	excess water loss discount	commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	basis of classification	CAP	COMM
	purchased water	(\$67,319.08)		(\$67,319.08)								
	treatment chemicals	(\$10,437.62)		(\$10,437.62)								
	power	(\$69,166.60)		(\$44,958.29)		(\$24,208.31)						65 COMM/35 CAP
	totals	(\$146,923.29)		(\$55,395.91)		(\$91,527.38)						

Mountain Water District  
Average Unit Costs

Cost Component	Total	Residential			Commercial	Industrial	Public Authority	Wholesale				
		single-family	multi-family					Jenkins	Mingo County	Martin County WD	Elkhorn City WD	
Allocated Commodity Costs	4,504,220	3,438,255	160,583	379,565	47,936	146,765	-	12,780	736	317,600		
Commodity Costs - \$/1000 gallons	\$5.81	\$5.82	\$5.82	\$5.82	\$5.82	\$5.82	#DIV/0!	\$5.76	\$5.76	\$5.76		
Allocated Capacity Costs	3,961,873	3,291,417	153,725	245,265	28,680	84,299	-	6,117	352	152,018		
Capacity Costs - \$/1000 gallons	\$5.11	\$5.57	\$5.57	\$3.76	\$3.48	\$3.34	#DIV/0!	\$2.76	\$2.76	\$2.76		
Allocated Pub Fire Pro Costs	258,059	213,919	2,868	28,928	247	12,098	-	-	-	-		
Pub Fire Pro Costs - \$/1000 gallons	\$0.33	\$0.36	\$0.10	\$0.44	\$0.03	\$0.48	#DIV/0!	\$0.00	\$0.00	\$0.00		
Allocated Rev & DA Costs	16,932	8,697	386	805	81	298	6,444	13	1	208		
Rev & DA Costs - \$/1000 gallons	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	#DIV/0!	\$0.01	\$0.00	\$0.00		
Allocated Return Component	15,421	-	-	-	15,421	-	-	-	-	-		
Return Comp Costs - \$/1000 gal	\$0.02	\$0.00	\$0.00	\$0.00	\$1.87	\$0.00	#DIV/0!	\$0.00	\$0.00	\$0.00		
Allocated Customer Costs	1,631,323	1,452,214	15,209	109,120	1,201	50,715	6,761	572	317	1,657		
Customer Costs - \$/Cust/Mn	\$7.76	\$11.32	\$12.94	\$50.03	\$28.75	\$563.39	\$47.66	\$26.38	\$138.09			
Volumetric Cost - \$/1000 gallons	\$11.76	\$11.50	\$10.03	\$11.21	\$9.65	#DIV/0!	\$8.53	\$8.53	\$8.53			
Basic Data:												
gal	774,870	591,098	27,607	65,254	8,241	25,232	-	2,217	128	55,093		
Number of Customers	15596	112	703	2	147	1	1	1	1	1		

**EXHIBIT CLA-18**

Mountain Water District  
Recommended Water Rates and Charges from 2022 Cost of Service Study

customer class	meter size	proposed rates & charges (excluding taxes)	existing tariff (taxes not incl per KL)	percent change from existing tariff
<b>single-family residential</b>				
customer charge		\$ 7.76		
volume rate (per 1000 gal)		\$ 11.76		
minimum bill (2000 gal)	5/8-inch	\$ 28.23	\$ 24.09	17.2%
<b>multi-family residential</b>				
customer charge		\$ 11.32		
volume rate (per 1000 gal)		\$ 11.50		
minimum bill (2000 gal)	5/8-inch	\$ 34.32	\$ 24.09	42.5%
minimum bill (5000 gal)	1-inch	\$ 68.82	\$ 49.74	38.4%
<b>commercial</b>				
customer charge		\$ 12.94		
volume rate (per 1000 gal)		\$ 10.03		
minimum bill (2000 gal)	5/8-inch	\$ 33.00	\$ 24.09	37.0%
minimum bill (5000 gal)	1-inch	\$ 63.09	\$ 49.74	26.8%
minimum bill (16,000 gal)	2-inch	\$ 173.42	\$ 168.69	2.8%
minimum bill (32,000 gal)	3-inch	\$ 333.90	\$ 244.89	36.3%
minimum bill (50,000 gal)	4-inch	\$ 514.44	\$ 379.29	35.6%
minimum bill (100,000 gal)	6-inch	\$ 1,015.94	\$ 778.29	30.5%
<b>industrial</b>				
customer charge		\$ 50.03		
volume rate (per 1000 gal)		\$ 11.21		
minimum bill (5000 gal)	1-inch	\$ 106.08	\$ 49.74	113.3%
minimum bill (16,000 gal)	2-inch	\$ 229.39	\$ 168.69	36.0%
minimum bill (32,000 gal)	3-inch	\$ 408.75	\$ 244.89	66.9%
minimum bill (50,000 gal)	4-inch	\$ 610.53	\$ 379.29	61.0%
minimum bill (100,000 gal)	6-inch	\$ 1,171.03	\$ 778.29	50.5%

Mountain Water District  
 Recommended Water Rates and Charges from 2022 Cost of Service Study

customer class	meter size	proposed rates & charges (excluding taxes)	existing tariff (taxes not incl per KL)	percent change from existing tariff
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public authority

customer charge		\$ 28.75		
volume rate (per 1000 gal)		\$ 9.65		
minimum bill (2000 gal)	5/8-inch	\$ 48.05	\$ 24.09	99.5%
minimum bill (5000 gal)	1-inch	\$ 77.00	\$ 49.74	54.8%
minimum bill (16,000 gal)	2-inch	\$ 183.15	\$ 168.69	8.6%
minimum bill (32,000 gal)	3-inch	\$ 337.55	\$ 244.89	37.8%
minimum bill (50,000 gal)	4-inch	\$ 511.25	\$ 379.29	34.8%
minimum bill (100,000 gal)	6-inch	\$ 993.75	\$ 778.29	27.7%

wholesale

		existing rates		
			first	all over
Martin Co WD minimum	per mn	\$ 26.38	\$ 3.17	
Mingo Co WD minimum	per mn	\$ 47.66	\$ 4.74	
Jenkins Utilities minimum	per mn	\$ 563.39	\$ 3.17	\$ 3.58
City of Elkhorn minimum	per mn	\$ 138.09	\$ 2.99	\$ 3.17
volumetric rate (per 1000 gal)	to be negotiated			

*Jenkins' existing first tier rates are for the first 50,000 gallons*

*Elkhorn's existing first tier rates are for the first 215,000 gallons*

# **EXHIBIT 9**

**USAGE ANALYSIS****3/4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 2,000</b>	<b>Next 8,000</b>	<b>Over 10,000</b>	<b>Total</b>
First 2,000 Minimum	83,086	78,583,860	78,583,000			78,583,000
Next 8,000 Gallons	113,252	448,915,640	226,504,000	222,411,640	0	448,915,640
Over 10,000 Gallons	5,256	98,561,920	10,512,000	42,048,000	46,001,920	98,561,920
<b>Total</b>	<b>201,594</b>	<b>626,061,420</b>	<b>315,599,000</b>	<b>264459640</b>	<b>46,001,920</b>	<b>626,060,560</b>

**1-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 5,000</b>	<b>Next 5,000</b>	<b>Over 10,000</b>	<b>Total</b>
First 5,000 Minimum	383	588,260	588,260			588,260
Next 5,000 Gallons	130	971,610	650,000	321,610	0	971,610
Over 10,000 Gallons	187	4,302,670	935,000	935,000	2,432,670	4,302,670
<b>Total</b>	<b>700</b>	<b>5,862,540</b>	<b>2,173,260</b>	<b>1256610</b>	<b>2,432,670</b>	<b>5,862,540</b>

**2-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 20,000</b>	<b>Over 20,000</b>	<b>Total</b>	
First 20,000 Minimum	189	2,543,980	2,543,980		2,543,980	
Over 20,000 Gallons	271	26,755,000	5,420,000	21,335,000	26,755,000	
<b>Total</b>	<b>460</b>	<b>29,298,980</b>	<b>7,963,980</b>	<b>21,335,000</b>	<b>29,298,980</b>	

**3-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 30,000</b>	<b>Over 30,000</b>	<b>Total</b>	
First 30,000 Minimum	35	223,240	223,240		223,240	
Over 30,000 Gallons	76	21,316,740	2,280,000	19,036,740	21,316,740	
<b>Total</b>	<b>111</b>	<b>21,539,980</b>	<b>2,503,240</b>	<b>19,036,740</b>	<b>21,539,980</b>	

**4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 50,000</b>	<b>Over 50,000</b>	<b>Total</b>	
First 30,000 Minimum	34	577,530	577,530		577,530	
Over 30,000 Gallons	63	19,268,030	3,150,000	16,118,030	19,268,030	
<b>Total</b>	<b>97</b>	<b>19,845,560</b>	<b>3,727,530</b>	<b>16,118,030</b>	<b>19,845,560</b>	

**6-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 100,000</b>	<b>Over 100,000</b>	<b>Total</b>	
First 30,000 Minimum	46	1,516,000	1,516,000		1,516,000	
Over 30,000 Gallons	3	330,000	300,000	30,000	330,000	
<b>Total</b>	<b>49</b>	<b>1,846,000</b>	<b>1,816,000</b>	<b>30,000</b>	<b>1,846,000</b>	

**Multiple Meters Billed at 3/4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>First 2,000</b>	<b>Next 8,000</b>	<b>Over 10,000</b>	<b>Total</b>
First 2,000 Minimum	3,086	13,470,680	3,618,680			3,618,680
Next 8,000 Gallons	4,811	6,989,340	9,622,000	6,069,340		15,691,340
Over 10,000 Gallons	115	1,188,490	230,000	920,000	1,188,490	2,338,490
<b>Total</b>	<b>8,012</b>	<b>21,648,510</b>	<b>13,470,680</b>	<b>6989340</b>	<b>1,188,490</b>	<b>21,648,510</b>

**Wholesale Customers**

	<b>Gallons</b>				
Martin County Water District	127,600				
Mingo County Public Service District	2,216,900				
Nolin Public Service District					
City of Elkhorn	55,526,900				
<b>Total</b>	<b>57,871,400</b>				

**REVENUE AT TEST PERIOD RATES**

**3/4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 2,000 Minimum	83,086	315,599,000	\$ 23.93 Minimum Bill	\$4,824,144.42
Next 8,000 Gallons	113,252	264,459,640	8.47 Per 1,000 Gallons	\$2,239,973.15
Over 10,000 Gallons	5,256	46,001,920	7.54 Per 1,000 Gallons	\$ 346,854.48
<b>Total</b>	<b>201,594</b>	<b>626,060,560</b>		<b>\$7,410,972.05</b>

**1-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 5,000 Minimum	383	2,173,260	\$ 49.34 Minimum Bill	\$ 34,538.00
Next 5,000 Gallons	130	1,256,610	8.47 Per 1000 Gallons	\$ 10,643.49
Over 10,000 Gallons	187	2,432,670	7.54 Per 1,000 Gallons	\$ 18,342.33
<b>Total</b>	<b>700</b>	<b>5,862,540</b>		<b>\$ 63,523.82</b>

**2-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 20,000 Minimum	189	7,963,980	\$ 167.09 Minimum Bill	\$ 76,861.40
Over 20,000 Gallons	271	21,335,000	7.54 Per 1,000 Gallons	\$ 160,865.90
<b>Total</b>	<b>460</b>	<b>29,298,980</b>		<b>\$ 237,727.30</b>

**3-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 30,000 Minimum	35	2,503,240	\$ 242.49 Minimum Bill	\$ 26,916
Over 30,000 Gallons	76	19,036,740	7.54 Per 1,000 Gallons	\$ 143,537
<b>Total</b>	<b>111</b>	<b>21,539,980</b>		<b>\$ 170,453</b>

**4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 50,000 Minimum	34	3,727,530	\$ 393.29 Minimum Bill	\$ 38,149.13
Over 50,000 Gallons	63	16,118,030	7.54 Per 1,000 Gallons	\$ 121,529.95
<b>Total</b>	<b>97</b>	<b>19,845,560</b>		<b>\$ 159,679.08</b>

**6-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 100,000 Minimum	46	1,816,000	\$ 770.29 Minimum Bill	\$ 37,744.21
Over 100,000 Gallons	3	30,000	7.54 Per 1,000 Gallons	\$ 226.20
<b>Total</b>	<b>49</b>	<b>1,846,000</b>		<b>\$ 37,970.41</b>

<b>Multiple Meters Billed at 3/4-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 2,000 Minimum	3,086	13,470,680	\$ 23.93 Minimum Bill	\$191,727.16
Next 8,000 Gallons	4,811	6,989,340	8.47 Per 1,000 Gallons	\$ 59,199.71
Over 10,000 Gallons	115	1,188,490	7.54 Per 1,000 Gallons	\$ 8,961.21
<b>Total</b>	<b>8,012</b>	<b>21,648,510</b>		<b>\$259,888.08</b>
<b>Wholesale Customers</b>				
		<b>Usage</b>	<b>Rate</b>	<b>Total</b>
Martin County Water District		127,600	\$ 3.09 Per 1,000 Gallons	\$ 394.28
Mingo County Public Service District		2,216,900	\$ 4.66 Per 1,000 Gallons	\$ 10,330.75
Nolin Public Service District				
Elkhorn City*		55,526,900	\$2.8875 Per 1,000 Gallons	\$160,333.92
<b>Total</b>		<b>57,871,400</b>		<b>\$171,058.96</b>

\* Composite Number Used for Rate

Total Revenue: \$8,511,273

Total Sales: 783,973,530 gallons

Total Bills: 211,023

**REVENUE AT CURRENT RATES**

**3/4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 2,000 Minimum	83,086	315,599,000	\$ 24.09 Minimum Bill	\$4,856,399.46
Next 8,000 Gallons	113,252	264,459,640	8.55 Per 1,000 Gallons	\$2,261,129.92
Over 10,000 Gallons	5,256	46,001,920	7.62 Per 1,000 Gallons	\$ 350,534.63
<b>Total</b>	<b>201,594</b>	<b>626,060,560</b>		<b>\$7,468,064.01</b>

**1-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 5,000 Minimum	383	2,173,260	\$ 49.74 Minimum Bill	\$ 34,818.00
Next 5,000 Gallons	130	1,256,610	8.55 Per 1,000 Gallons	\$ 10,744.02
Over 10,000 Gallons	187	2,432,670	7.62 Per 1,000 Gallons	\$ 18,536.95
<b>Total</b>	<b>700</b>	<b>5,862,540</b>		<b>\$ 64,098.96</b>

**2-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 20,000 Minimum	189	7,963,980	\$ 168.69 Minimum Bill	\$ 77,597.40
Over 20,000 Gallons	271	21,335,000	7.62 Per 1,000 Gallons	\$ 162,572.70
<b>Total</b>	<b>460</b>	<b>29,298,980</b>		<b>\$ 240,170.10</b>

**3-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 30,000 Minimum	35	2,503,240	\$ 244.89 Minimum Bill	\$ 27,183
Over 30,000 Gallons	76	19,036,740	7.62 Per 1,000 Gallons	\$ 145,060
<b>Total</b>	<b>111</b>	<b>21,539,980</b>		<b>\$ 172,243</b>

**4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 50,000 Minimum	34	3,727,530	\$ 397.29 Minimum Bill	\$ 38,537.13
Over 50,000 Gallons	63	16,118,030	7.62 Per 1,000 Gallons	\$ 122,819.39
<b>Total</b>	<b>97</b>	<b>19,845,560</b>		<b>\$ 161,356.52</b>

**6-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 100,000 Minimum	46	1,816,000	\$ 778.29 Minimum Bill	\$ 38,136.21
Over 100,000 Gallons	3	30,000	7.62 Per 1,000 Gallons	\$ 228.60
<b>Total</b>	<b>49</b>	<b>1,846,000</b>		<b>\$ 38,364.81</b>

<b>Multiple Meters Billed at 3/4-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 2,000 Minimum	3,086	13,470,680	\$ 24.09 Minimum Bill	\$ 193,009.08
Next 8,000 Gallons	4,811	6,989,340	8.55 Per 1,000 Gallons	\$ 59,758.86
Over 10,000 Gallons	115	1,188,490	7.62 Per 1,000 Gallons	\$ 9,056.29
<b>Total</b>	<b>8,012</b>	<b>21,648,510</b>		<b>\$ 261,824.23</b>
<b>Wholesale Customers</b>				
		<b>Usage</b>	<b>Rate</b>	<b>Total</b>
Martin County Water District		127,600	\$ 3.17 Per 1,000 Gallons	\$ 404.49
Mingo County Public Service District		2,216,900	\$ 4.74 Per 1,000 Gallons	\$ 10,508.11
Nolin Public Service District				
City of Elkhorn*		55,526,900	\$2.9675 Per 1,000 Gallons	\$ 164,776.08
<b>Total</b>		<b>57,871,400</b>		<b>\$ 175,688.67</b>

\* Composite Number Used for Rate

Total Revenue: \$8,581,810

Total Sales: 783,973,530 gallons

Total Bills: 211,023

**REVENUE AT PROPOSED RATES**

**Residential 3/4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 2,000 Minimum	78,018	307,145,800	\$ 28.23 Minimum Bill	\$5,469,082.59
Over 2,000 Gallons	115,715	293,248,040	11.76 Per 1,000 Gallons	\$3,448,596.95
<b>Total</b>	<b>193,733</b>	<b>600,393,840</b>		<b>\$8,917,679.54</b>

**Commercial 3/4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 2,000 Minimum	4,159	7,413,110	\$ 33.00 Minimum Bill	\$ 218,889.00
Over 2,000 Gallons	2,474	15,506,490	10.03 Per 1,000 Gallons	\$ 155,530.09
<b>Total</b>	<b>6,633</b>	<b>22,919,600</b>		<b>\$ 374,419.09</b>

**Commercial 1-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 5,000 Minimum	229	1,388,970	\$ 63.09 Minimum Bill	\$ 28,327.41
Over 5,000 Gallons	220	2,233,060	10.03 Per 1,000 Gallons	\$ 22,397.59
<b>Total</b>	<b>449</b>	<b>3,622,030</b>		<b>\$ 50,725.00</b>

**Commercial 2-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 16,000 Minimum	246	4,393,560	\$ 173.42 Minimum Bill	\$ 74,570.60
Over 16,000 Gallons	184	17,402,390	10.03 Per 1,000 Gallons	\$ 174,545.97
<b>Total</b>	<b>430</b>	<b>21,795,950</b>		<b>\$ 249,116.57</b>

**Commercial 3-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 32,000 Minimum	26	1,176,230	\$ 333.90 Minimum Bill	\$ 25,042.50
Over 32,000 Gallons	49	13,348,831	10.03 Per 1,000 Gallons	\$ 133,888.77
<b>Total</b>	<b>75</b>	<b>14,525,061</b>		<b>\$ 158,931.27</b>

**Commercial 4-Inch Meter**

	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 50,000 Minimum	15	1,199,800	\$ 514.44 Minimum Bill	\$ 18,519.84
Over 50,000 Gallons	21	4,436,710	10.03 Per 1,000 Gallons	\$ 44,500.20
<b>Total</b>	<b>36</b>	<b>5,636,510</b>		<b>\$ 63,020.04</b>

<b>Commercial 6-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 100,000 Minimum	1	1,267,000	\$1,171.03 Minimum Bill	\$ 15,223.39
Over 100,000 Gallons	12	3,042,000	10.03 Per 1,000 Gallons	\$ 30,511.26
<b>Total</b>	<b>13</b>	<b>4,309,000</b>		<b>\$ 45,734.65</b>
<b>Public Authority 3/4-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 2,000 Minimum	804	731,310	\$ 48.05 Minimum Bill	\$ 48,146.10
Over 2,000 Gallons	198	893,750	9.65 Per 1,000 Gallons	\$ 8,624.69
<b>Total</b>	<b>1,002</b>	<b>1,625,060</b>		<b>\$ 56,770.79</b>
<b>Public Authority 1-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 5,000 Minimum	84	485,820	\$ 77.00 Minimum Bill	\$ 11,627.00
Over 5,000 Gallons	67	1,275,150	9.65 Per 1,000 Gallons	\$ 12,305.20
<b>Total</b>	<b>151</b>	<b>1,760,970</b>		<b>\$ 23,932.20</b>
<b>Public Authority 2-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 16,000 Minimum	101	1,606,621	\$ 183.15 Minimum Bill	\$ 42,307.65
Over 16,000 Gallons	130	7,274,150	9.65 Per 1,000 Gallons	\$ 70,195.55
<b>Total</b>	<b>231</b>	<b>8,880,771</b>		<b>\$ 112,503.20</b>
<b>Public Authority 3-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 32,000 Minimum	10	1,029,860	\$ 337.55 Minimum Bill	\$ 12,151.80
Over 32,000 Gallons	26	4,772,700	9.65 Per 1,000 Gallons	\$ 46,056.56
<b>Total</b>	<b>36</b>	<b>5,802,560</b>		<b>\$ 58,208.36</b>
<b>Public Authority 4-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 50,000 Minimum	19	1,277,730	\$ 511.25 Minimum Bill	\$ 18,405
Over 50,000 Gallons	17	521,270	9.65 Per 1,000 Gallons	\$ 5,031
<b>Total</b>	<b>36</b>	<b>1,799,000</b>		<b>\$ 23,435</b>
<b>Public Authority 6-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 100,000 Minimum	46	1,816,000	\$ 993.75 Minimum Bill	\$ 48,693.75
Over 100,000 Gallons	3	30,000	9.65 Per 1,000 Gallons	\$ 289.50
<b>Total</b>	<b>49</b>	<b>1,846,000</b>		<b>\$ 48,983.25</b>

<b>Industrial 2-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Revenue</b>
First 16,000 Minimum	12	102,000	\$ 229.39 Minimum Bill	\$ 2,752.68
Over 16,000 Gallons	0		11.21 Per 1,000 Gallons	\$ 0.00
<b>Total</b>	<b>12</b>	<b>102,000</b>		<b>\$ 2,752.68</b>
<b>Industrial 4-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 50,000 Minimum	0	600,000	\$ 619.53 Minimum Bill	\$ 7,326.36
Over 50,000 Gallons	12	7,539,000	11.21 Per 1,000 Gallons	\$ 84,512.19
<b>Total</b>	<b>12</b>	<b>8,139,000</b>		<b>\$ 91,838.55</b>
<b>Multiple Meters Billed at 3/4-Inch Meter</b>				
	<b>Bills</b>	<b>Gallons</b>	<b>Rate</b>	<b>Total</b>
First 2,000 Minimum	3,086	13,470,680	\$ 28.23 Minimum Bill	\$ 226,178.76
Next 8,000 Gallons	4,811	6,989,340	11.76 Per 1,000 Gallons	\$ 82,194.64
Over 10,000 Gallons	115	1,188,490	11.76 Per 1,000 Gallons	\$ 13,976.64
<b>Total</b>	<b>8,012</b>	<b>21,648,510</b>		<b>\$ 322,350.04</b>
<b>Wholesale Customers</b>				
		<b>Usage</b>	<b>Rate</b>	<b>Total</b>
Martin County Water District		127,600	\$ 3.90 Per 1,000 Gallons	\$ 497.64
Mingo County Public Service District		2,216,900	\$ 5.83 Per 1,000 Gallons	\$ 12,924.53
Nolin Public Service District				
Elkhorn City		55,526,900	\$3.67 Per 1,000 Gallons	\$ 203,783.72
<b>Total</b>		<b>57,871,400</b>		<b>\$ 217,205.89</b>

\* First 215,000 Gallons Per Day Rate Used

<b>Class</b>	<b>Gallons</b>	<b>Sales</b>
Residential	600,393,840	\$ 8,917,679.54
Commercial	72,808,151	\$ 941,946.63
Public Authority	21,714,361	\$ 323,833.04
Industrial	8,241,000	\$ 94,591.23
Multiple User	21,648,510	\$ 322,350.04
Wholesale	57,871,400	\$ 217,205.89
<b>Total</b>	<b>782,677,262</b>	<b>\$ 10,817,606.37</b>

# **EXHIBIT 10**

**EFFECT OF PROPOSED RATES ON THE AVERAGE CUSTOMER IN EACH  
AFFECTED RATE CLASSIFICATION**

<b>Customer*</b>	<b>Average Usage (gals)</b>	<b>Monthly Bill at Current Rate</b>	<b>Monthly Bill at Proposed Rate</b>	<b>Monthly Bill Increase (\$)</b>	<b>Monthly Bill Increase (%)</b>
Residential	3,100	\$ 33.50	\$ 41.17	\$ 7.67	22.90
Commercial					
5/8-x 3/4-Inch Meter	3,455	\$ 36.53	\$ 47.59	\$ 11.06	30.28
1-Inch Meter	8,067	\$ 75.96	\$ 93.85	\$ 17.89	23.55
2-Inch Meter	50,688	\$ 402.53	\$ 521.34	\$ 118.81	29.52
3-Inch Meter	209,832	\$ 1,615.21	\$ 2,117.55	\$ 502.34	31.10
4-Inch Meter	156,570	\$ 1,209.35	\$ 1,583.34	\$ 373.99	30.92
6-Inch Meter	331,462	\$ 2,542.03	\$ 3,337.50	\$ 795.47	31.29
Public Authority					
5/8-x 3/4-Inch Meter	1,622	\$ 24.09	\$ 48.05	\$ 23.96	99.46
1-Inch Meter	11,662	\$ 105.15	\$ 141.29	\$ 36.14	34.37
2-Inch Meter	38,445	\$ 309.24	\$ 399.74	\$ 90.50	29.27
3-Inch Meter	161,182	\$ 1,244.50	\$ 1,584.16	\$ 339.66	27.29
4-Inch Meter	49,972	\$ 397.29	\$ 511.25	\$ 113.96	28.68
6-Inch Meter	37,673	\$ 778.29	\$ 993.75	\$ 215.46	27.68
Industrial					
2-Inch Meter	8,500	\$ 168.69	\$ 229.39	\$ 60.70	35.98
4-Inch Meter	678,250	\$ 5,184.56	\$ 7,653.21	\$2,468.65	47.62
Martin County Water District	10,633	\$ 33.71	\$ 41.47	\$ 7.76	23.00
Mingo County Public Service District	184,712	\$ 875.53	\$ 1076.87	\$ 201.34	23.00
Jenkins Utilities	0	\$ 0.00	\$ 0.00	\$ 0.00	0
City of Elkhorn	4,627,241	\$13,835.45	\$16,981.97	\$3,146.52	22.74
*Meter sizes not listed did not have any customers during the period used to establish the proposed rates.					

# **EXHIBIT 11**

**REVENUE REQUIREMENT CALCULATION  
DEBT COVERAGE METHOD**

**Utility Proposal: Only FY 2023 (July 1, 2022-June 30, 2023) Interest Requested**

Pro forma Operating Expenses <sup>1</sup>	\$ 10,464,917
Plus: Debt Principal and Interest Payment*	\$ 283,082
Debt Coverage Requirement	<u>\$ 0</u>
Total Revenue Requirement	\$ 10,747,999
Less: Other Operating Revenue	\$ 361,180
Non-Operating Revenue	\$ 11,503
Interest Income	<u>\$ 2,910</u>
Revenue Required from Rates	\$ 10,372,406
Less: Revenue from Sales at Present Rates	<u>\$ 8,274,887</u>
Required Revenue Increase	\$ 2,097,519

\* Mountain Water District has not requested that principal payments be included in the calculation of Debt Service Coverage requirement. Interest payments on leased equipment, AEP Lighting Project and PS Rehab Project are included in Interest.

<sup>1</sup> In the cost-of-service study found at Exhibit 17 of the Application, the adjustments related to excessive line loss (\$146,923) are not reflected in pro forma operating expense but are removed as part of the final cost allocation.

Mountain Water District  
Fiscal Year 2023 Debt Service

fnctn	issue/loan	description	% water	annual water portion of DS	interest payment	principal payment	total annual debt service	outstanding principal	reference year
TM	NP KWRA	refinance issue incl. both water and sewer	85%	\$ 411,076	\$ 185,031	\$ 226,045	\$ 481,918	\$ 5,580,000	fiscal year 2023
MS	RD Bond 91-45	meters	100%	\$ 105,736	\$ 45,936	\$ 59,800	\$ 105,736	\$ 3,033,000	fiscal year 2023
GN	KIA B291-07	general - not sure of function	100%	\$ 259,587	\$ 9,147	\$ 249,810	\$ 259,587	\$ 377,439	fiscal year 2023
TD	KIA B291-01	Indian Ck line extension	100%	\$ 17,192	\$ 625	\$ 16,527	\$ 17,192	\$ 24,978	fiscal year 2023
TM	KIA F01-07	upgrade to water treatment plant	100%	\$ 71,841	\$ 2,207	\$ 69,329	\$ 71,841	\$ 139,914	fiscal year 2023
TM	RD Bond 91-24	Russell Fork water treatment plant	100%	\$ 36,452	\$ 17,452	\$ 19,000	\$ 36,452	\$ 537,000	fiscal year 2023
VH	multiple	all vehicles incl. excavators & skid steer	94%	\$ 177,645	\$ 13,325	\$ 164,320	\$ 188,984	\$ 543,166	fiscal year 2023
TM	NIP CTB	AEP LOC - lighting project LEDs energy	100%	\$ 28,500	\$ 3,830	\$ 24,670	\$ 28,500	\$ 80,840	fiscal year 2023
TD	NIP CTB	PS rehab-MWD 13% what FEMA didn't pay	100%	\$ 38,436	\$ 5,529	\$ 32,907	\$ 38,436	\$ 197,201	fiscal year 2023
				\$ 1,146,465	\$ 283,082	\$ 862,408			

fnctn	issue/loan	description	% sewer	annual sewer portion of DS	interest payment	principal payment	total annual debt service	outstanding principal	reference year
TM	NP KWRA	refinance issue only Shelby and Phelps	15%	\$ 70,842	\$ 31,887	\$ 38,955	\$ 481,918	\$ 5,580,000	fiscal year 2023
TM	RD Belfry	only Belfry area	100%	\$ 135,228	\$ 65,728	\$ 69,500	\$ 135,228	\$ 3,584,500	fiscal year 2023
TM	KIA A03-06	South Williamson-Belfry area sewer	100%	\$ 10,255	\$ 225	\$ 9,985	\$ 10,255	\$ 25,151	fiscal year 2023
TM	KIA A209-32	Shelby Valley Phase 2 ARRA	100%	\$ 20,639	\$ 1,696	\$ 18,604	\$ 20,639	\$ 174,318	fiscal year 2023
TM	KIA A16-079	equip purchase/grinders Shelby & Phelps	100%	\$ 16,610	\$ 1,741	\$ 14,405	\$ 16,610	\$ 235,887	fiscal year 2023
TM	NIP KIA	Douglas WWTP (Shelby Valley)	100%	\$ 190,157	\$ 21,134	\$ 163,388	\$ 190,157	\$ 2,906,570	fiscal year 2023
VH	multiple	all vehicles incl. excavators & skid steer	6%	\$ 11,339	\$ 851	\$ 10,489	\$ 188,984	\$ 543,166	fiscal year 2023
				\$ 455,070	\$ 123,261	\$ 325,326			

**REVENUE REQUIREMENT CALCULATION  
DEBT COVERAGE METHOD**

**3-Year Average of Principal and Interest Payments**

Pro forma Operating Expenses	\$ 10,464,917
Plus: Debt Principal and Interest Payment*	\$ 677,812
Debt Coverage Requirement	<u>\$ 135,562</u>
Total Revenue Requirement	\$ 11,278,292
Less: Other Operating Revenue	\$ 361,180
Non-Operating Revenue	\$ 11,503
Interest Income	<u>\$ 2,857</u>
Revenue Required from Rates	\$ 10,902,751
Less: Revenue from Sales at Present Rates	<u>\$ 8,274,887</u>
Required Revenue Increase	\$ 2,627,864

\*Principal and Interest Payment includes only bonded or long-term debt and does not include principal and interest payments on leased equipment, AEP Lighting Project and PS Rehab Project.

## DEBT SERVICE REQUIREMENTS FOR 2023-2027

KIA Debt		KIA Debt		KIA Debt		Rural Development Debt		Rural Development Debt		Kentucky Rural Water Finance Corporation Debt		Kentucky Rural Water Finance Corporation Debt		Total			
1-Jun 2023	Principal 8,325	Interest 252	Principal 125,805	Interest 3,675	Principal 34,821	Interest 635	Principal 19,000	Interest 8,726	Principal 59,800	Interest 45,495	Principal 265,000	Interest 107,268	Principal 225,250	Interest 91,177	Principal 644,213	Interest 248,449	
1-Dec 2023	8,450	127	127,628	3,675	35,134	635	1-Jan 2023	8,418	59,800	45,495	1-Aug 2023	100,378	225,250	91,177	2023	644,213	248,449
1-Jun 2024					35,450	319	1-Jan 2024	8,093	60,700	44,598	1-Feb 2024	100,378	246,500	85,321	2024	362,650	225,660
1-Dec 2024							1-Jul 2024	8,093	61,600	43,687	1-Aug 2024	92,838	259,250	78,912	2025	341,850	210,614
1-Jun 2025							1-Jan 2025	7,751	62,500	42,763	1-Feb 2025	92,838	272,000	72,171	2026	355,500	195,195
1-Dec 2025							1-Jul 2025	7,410	63,500	41,826	1-Aug 2025	84,908	280,500	65,099	2027	366,000	172,142
1-Jun 2026							1-Jan 2026	7,410			1-Feb 2026	76,588					
1-Dec 2026							1-Jul 2026				1-Aug 2026	68,008					
1-Jun 2027							1-Jan 2027				1-Feb 2027						
1-Dec 2027							1-Jul 2027				1-Aug 2027						

Note: Approximately 85% of KRWFC Debt proceeds used to refinance debt whose proceeds were used for Water Operations.

3-Year Average: 228,241  
 449,571  
 5-Year Average: 210,412  
 414,043

# **EXHIBIT 12**

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

Account	Type	Account Description
120.00	L	
999	E	Undistributed
1003.02	A	LAND AND LAND RIGHTS
1003.03	A	LAND AND LAND RIGHTS
1003.04	A	LAND AND LAND RIGHTS
1003.05	A	LAND AND LAND RIGHTS
1003.17	A	LAND AND LAND RIGHTS
1004.02	A	STRUCTURES AND IMPROVEMENTS
1004.03	A	STRUCTURES AND IMPROVEMENTS
1004.04	A	STRUCTURES AND IMPROVEMENTS
1004.05	A	STRUCTURES AND IMPROVEMENTS
1004.17	A	STRUCTURES AND IMPROVEMENTS
1005.02	A	COLLECTING\IMPOUND RESERVOIRS
1005.17	A	COLLECTION SEWERS
1011.02	A	PUMPING EQUIPMENT
1011.17	A	PUMPING EQUIPMENT
1020.03	A	WATER TREATMENT PLANT
1020.17	A	TREATMENT AND DISPOSAL EQUIP.
1030.04	A	DISTRIBUTION RESERVOIRS/STANDS
1031.04	A	TRANSMISSION/DISTIBUTION MAINS
1033.04	A	WATER SERVICES
1033.17	A	SEWER SERVICES
1034.04	A	WATER METERS & INSTALLATIONS
1034.17	A	SEWER METERS & INSTALLATIONS
1035.04	A	HYDRANTS
1040.05	A	OFFICE FURNITURE & EQUIPMENT
1040.17	A	OFFICE FURNITURE & EQUIPMENT
1041.05	A	TRANSPORTATION EQUIPMENT
1041.17	A	TRANSPORTATION EQUIPMENT
1043.05	A	TOOLS, SHOP & GARAGE EQUIPMENT
1043.17	A	TOOLS & MISC. EQUIPMENT
1044.05	A	LABORATORY EQUIPMENT
1045.05	A	POWER OPERATED EQUIPMENT
1045.17	A	POWER OPERATED EQUIPMENT
1046.05	A	COMMUNICATION EQUIPMENT
1047.00	A	Bond Refinancing Cost
1050.00	A	CONSTRUCTION IN PROGRESS
1052.02	A	acct. not on file
1055.00	A	CIP-MATERIALS & SUPPLIES
1057.00	A	RATE CASE EXPENSE IN PROGRESS
1057.17	A	CONSTRUCTION IN PROGRESS
1058	A	ACCUM AMORTIZATION RATE STUDY
1058.00	A	ACCUMULATED AMORTIZATION RATE STUDY
1060.00	L	A/R - SV WW GRINDER PUMP
1064.00	L	not on file
1064.02	L	Created while posting txs
1064.03	L	not on file
1064.11	L	Created while posting txs
1084.00	L	Created while posting txs
1096.00	L	Created while posting txs
1097.00	L	Created while posting txs
1098.00	L	Created while posting txs
1104.00	L	Created while posting txs
1104.02	A	A/D STRUCTURES & IMPROVEMENTS
1104.03	A	A/D STRUCTURES & IMPROVEMENTS
1104.04	A	A/D STRUCTURES & IMPROVEMENTS
1104.05	A	A/D - STRUCTURES & IMPROVEMENTS
1104.17	A	A/D STRUCTURES & IMPROVEMENTS
1105.02	A	A/D COLLECT/IMPOUND RESERVOIRS
1105.17	A	A/D COLLECTION SEWERS

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
1107.00	L	Created while posting txs
1109.00	L	Created while posting txs
1111.00	L	Created while posting txs
1111.02	A	A/D PUMPING EQUIPMENT
1111.17	A	A/D PUMPING EQUIPMENT
1114.00	L	Created while posting txs
1115.00	L	Created while posting txs
1116.00	L	Created while posting txs
1117.00	L	Created while posting txs
1118.00	L	Created while posting txs
1119.00	L	Created while posting txs
1120.00	L	account not on file
1120.03	A	A/D WATER TREATMENT PLANT
1120.17	A	A/D TREATMENT & DISPOSAL EQUIP
1121.00	L	Created while posting txs
1122	L	Created while posting txs
1123.00	L	Created while posting txs
1128.00	L	Created while posting txs
1130.04	A	A/D DISTRIB RESERVOIRS/STANDS
1131.04	A	A/D TRANS/DISTRIBUTION MAINS
1133.04	A	A/D SERVICES
1133.17	A	A/D - SERVICES FOR SEWER
1134.04	A	A/D METERS/METER INSTALLATIONS
1134.17	A	A/D - METERS/INSTALLS SEWER
1135.04	A	A/D HYDRANTS
1140.05	A	A/D OFFICE FURNITURE/EQUIPMENT
1140.17	A	A/D OFFICE FURNITURE/EQUIPMENT
1141.05	A	A/D TRANSPORTATION EQUIPMENT
1141.17	A	A/D TRANSPORTATION EQUIPMENT
1143.05	A	A/D TOOLS, SHOP, GARAGE EQUIP
1143.17	A	A/D TOOLS & MISC. EQUIPMENT
1144.05	A	A/D LABORATORY EQUIPMENT
1145.05	A	A/D POWER OPERATED EQUIPMENT
1145.17	A	A/D POWER OPERATED EQUIPMENT
1146.05	A	A/D COMMUNICATION EQUIPMENT
1147.00	A	A/AMORT - BOND REFINANCING COST
1222.00	L	Created while posting txs
1223.00	L	Created while posting txs
1227.00	L	Created while posting txs
1228.00	L	acct. not file
1229.00	L	not on file
1230.00	L	acct. not on file
1231.00	L	account not on file
1232.00	L	acct. not on file
1250.00	A	MWD INTERCOMPANY TRANSFERS
1255.00	A	Regions Bank Escrow
1256.00	A	Regions Bank Escrow
1261.00	A	BB & T - DEPRECIATION RESERVE
1262.00	A	CTB - SHELBY COAL DEVELOPMENT
1263.00	A	BB & T - Sinking Fund
1265.00	A	FERRELLS CREEK AML PROJECT
1267.00	A	Comm Trust - Fedscreek #1
1268.00	A	CTB - JOHNS CREEK WATER PROJ.
1269.00	A	BB&T - Special Projects
1270.00	A	Community Trust Bank
1271.00	A	CTB - CUSTOMER DEPOSIT ESCROW
1272.00	A	CTB - FEMA Receivables
1272.17	A	CTB-SEWER CUSTOMER DEPOSIT ACCT.
1273.00	A	CTB - O & M RESERVES
1274.00	A	Community Trust Bank - Misc Line Extension

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
1276.17	A	CTB - PHELPS SEWER PROJECT
1280.00	A	CTB - DIST. WIDE TAP FEES
1283.00	A	CTB - MALL CHARGE ESCROW
1285.17	A	CTB - R & M RESERVE
1286.00	A	CTB - RUSSELL FORK WATER PLANT
1287.17	A	CTB - Shelby Sewer Project
1288.00	L	Created while posting txs
1288.17	L	Created while posting txs
1290.00	A	CTB - Phelps Water Line Extension
1293.17	A	CTB - Cowpen Sewer Project
1311.00	A	Petty Cash
1312.00	A	CTB - Operating Account
1313.00	A	US BANK - PAYROLL ACCOUNT
1314.00	A	CTB-MWD Payroll Account
1318.17	A	Phelps Sewer Tap Fees
1319.17	A	CTB - Dist Wide WW Tap Fees
1322.17	A	CTB - PHELPS GOLD GRANT
1323.17	A	CTB - Phelps/Buskirk WW RD
1324.00	A	WATER TEATMENT PLANT UPGRADE
1325.00	A	CTB-PIKE COUNTY WATER SYSTEM IMPROVEMENT
1325.17	A	BIG CREEK SEWR PROJECT-PRIDE
1326.00	A	CTB. Water Treatment Raw Water Intake Project
1327.17	A	CTB- Majestic Sewer Project
1328.00	A	MWD BIG CREEK WATER PROJECT
1328.17	A	CTB - HENRY CLAY SEWER PROJECT
1329.00	A	CTB-MWD Hurricane AML
1330.00	A	MWD POMPEY ARC PROJECR
1331.00	A	CTB-MWD -Aep Cost Saving Acct.
1340.17	A	BIG CREEK SEWER PROJECT-PRIDE
1341.17	A	BIG CREEK SEWER-COAL SETTLEMENT
1342.00	A	Penny Rd Water and Sewer
1343.00	A	CTB-LMI Service Connection 08-09
1345.00	A	CTB-Variou Short Line Ext.
1346.00	A	CTB-Variou Water Line Ext.
1347.00	A	CTB.M.W.D. Telemetry Project
1348.00	A	CTB-M.W.D. Watson Hill Waterline Ext. Proj. Acct.
1349.17	A	CTB.Long Fork Of Virgie Sewer Project Acct.
1350.00	A	M.W.D. Jonican Project
1350.17	A	M.W.D. Belfry Pond Sewer
1351.00	A	M.W.D. 2nd Magistrial-Variou
1351.17	A	MWD PHELPS UPGRADE ACCT.
1352.00	A	CTB- POMPEY PROJECT
1360.00	A	CTB- Recycling Revenue Acct.
1360.17	A	CTB-Smith Fork WW Phase II
1361.00	A	MWD DEPRECIATION RESERVE ACCOUNT
1380.00	A	M.W.D. CAM Mining EEC
1381.00	A	CTB. PCFC Projects
1382.00	A	CTB - R & M REIMBURSEMENT ACCT.
1383.00	A	CTB-MWD Escrow Account
1385.00	A	CTB-MWD Grinder Unit Upgrades
1385.17	A	MWD Ginder Unit Upgrades
1386.00	A	MWD INSURANCE SWEEP ACCOUNT
1387.00	A	MWD Meter Replacement Project
1388.00	A	MWD Restricted ARPA Funding Acct.
1389.00	A	New Customer Deposit Acct.
1399.00	A	M.W.D. Bad Fork AML Project
1400.00	A	FEMA REC. 2010 FLOOD
1411.00	A	RECEIVABLE - WATER SALES
1413.00	A	RECEIVABLE - RETURNED CHECKS
1418.00	A	RECEIVABLE - OTHER FEES, ETC..

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
1419.17	A	A/R - CIP - SEWER
1420.00	A	A/R - US RENTALS
1421.17	A	A/R - JOHNS CR RD GRANT
1425.00	A	RECEIVABLE- UMG R AND M
1426.00	A	Inventory Materials and Supplies
1427.00	A	A/R - INSURANCE PROCEEDS (#139)
1427.17	A	RECEIVABLE - SEWER REVENUE
1428.00	A	A/R - CIP
1431.00	A	PROVISION FOR UNCOLLECTIBLES
1623.00	A	PREPAID MGT. FEES
1841.00	A	ELECTRONIC DEPOSIT CLEARING
1847.00	A	Prepaid Expense-WC
1862.00	A	OTHER DEFERRED DEBTS
1863.00	A	Deferred Outflow of Resources
2000.00	L	Accounts Payable
2001.00	L	Deferred Inflow of Resources
2002.00	L	Net Pension Liability
2012	L	ACCOUNTS PAYABLE CITY OF PIKEVILLE UNDER BILLING
2012.00	L	A/P UMG R&M OVERAGE 2012
2014.00	L	A/P -CIP
2014.17	L	A/P CIP Douglass WWTP
2015.00	L	A/P - 2015 UMG R & M OVERAGE
2016.00	L	a/p 2016 umg r & m overage
2150.00	Q	RETAINED EARNINGS (DEFICIT)
2167.17	Q	RETAINED EARNINGS (SEWER)
2200.00	L	RD Loan -91-40 WTP
2201.00	L	ACCT. NOT ON FILE
2202.00	L	Note Payable Ky. Rural Water
2203.00	L	RD Bond91-45 Radio Read
2204.17	L	RD Belfry WW
2205.00	L	RD Bond 91-33
2206.17	L	RD Bond - Shelby Sewer Project
2208.00	L	RD BOND 91-23 RACCOON/PC
2209.17	L	RD BOND 92-19 MOSSY BOTTOM
2210.00	L	RD BOND 91-16 ELKHORN CREEK
2211.00	L	RD BOND 91-14 INDIAN CREEK
2212.00	L	RD BOND 91-12 SHELBY WATER
2213.17	L	RD Bond - 91-01 Phelps Sewer
2214.00	L	RD BOND 91-01 GRAPEVINE
2215.00	L	RD BOND 91-32 AMR PROJECT
2216.00	L	RD BOND 91-06 DORTON
2217.00	L	KIA LOAN B90-11 MTN TOP BAKING
2218.00	L	KIA LOAN B291-07 MULTI AREA
2219.00	L	KIA LOAN B291-01 INDIAN CREEK
2220.00	L	RD Loan 91-40 Water Treatment Upgrade
2220.17	L	KIA LOAN A95-16 MOSSY BOTTOM
2221.00	L	KIA LOAN F01-07 WATER PLANT
2222.17	L	KIA LOAN A00-03 MOSSY BOTTOM
2223.00	L	RD BOND 91-24 RUSSELL FK WTP
2224.17	L	KIA LOAN A03-06 SO WMSN III
2225.17	L	KIA Shelby III Phase II
2226.00	L	US Bank Big Creek Water Loan
2226.17	L	KIA-A16-079 Grinder St
2228.17	L	KIA-Douglas WWTP
2230.00	L	N/P CTB CONS (\$8393.78)
2231.00	L	CTB-FEMA loan 60100599434-N
2232.00	L	N/P CTB NEW (\$9,547.16)
2233	L	N/P KRWF Bond
2234	L	KRWF Premium
2235.00	L	US Bank #153

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

Account	Type	Account Description
2236.00	L	#154 FORD f250 2017
2237	L	# 155 CTB
2238.00	L	CTB V# 156
2239.00	L	CTB V # 157 2018 GMC Sierra
2240.00	L	COMM TRUST INST - VEH #96 60M
2241.00	L	COMM TRUST INST - VEH #97 60M
2242.00	L	CTB LOC - COAL SEV 2005
2243.00	L	CTB 158 & 159
2244.00	L	BANK OF NY - JOHNS CK INT FIN
2245	L	WELLS FARGO MINI EXCAVATOR
2246.00	L	CTB # 161
2247.00	L	CTB- 160
2248.00	L	LESS AMOUNT DUE WITHIN ONE YEAR
2248.17	L	LESS AMT DUE WITHIN 1 YR
2249.00	L	current portion bonds
2249.17	L	current portion bonds
2250.00	L	CTB -162
2251.00	L	COMM TRUST 60100463101/3 #99
2252.00	L	CTB- #163 2019 Ford 350
2253.00	L	#165 Ford F-250 2021
2254.00	L	#164 2021 Ford F-250
2255.00	L	CTB-2006 F-250 V#101
2256.00	L	CTB - 2006 FORD RANGER V#104
2257.00	L	CTB - 2006 FORD RANGER V# 105
2258.00	L	CTB - 2006 FORD RANGER V# 108
2259.00	L	CTB - 2006 FORD F250 V# 106
2260.00	L	CTB - 2006 FORD F250 V# 107
2261.00	L	CTB - 2006 FORD F250 V# 111
2262.00	L	2008 Colorado #112
2263.00	L	Unit #113
2264.00	L	2008 Nissan #116
2265.00	L	set up new note 2007
2266.00	L	2007 new note
2267.00	L	#166
2268	L	CTB-# 167 Chevrolet Silverado 2500
2269	L	CTB- #169 2019 Toyota Tacoma
2270	L	CTB- 2016 F150
2271	L	CTB-2021 Ford F350
2272	L	CTB- 168 2017 Toyota
2273	L	CTB-2020 Takeuchi excavator
2274	L	CTB- 2021 John Deer Mini excavator
2276.00	L	CHRYSLER FIN 60M LEASE VEH #83
2277.00	L	CHRYSLER FIN 60M LEASE VEH #84
2279.00	L	GMAC 60M LEASE 2002 CHEVY #85
2280.00	L	CHRYSLER FIN 60M LEASE VEH.# 86
2281.00	L	CHRYSLER FIN 60M LEASE VEH.# 87
2282.00	L	US Bank Line of credit for rate study
2283.00	L	Note (500,000) paid from UMG 2009
2284.00	L	Regions Bank Radio Read Project
2285.00	L	CTB-Line Credit for FEMA BPS Recl.
2287.00	L	GMAC 60M 0% VEH. 91
2288.00	L	New Loan Citiziten Bank V # 118,119 & 120
2289.00	L	CTB-LN OF COMMITMENT - FEMA REC
2290.17	L	5th3rd Bank - Phelps Interim
2291.00	L	COMM TRUST - 60M - VEH #92
2292.00	L	COMM TRUST 60M - VEH #93
2293.00	L	COMM TRUST LN - VEH #94
2294.00	L	LEASE PAYABLE KOMATZU
2294.17	L	BANK OF NY - SHELBY SEWER INT.
2295.00	L	CASE CREDIT 60M 5.5%/BH #11

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

Account	Type	Account Description
2296.00	L	CTB - NEW NOTE (500,000)
2297.00	L	CTB LOC - FLOOD DAMAGE 2004
2298.17	L	CTB - Barrenshee LOC
2299.00	L	COMM TRUST INSTALLMENT - VEH. #95
2299.17	L	CTB - LOCAL - COWPEN WW
2300.00	L	N/P - CTB VEH.#124
2301.00	L	N/P - CTB VEH. #125
2302.00	L	N/P - CTB (KOMATSU)
2303.00	L	2011 Silberado 388340
2304.00	L	#135 2011 Nissan
2305	L	#136 2011 Silverado
2306.00	L	#137 2012 Colorado
2307.00	L	N/P - CTB VEH.#138 2012 SILVERADO
2308.00	L	N/P - CTB VEH. # 139 2012 SILVERADO
2309.00	L	N/P - CTB VEH.#140 2012 SILVERADO
2310.00	L	ACCOUNTS PAYABLE
2311.00	L	A/P - UMG PER CONTRACT
2312.00	L	N/P - CTB VEH.#141 2012 SILVERADO
2313.00	L	A/P - UMG R & M OVERAGE
2314.00	L	N/P - CTB VEH. #142
2315.00	L	N/P - CTB VEH. #143
2316.00	L	N/P - CTB VEH.# 144
2317.00	L	A/P - CIP WATER
2317.17	L	A/P - CIP - SEWER
2318.00	L	N/P - CTB VEH.# 145
2318.17	L	A/P - H2O - SV WW
2319.00	L	N/P - CTB LOC N
2319.17	L	A/P - CIP - Belfry Waste Water
2320.00	L	N/P - CTB VEH. #146
2320.17	L	CIP - HENRY CLAY SEWER
2321.00	L	COMMUNITY TRUST V#148
2321.17	L	A/P - OSPREY - SV WW
2322.00	L	A/P - UTILITY MGMNT GROUP LLC
2323.00	L	A/P - UMG Fema
2324.00	L	A/P - CIP SUMMITT
2325.00	L	US Bank V#149
2326.00	L	A/P - MALL CHARGE COLLECTED
2327.00	L	N/P - CTB VEH. #147
2328.00	L	TERM NOTES - CURRENT PORTION DUE
2328.17	L	SEWER NOTES - CURR PORTION
2329.00	L	CTB-V# 150 FORD F-150
2330.00	L	LOAN PAYMENT CTB 60100508207-3
2331.00	L	CTB. V# 151 FORD F-150
2332.00	L	CTB-Boom Truck # CTO-02
2333.00	L	CTB AEP Line of credit
2334.00	L	V #152- US Bank
2334.17	L	less currrent portion bond
2335.00	L	less current portion bond
2336.00	L	Kobelco mini excavator
2337.00	L	2017 Takeunchi Skid Steer
2338.00	L	CTB #174 2021 Ford F150
2339.00	L	CTB # 175 2021 Ford F150
2340.00	L	CTB- 177 Ford F350
2341	L	CTB # Ford F150 2021
2350.00	L	CUSTOMER WATER DEPOSITS
2350.17	L	Customer Sewer Deposit
2360.00	L	#172 CTB Ford 150
2361	L	CTB # 173 FordF150
2362.00	L	CTB Boost Pump Relocation Loan
2371.00	L	ACCRUED INTEREST

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
2371.17	L	ACCRUED INTEREST - SEWER
2411.00	L	FICA TAXES WITHHELD
2412.00	L	FEDERAL INCOME TAX WITHHELD
2413.00	L	KY INCOME TAX WITHHELD
2414.00	L	ACCRUED SUTA
2415.00	L	ACCRUED FUTA
2416.00	L	Accrued CERS
2417.00	L	Accrued County Withheld
2418.00	L	MIS.TAX EXPENSE
2419.00	L	ACCRUED GARNISHMENT WTH
2421.00	L	SPECIAL CHG COLLECTED - S.W.D.
2423.00	L	TAXES COLLECTED ON CUST. BILLS
2520.00	Q	ADVANCES FOR CONSTRUCTION
2527.17	Q	ADVANCES FOR CONSTRUCTION - SEWER
2711.00	Q	TAP ON FEES - CUSTOMERS
2711.17	Q	TAP ON FEES -WASTEWATER CUST
2712.00	Q	CONTRIBUTIONS - GOVT GRANTS
2712.17	Q	CONTRIBUTIONS IN AID - SEWER
2713.00	Q	CONTRIBUTIONS - OTHER AID
2717.17	Q	CONTRIBUTION IN AID - SEWER
2820.00	Q	INTERFUND TRANSFER (AUDIT)
2820.17	Q	INTERFUND TRANSFER (AUDIT)
3900.00	Q	Retained Earnings
3901.00	L	CSA created O.O.B. Account
4030.00	E	DEPRECIATION EXPENSE
4030.02	E	AMORTIZATION EXPENSE
4030.17	E	DEPRECIATION EXPENSE - SEWER
4083.00	E	PAYROLL TAXES - FICA & U.C.
4083.17	E	PAYROLL TAXES - FICA & U.C.
4140.00	E	GAIN (LOSS) ON DISPOSITIONS
4140.17	E	GAIN (LOSS) ON DISPOSITIONS
4191.00	R	INTEREST INCOME
4191.17	R	INTEREST INCOME
4200.00	L	Created while posting txs
4250	E	Bond Issue Cost
4273.00	E	INTEREST EXPENSE - TERM DEBT
4273.17	E	INTEREST EXPENSE - TERM DEBT
4274.00	E	INTEREST EXPENSE - CUSTOMER DEPOSITS
4274.17	E	INTEREST EXPENSE - CUSTOMER DEPOSITS
4611.00	R	METERED SALES - RESIDENTIAL
4612.00	R	METERED SALES - COMMERCIAL
4613.00	R	METERED SALES - INDUSTRIAL
4614.00	R	METERED SALES - PUBLIC AUTH.
4615.00	R	METERED SALES - MULTI FAMILY
4616.00	R	METERED SALES - ELKHORN CITY
4621.00	R	FIRE PROTECTION REVENUE
4710.00	R	CUSTOMER LATE PAYMENT CHARGES
4718.00	R	OTHER WATER SERVICE REVENUE
4719.00	R	MISC. REVENUES
4719.17	R	MISC. REVENUE
4741.00	R	SERVICE CONNECTION FEES
4741.17	R	SERVICE CONNECTION FEES FOR WASTE WATER
5211.17	R	SEWER REVENUE -RESIDENTIAL
5212.17	R	SEWER REVENUE - COMMERCIAL
6011.01	E	PUMPING LABOR - OPERATIONS
6011.02	E	PUMPING LABOR - MAINTENANCE
6011.03	E	WATER TREATMENT LABOR - OPERATIONS
6011.04	E	WATER TREATMENT LABOR - MAINT.
6011.05	E	T & D LABOR - OPERATIONS
6011.06	E	T & D LABOR - MAINTENANCE

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
6011.07	E	CUSTOMER ACCOUNTS LABOR
6011.08	E	ADMIN. & GENERAL LABOR
6011.17	E	SEWER LABOR
6031.00	E	COMP COMMISSIONERS - AUTO DIST
6031.03	E	COMPENSATION - COMMISSIONERS
6031.04	E	COMPENSATION - COMMISSIONERS
6031.05	E	COMPENSATION - COMMISSIONERS
6031.06	E	COMPENSATION - COMMISSIONERS
6031.07	E	COMPENSATION - COMMISSIONERS
6031.08	E	COMPENSATION COMMISSIONERS
6031.09	E	COMPENSATION - ADMINISTRATOR
6041.01	E	HEALTH INSURANCE - PUMPING OPERATIONS
6041.02	E	HEALTH INSURANCE - PUMPING MAINTENANCE
6041.03	E	HEALTH INSURANCE - WTP OPERATIONS
6041.04	E	HEALTH INSURANCE - WTP MAINT.
6041.05	E	HEALTH INSURANCE - T & D OPERATIONS
6041.06	E	HEALTH INSURANCE - T & D MAINTENANCE
6041.07	E	HEALTH INSURANCE - CUSTOMER ACCOUNTS
6041.08	E	HEALTH INSURANCE - ADMIN. & GENERAL
6041.17	E	HEALTH INSURANCE - SEWER
6042.01	E	DENTAL INSURANCE - PUMPING OPER.
6042.02	E	DENTAL INSURANCE - PUMPING MAINT.
6042.03	E	DENTAL INSURANCE - WTP OPERATIONS
6042.04	E	DENTAL INSURANCE - WTP MAINT.
6042.05	E	DENTAL INSURANCE - T & D OPERATIONS
6042.06	E	DENTAL INSURANCE - T & D MAINT
6042.07	E	DENTAL INSURANCE - CUST. ACCOUNTS
6042.08	E	DENTAL INSURANCE - ADMIN. & GENERAL
6042.17	E	DENTAL INSURANCE - SEWER
6043.01	E	VISION INSURANCE - PUMPING OPER.
6043.02	E	VISION INSURANCE - PUMPING MAINT.
6043.03	E	VISION INSURANCE - WTP OPER.
6043.04	E	VISION INSURANCE - WTP MAINT.
6043.05	E	VISION INSURANCE - T & D OPER.
6043.06	E	VISION INSURANCE - T & D MAINT.
6043.07	E	VISION INSURANCE - CUST. ACCOUNTS
6043.08	E	VISION INSURANCE - ADMIN. & GENERAL
6043.17	E	VISION INSURANCE - SEWER
6044.01	E	LIFE INSURANCE - PUMPING OPER.
6044.02	E	LIFE INSURANCE - PUMPING MAINT.
6044.03	E	LIFE INSURANCE - WTP OPER.
6044.04	E	LIFE INSURANCE - WTP MAINT.
6044.05	E	LIFE INSURANCE - T & D OPER.
6044.06	E	LIFE INSURANCE - T & D MAINT.
6044.07	E	LIFE INSURANCE - CUSTOMER ACCTS
6044.08	E	LIFE INSURANCE - ADMIN. & GENERAL
6044.17	E	LIFE INSURANCE - SEWER
6045.01	E	SHORT TERM DISAB. - PUMPING OPER.
6045.02	E	SHORT TERM DISAB. - PUMPING MAINT.
6045.03	E	SHORT TERM DISAB. - WTP OPER.
6045.04	E	SHORT TERM DISAB. - WTP MAINT
6045.05	E	SHORT TERM DISAB. - T & D OPER.
6045.06	E	SHORT TERM DISAB. - T & D MAINT.
6045.07	E	SHORT TERM DISAB. - CUSTOMER ACCTS
6045.08	E	SHORT TERM DISAB. - ADMIN. & GENERAL
6045.17	E	SHORT TERM DISAB. - SEWER
6046.03	E	UNIFORM EXPENSE (PLANT)
6046.06	E	UNIFORM EXPENSE (WATER)
6046.08	E	UNIFORM EXPENSE (ADMIN)
6046.17	E	UNIFORM EXPENSE (WW)

**MOUNTAIN WATER DISTRICT**  
**Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
6047.08	E	Employee Expense
6048.08	E	Insurance expense
6101.01	E	Water Purchased -Williamson
6102.01	E	WATER PURCHASED -PIKEVILLE
6103.17	E	Sewage Fees
6150.06	E	UTILITY EXPENSE
6170.06	E	LABORATORY SUPPLIES
6170.17	E	LABORATORY EXPENSE
6175.06	E	Laboratory Testing Expenses
6175.17	E	Laboratory Testing Expense
6180.03	E	CHEMICALS
6180.17	E	Chemicals-WW
6190.06	E	SAFETY SUPPLIES
6190.17	E	SAFETY SUPPLIES-WW
6200.01	E	PARTS
6200.08	E	Electrical Expense
6225.08	E	rate study
6310.08	E	CONTRACT SERVICES -ENGINEERING
6320.08	E	CONTRACT SERVICE - ACCOUNTING
6330.08	E	CONTRACT SERVICE - LEGAL
6340.08	E	ENGINEERING
6340.17	E	ENGINEERING
6350.08	E	CONTRACT SERVICE-GENERAL
6351.08	E	CONTRACT SERVICES - MANPOWER
6360.08	E	CONTRACT SERVICE - MANAGEMENT
6361.08	E	CONTRACT MGMNT EXP ASSUMED
6362.08	E	Contract HR Services
6410.05	E	RENTAL OF BLDG - REAL PROPERTY
6500.08	E	AUTO & TRANSPORTATION EXPENSE
6500.17	E	AUTO & TRANSPORTATION EXPENSE
6600.08	E	ADVERTISING
6670.03	E	Bad Debts Charged to Expense
6701.00	E	OTHER LEGAL PSC EXPENSE
6750.08	E	MOBILE PHONE EXPENSE
6751.08	E	TELEPHONE/INTERNET
6751.17	E	TELEPHONE/INTERNET
6752.08	E	EDUCATION, DUES, MEETINGS, INSURANCE
6753.08	E	EMPLOYEE BENIFIT EXPENSE
6755.08	E	Office Expense
6756.08	E	Easements
6758.09	E	SETTLEMENT EXPENSES
6759.00	E	SERVICE FEE EXPENSE
6759.08	E	BANK SERVICE FEES EXP
6760.08	E	Telephone Expense
6761.08	E	Worker's Compensation Insurance
6762.08	E	PSC TAX ASSESSMENT
6800.00	E	Retirement Expense
6850.00	E	Rate Study Expense
6855.00	E	MISCELLANEOUS SUPPLIES
7000.06	E	Major Equipment R & M
7000.17	E	Major Equipment R & M Sewer
7001.06	E	Hand Tools R & M
7001.17	E	Hand Tools R & M Sewer
7002.06	E	PS/LS R & M
7002.17	E	PS/LS R & M Sewer
7003.06	E	Vehicle R & M
7003.17	E	Vehicle R & M Sewer
7004.06	E	Miscellaneous R & M
7004.17	E	MIScellaneous R & M Sewer
7005.06	E	Flood Expense



**MOUNTAIN WATER DISTRICT  
Chart of Accounts - Condensed**

<b>Account</b>	<b>Type</b>	<b>Account Description</b>
7005.17	E	Flood Expense Sewer
7006.06	E	General R & M
7006.17	E	General R & M Sewer
7007.06	E	Capital Assets
7008.06	E	General R & M -Telemetry
7009.06	E	R & M Leak Det.
7053.17	E	SUPPLIES & EXPENSES TREATMENT (WW)
9080.02	E	MISC. TAX EXPENSE
9999.00	E	CSA created O.O.B. Account
9999.99	E	Undistributed

**Account Mask**

XXXX.XX

Account count = 550

# **EXHIBIT 13**

MOUNTAIN WATER DISTRICT  
PIKEVILLE, KENTUCKY

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

**Wallen, Puckett, & Anderson, PSC**

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 1349

PIKEVILLE, KENTUCKY 41502

MOUNTAIN WATER DISTRICT  
TABLE OF CONTENTS  
For the Year Ended December 31, 2021

	<u>Page</u>
Independent Auditors' Report	1-2
Management's Discussion & Analysis	4-7
Basic Financial Statements	
Statement of Net Position	9-10
Statement of Revenues, Expenses and Changes in Net Position	11-12
Statement of Cash Flows	13-14
Notes to the Financial Statements	15-37
<u>Required Supplemental Information</u>	
Statement of Revenues, Expenditures and Changes in Net Position – Budget To Actual	39
County Employees Retirement System Non-Hazardous	40
Schedule of the District's Proportionate Share of the Net OPEB Liability – County Employees' Retirement System	41
Schedule of District Contributions – Medical Insurance Plan - County Employees' Retirement System	42
Notes to the Required Supplemental Information	43-47
Board Members and Other Officers of the Board	48
<u>Other Reports Required by Government Auditing Standards</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50-51
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	52-53
<u>Federal Financial Assistance</u>	
Schedule of Expenditure of Federal Awards	55
Notes to Schedule of Federal Expenditures	56
Schedule of Findings and Questioned Costs	58
Summary Schedule of Prior Audit Findings	59

**Wallen, Puckett, & Anderson, PSC**  
CERTIFIED PUBLIC ACCOUNTANTS

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606-432-8833  
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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Mountain Water District  
Pikeville, Kentucky

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the the business-type activities of the Mountain Water District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Mountain Water District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Mountain Water District, as of December 31, 2021, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Mountain Water District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Mountain Water District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Mountain Water District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Mountain Water District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–7 and 40 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mountain Water District's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2022, on our consideration of the Mountain Water District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Mountain Water District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mountain Water District's internal control over financial reporting and compliance.

WALLEN, PUCKETT, AND ANDERSON, P. S. C.

*Wallen, Puckett and Anderson, PSC*

Certified Public Accountants  
Pikeville, Kentucky

September 23, 2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Mountain Water District**  
**Management Discussion and Analysis**  
**December 31, 2021**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Mountain Water District's discussion and analysis provides an overview of the District's financial activities for the fiscal year ended December 31, 2021. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction the District's financial statements (beginning on page 9).

**FINANCIAL HIGHLIGHTS**

Due to this year's operations, the District's Net Position was \$70,082,067 an increase of \$3,206,905 as compared to the prior year Net Position of \$66,875,162 a decrease of \$2,974,721.

- The current year's expense total was \$12,859,782 and there was \$10,728,987 generated in fees and charges, before Capital Contributions and other changes in Net Position. In the previous year, expenses were \$13,396,417 and there was \$10,406,397 generated in fees and charges, before Capital Contributions and other changes in Net Position).

**USING THIS ANNUAL REPORT**

This annual report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements include a series of financial statements. The Statement of Net Position and the Statement of Revenues, Expenditures and Changes in Net Position (on pages 9 thru 12) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. These statements tell how these services were financed in the short term as well as what remains for future spending. Since the District is special purpose government it is able to combine the government-wide and fund financial statements into single presentations. Mountain Water District has elected to present in this format.

**The Statement of Net Position and the Statement of Revenues and Expenses and Changes in Net Position**

One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's Net Position and changes in them. You can think of the District's Net Position - the difference between assets and liabilities-as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's Net Position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's customers and the condition of District facilities, to assess the overall health of the District.

In the Statement of Net Position and the Statement of Revenues and Expenses and Changes in Net Position, the District presents its activities. All of the District's basic services are reported here.

**Financial Statements**

The financial statements begin on page 9 and provide detailed information. All of the District's services are reported and focuses on how money flows into and out and the balances remaining at year-end that are available for spending. The District is reported using accrual accounting.

**THE DISTRICT AS A WHOLE**

The District's combined Net Position was increased by \$3,206,905, from \$66,875,162 to \$70,082,067. In contrast, last year Net Position decreased by \$2,974,721. Looking at the Net Position and net expenses of the District's activities, our analysis below focuses on the Net Position (Table 1) and changes in Net Position (Table 2) of the District.

**Mountain Water District**  
**Management Discussion and Analysis**  
**December 31, 2021**

**Table 1 - Net Position**

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 1,889,788	\$ 1,954,243
Capital assets	92,401,012	93,038,484
Other assets	3,054,255	3,490,330
Total Assets	<u>\$ 97,345,055</u>	<u>\$ 98,483,057</u>
Deferred outflows of resources	<u>\$ 1,494,155</u>	<u>\$ 2,062,584</u>
Long-term liabilities	\$ 24,335,499	\$ 30,423,488
Current liabilities	2,537,165	2,738,821
Total Liabilities	<u>\$ 26,872,664</u>	<u>\$ 33,162,309</u>
Deferred inflows of resources	<u>\$ 1,884,479</u>	<u>\$ 508,170</u>
Net position		
Invested In Capital Assets,		
Net of Debt	\$ 73,607,115	\$ 65,776,945
Restricted	3,077,271	3,030,747
Unrestricted	<u>(6,602,319)</u>	<u>(1,932,530)</u>
Total net position	<u>\$ 70,082,067</u>	<u>\$ 66,875,162</u>

The Net Position of the District increased by 4.8 percent (\$70,082,067 compared to \$66,875,162). Unrestricted Net Position—the part of Net Position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—changed from a \$(1,932,530) at December 31, 2020 to a \$(6,602,319) at the end of this year.

**Mountain Water District  
Management Discussion and Analysis  
December 31, 2021**

**TABLE 2 - Changes in Net Position**

	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Operating Revenue	\$ 10,728,987	\$ 10,406,397
Total revenues	<u>\$ 10,728,987</u>	<u>\$ 10,406,397</u>
<b>Expenses</b>		
Operating	\$ 12,859,782	\$ 13,396,417
Total expenses	<u>\$ 12,859,782</u>	<u>\$ 13,396,417</u>
Excess (deficiency) before special items	\$ (2,130,795)	\$ (2,990,020)
<b>Non Operating Income (Expense)</b>		
Interest	\$ 3,905	\$ 8,542
Sale of Assets	5,823	0
Interest Paid	(356,314)	(441,591)
Government and State Grants	5,554,096	359,743
Customers through Tap-on Fees	130,190	88,605
 Increase (decrease) in Net Position	 <u>\$ 3,206,905</u>	 <u>\$ (2,974,721)</u>

The District's total revenues (excluding special items) increased by 3.0999 percent or \$322,590. The total cost of all programs and services decreased by \$107,648, or 4.006 percent.

**Budgetary Highlights**

The actual charges to operating expenses were \$126,920 below the final budget amounts before depreciation.

Resources available were \$124,161 below the final budget amount.

**CAPITAL ASSET**

**Capital Assets**

At the end of December 31, 2021, the District had \$91,415,641 invested in a broad range of capital assets, including land, water treatment facilities, waste water treatment facilities, supply and pumping and other required equipment (See Table 4 below.) This amount represents a net increase (including additions and deductions) of \$6,908,511, or 0.0818 percent, over last year.

**Mountain Water District  
Management Discussion and Analysis  
December 31, 2021**

**Table 4 - Capital Assets at Year-End (Net of Depreciation)**

	<u>2021</u>	<u>2020</u>
Land and Land Rights	\$ 578,640	\$ 578,640
Supply & Pumping	5,752,161	4,384,665
Water Treatment Equipment	10,088,258	18,433,906
Transmission & Distribution	96,651,190	96,988,619
General Plant	6,617,049	4,176,767
Sewer Utility Plant	45,275,233	29,368,099
Sewer General Plant	784,611	725,012
Less: Accumulated Depreciation	<u>(74,331,501)</u>	<u>(70,148,578)</u>
	<u>\$ 91,415,641</u>	<u>\$ 84,507,130</u>

The District's fiscal-year 2021-2022 capital budget calls for it to spend another \$1,410,037 for capital projects, principally for the completion of the Phelps Sewer System, new lines, and replacement of lines. The District has plans to issue no additional debt to finance these projects. Rather, we will use grant and loan proceeds from the issued this year and resources on hand in the District's standard operating account. More detailed information about the District's capital assets is presented in Note 8 to the financial statements.

**DEBT REFINANCING**

The Districted refinanced \$5,992,999 of debt in 2022 that resulted in a decreased interest of \$475,270.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The District's appointed officials considered many factors when setting the fiscal-year 2022 budget, and fees that will be charged.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Carrie Hatfield  
Chief Financial Officer  
Post Office Box 3157  
Pikeville, Kentucky 41502-3157  
Phone: (606) 631-9162  
Email: chatfield@mtwater.org

## BASIC FINANCIAL STATEMENTS

MOUNTAIN WATER DISTRICT

STATEMENT OF NET POSITION

December 31, 2021

ASSETS

Current Assets

Cash and Cash Equivalent	\$	369,752
Accounts Receivable (Net of Allowances for Bad Debts of \$37,000)		1,137,957
Inventory		382,079
Total Current Assets	\$	<u>1,889,788</u>

Non Current Assets

Restricted Cash

Cash-Depreciation Reserve	\$	861,966
Cash-Construction		186,317
Cash-Customer Deposits		410,014
Cash-Recycling Account		2,626
Cash-Operation and Maintenance Reserve		410,661
Cash-Wastewater Operation and Maintenance Reserve		877,346
Cash-Sinking Fund		300,967
Total Restricted Cash	\$	<u>3,049,897</u>

Capital Assets

Land and Land Rights	\$	578,640
Supply & Pumping		5,752,161
Water Treatment Equipment		10,088,258
Transmission & Distribution		96,651,190
General Plant		6,617,049
Sewer Utility Plant		45,275,233
Sewer General Plant		784,611
Total Capital Assets	\$	<u>165,747,142</u>
Less: Accumulated Depreciation		<u>(74,331,501)</u>
Net Capital Assets	\$	<u>91,415,641</u>

Construction in Progress

\$ 985,371

Other Assets

Deposit on leased Vehicles	\$	625
FEMA receivable		3,733
Total Other Assets	\$	<u>4,358</u>

Total Non Current Assets

\$ 95,455,267

Total Assets

\$ 97,345,055

Deferred Outflows of Resources

Deferred Pension Contributions	\$	641,252
Deferred OPEB		852,903
Total Deferred Outflows of Resources	\$	<u>1,494,155</u>

The accompanying notes are an integral part of the combined financial statements.

MOUNTAIN WATER DISTRICT

STATEMENT OF NET POSITION

December 31, 2021

LIABILITIES AND NET ASSETS

Liabilities

Current Liabilities

Accounts Payable Trade	\$	297,556
Accrued Payroll Taxes		125,235
Accrued Interest		88,001
Customer Deposits		438,742
Line of Credit		303,378
Bonds Payable, Current		136,000
Notes Payable and Capital Leases, Current		1,148,253
Total Current Liabilities	\$	<u>2,537,165</u>

Long-Term Liabilities

Bonds Payable, Long-Term	\$	9,931,000
Net Pension Liability		5,296,364
Net OPEB Liability		1,589,970
Notes Payable and Capital Leases, Long-Term		7,918,761
Advances For Construction		944,136
Less - Deferred Financing Cost		(60,479)
Less - Bonds Payable, Current		(136,000)
Less - Notes Payable and Capital Leases , Current		(1,148,253)
Total Long-Term Liabilities	\$	<u>24,335,499</u>
Total Liabilities	\$	<u>26,872,664</u>

Deferred Inflows of Resources

Deferred Pension Investment Earnings	\$	1,043,365
Deferred OPEB		841,114
Total Deferred Inflows of Resources	\$	<u>1,884,479</u>

Net Position

Invested in capital Assets, net of related debt	\$	73,607,115
Restricted for:		
Construction		186,317
Depreciation, Maintenance and Replacement - Capital Assets		2,179,973
Customer Deposits		410,014
Sinking Fund		300,967
Unrestricted (Deficit)		(6,602,319)
Total Net Position	\$	<u>70,082,067</u>

The accompanying notes are an integral part of the combined financial statements.

MOUNTAIN WATER DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For The Year Ended December 31, 2021

OPERATING REVENUES

Metered Sales-Residential	\$ 7,026,179
Metered Sales-Commercial	565,100
Sewage Revenue	1,992,882
Metered Sales-Multi-Family	304,496
Metered Sales-Public Authorities	389,277
Other Water Service Revenue	207,619
Service Connection Fees	182,163
Metered Sales-Industrial	59,746
Fire Protection Revenue	1,525
<b>TOTAL OPERATING REVENUE</b>	<b><u>\$ 10,728,987</u></b>

OPERATING EXPENSES

Depreciation	\$ 4,197,559
Water Purchased	1,170,994
Material and Supplies	579,090
Wages	2,339,537
Contract Service-Accounting	77,590
Education, Dues and Meetings	37,812
Employee Benefits	448,440
Contract Service-Legal Engineering	245,482
Easements	7,316
PSC Tax Assessment	20,725
Payroll Taxes	155,925
Retirement Expense	815,482
Settlement Fees	27,647
Sewage fees	78,284
Repairs and Maintenance	929,993
Utilities	1,449,102
Telephone Expense	56,026
Bad debts	60,361
Advertising	3,841
Rent	9,000
Insurance	146,136
Amortization Expense	3,440
<b>Total Operating Expenses</b>	<b><u>\$ 12,859,782</u></b>
<b>Operating Income (Loss)</b>	<b><u>\$ (2,130,795)</u></b>

The accompanying notes are an integral part of the combined financial statements.

MOUNTAIN WATER DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For The Year Ended December 31, 2021

OPERATING REVENUES

NONOPERATING REVENUES (EXPENSES)

Gain On Sale of Assets	\$	5,823
Interest Income		3,905
Interest Expense		<u>(356,314)</u>
Total Nonoperating Revenues (Expenses)	\$	<u>(346,586)</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET POSITION	\$	<u>(2,477,381)</u>

CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET POSITION

Government and State Grants	\$	5,554,096
Customers through Tap-on Fees		<u>130,190</u>
CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET POSITION	\$	<u>5,684,286</u>
CHANGE IN NET POSITION	\$	<u>3,206,905</u>

NET POSITION - BEGINNING OF YEAR 66,875,162

NET POSITION - END OF YEAR \$ 70,082,067

The accompanying notes are an integral part of the combined financial statements.

MOUNTAIN WATER DISTRICT

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from:	
Receipts from Customers	\$ 10,816,805
Cash Paid to/for:	
Employees	(3,463,543)
Water Purchased	(1,170,994)
Payments to Suppliers	(3,738,127)
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,444,141</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Receipt of Interest Income	<u>\$ 3,905</u>
Net Cash Provided (Used) by Investing Activities	<u>\$ 3,905</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds From Tap-On Fees	\$ 130,190
Payments for rate increase Government Grants	5,554,096
Advances for Construction	(3,604,954)
Purchases of Equipment	(11,107,739)
Construction in Progress	7,545,983
Loan and LOC Proceeds	345,742
Principal Payments	(1,359,871)
Interest Payments	(486,150)
Proceeds from Sale of Vehicles	5,823
Net Cash (Used) by Capital and Related Financing Activities	<u>\$ (2,976,880)</u>

CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES

Customer Deposits	\$ 70,606
OTHER	(338)
Net Cash Provided(Used) by Non Capital Financing Activities	<u>\$ 70,268</u>

Net Increase (Decrease) in Cash and Cash Equivalents	\$ (458,566)
Cash and Cash Equivalents - Beginning	3,878,215
Cash and Cash Equivalents - Ending	<u><u>\$ 3,419,649</u></u>

The accompanying notes are an integral part of the combined financial statements.

MOUNTAIN WATER DISTRICT

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

FOR THE YEAR ENDED DECEMBER 31, 2021

Reconciliation of Operating Income (Loss)

To Net Cash Provided (Used) by Operating Activities

Operating Income (Loss)	\$ (2,130,795)
Adjustments to Reconcile Operating Income to Net Cash	
Operating Activities:	
Depreciation	4,197,559
Amortization	3,440
Change in Assets and Liabilities:	
(Increase) Decrease	
Customer Accounts Receivable	87,818
Inventory	(102,603)
Prepaid Expnses	56,749
Deferred Outflows of Resources	
Deferred Pension Contributions	475,721
Deferred OPEB	92,708
Increase (Decrease) in:	
Accounts Payable	36,132
Accrued Payroll Taxes	38,810
Deferred Inflows of Resources	
Deferred Pension Investment Earnings	923,872
Deferred OPEB	452,437
Pension liability	(1,225,137)
OPEB liability	(462,570)
Net Cash provided (Used) by Operating Activities	<u>\$ 2,444,141</u>

The accompanying notes are an integral part of the combined financial statements.

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Mountain Water District (District) conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant polices:

A. Organization

Mountain Water District is a political subdivision of the Pike County Fiscal Court, organized under chapter 74 of the Kentucky Revised Statues. It was formed from a merger of four existing water districts Marrowbone Water District, Shelby Valley Water District, Pond Creek Water District, and John's Creek Water District on June 30, 1986 and at that time assumed all assets and liabilities of the existing water districts.

The territorial limits of Mountain Water District, set by the Pike County Judge/Executive on January 20, 1987 are all of Pike County except; (1) the territory of that portion of the Sandy Valley Water District located in Pike County, (2) the water services area of the City of Pikeville, and (3) special financing relationships.

B. Reporting Entity

The District is the basic level of government which has financial accountability and control over all activities related to the District. The District is not included in any other governmental "reporting entity" is defined by GASB pronouncement. The Board of Commissioners have decision making authority, the power to designate management, the ability to influence operations, and the primary accountability for fiscal matters. There are no component units as defined in GASB Statement 14 and 61 which are include in the District's reporting entity.

C. Basis of Presentation-Funds Accounting

The-accounts of the District are organized on the basis of funds each of which is considered a separate accounting entity. The operation of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate.

Proprietary Funds/Enterprise Funds

Propriety funds and- Enterprise funds (are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for accountability capital maintenance, public policy; management control or other purposes.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Basis of Accounting

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when obligations are incurred.

F. Encumbrance Accounting

The District does not use encumbrance accounting. Since effective budgetary control and accountability and cash planning and control can be facilitated without encumbrance accounting, this is not considered departure from generally accepted accounting principles. There were no unperformed contracts in process at year end which otherwise might have resulted in the need to encumber estimated expenditures.

G. Customer Accounts Receivable

Customer accounts receivable are stated at face value, less allowance for uncollectible accounts. Changes in the allowance are charged to operating expenses.

H. Capital Assets

Capital Assets, which included property, plant and equipment, are reported in the fund financial statements at historical cost.

Depreciation is recorded as an allocated expense in the Statement of Revenues, Expenses and Changes in Fund Net Position with accumulated depreciation reflected in the Statement of Financial Position. Depreciation is computed using straight-line method over the estimated useful lives of the related assets. Estimated useful lives range from 3 to 40 years.

Capital additions improvements and major renewals are capitalized, whereas maintenance, repairs and minor renewals are charged to expenses when they are incurred. In the case of disposals, the assets and related reserves are removed from the accounts and the net amount less any proceeds from disposals, is charged or credited to revenues. Most construction in progress is not capitalized until water runs through the lines.

I. Bad Debts

Bad debts are recognized using the reserve method of accounting for uncollectible accounts.

J. Inventory

Inventory is valued at lower of cost or net realizable value on a First-In, First-Out Basis. December 31, 2021 inventory balance was \$382,079.

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Cash and Cash Equivalents

For purpose of the statement of cash flows, the District considered all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

As of December 31, 2021, cash and cash equivalents restricted cash consisted of the following:

Petty Cash	\$ 320
Cash in Bank	369,432
Restricted Cash	<u>3,049,897</u>
Total	<u>\$ 3,485,972</u>

L. Investment Policy

The District's policy is to invest available funds in the following:

- 1) Obligations of the U.S. and its agencies and Instrumentalities.
- 2) Obligations and contract for future delivery of purchases of obligations backed by the full faith and credit of the U.S. or a U.S. Government agency, including but not limited to"
  - a) United States Treasury
  - b) Export-Import Bank of the United States.
  - c) USDA-Rural Development
  - d) Government National Mortgage Corporation, and
  - e) Merchant Marine Bonds
- 3) Obligations of any corporation of the U.S. Government.
- 4) Certificate of Deposit issued by other interest-bearing accounts of any bank or savings and loan institutions which are issued by the Federal Deposit Insurance Corporation or similar entity of which are collateralized, to the extent uninsured, by any obligation permitted by section 41.240(4) of the Kentucky revised statutes.
- 5) Uncollateralized certificates of deposits issued by any bank or savings and loans institution rated in one of the three highest categories by a national recognized rating agency.
- 6) Bankers' Acceptance for banks rated in one of three highest categories by a nationally recognized rating agency.
- 7) Commercial paper rated in the highest categories by a nationally recognized rated agency.
- 8) Bonds or certified of indebtedness of the Commonwealth of Kentucky and of its agencies or instrumentalities.
- 9) Securities issued by a state or local government, or any instrumentality or agency thereof, in the U.S., and rated in one the three highest categories by a nationally recognized rating agency.
- 10) Shares of mutual funds, which contain certain characteristics.

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Investment Policy (Continued)

Limits on investments transactions are limited in amount in one category to 20% of the total funds invested and no investment shall be purchased on a margin basis.

The District is currently invested only in interest bearing accounts of local federal insured financial institutions, including interest bearing checking accounts and certificates.

M. Leave Policy-Vacation/Leave Policy-Sick Leave

The District allows full-time employees to accrue vacation leave as follows: (a) ten (10) days during the first year of employment. Employees can accrue vacation time up to a maximum of twice the annual entitlement. If an accrual of twice the annual vacation entitlement is attained, additional vacation days do not accrue. Upon termination of employment, an employee shall be paid for all accrued vacation leave.

Employees shall accrue sick leave at the rate of ten (10) days per year. Employees can accrue sick leave up to a maximum of 160 hours, after the maximum is obtained no additional sick leave is accrued. Upon termination, resignation, retirement or voluntary leave, the employee shall not be reimbursed for the accrued leave hours.

As of December 31, 2021 the accrued liability for vacation leave was -0-.

N. Advertising

The District expenses advertising costs as incurred. Total advertising costs charged to expense for the years ended December 31, 2021 was \$3,841.

O. Net Position Classifications

In the fund financial statements, Net Position is classified as net assets and displayed in three components.

- Invested in capital assets, net of related debt-Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets-Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets-All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

P. Accounting Policy for Loan Cost

Loan costs are amortized on the straight-line method over the remaining life of the loan and a direct deduction from the carrying amount of the debt liability. Amortization for 2021 was \$3,440 and charged to amortization expense. Original Deferred Financial Cost was \$92,316.

NOTE 2. CUSTOMER DEPOSIT FUND

Deposits required from customers when they sign up for the water service are deposited into the customer deposit escrow account. When services are terminated or a customer has paid in a timely fashion, a refund of the deposit plus interest is given after a year of water service. Customer deposits as of December 31, 2021 were \$438,742 and \$410,661 are currently held in escrow.

NOTE 3. COMMITMENTS AND CONTINGENCIES

The District has been committed to several construction projects that have not been either started or completed as of the date of this report.

NOTE 4. RECLASSIFICATIONS

Certain amounts in prior year financial statements have been reclassified for comparative purposes to conform with presentation in the current year financial statements.

NOTE 5. SUBSEQUENT EVENTS

In January 2022 the District refinanced bonds in the amount of \$5,993,000 with a new loan of \$5,580,000 at a rate of 5.2% and a preliminary discount of \$478,269 to effectuate an actual interest rate of 2.52%

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through September 23, 2022 the date the financial statements were available to be issued.

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which could negatively impact the Net Position. Other financial impact could occur, however; such potential impact is unknown at this time.

NOTE 6. RESTRICTED ASSETS AND RESERVE NET POSITION

Each of the proprietary funds has a portion of its net assets restricted in connection with assets restricted in uses, such as bond interest and redemption, depreciation, and customer deposits. Restricted net assets includes excess of restricted cash over liabilities payable from restricted cash.

MOUNTAIN WATER DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2021

**NOTE 7. DEPOSITS WITH FINANCIAL INSTITUTIONS**

At December 31, 2021, the carrying amount of the District's deposits with financial institutions was \$3,423,063 and the bank balance, per statements, was \$3,716,453. The Bank balance is collateralized as follows:

Amount insured by FDIC	\$	800,975
Amount collateralized by securities held by third party trust company in the District's name		2,915,477
Total Bank Balance	<u>\$</u>	<u>3,716,452</u>

Pledged collateral was obtained for amounts up to \$3,223,297 for money on deposit at Community Trust Bank in the name of the District. Pledged collateral was obtained for accounts up to \$702,302 for money on deposit with BB&T and Community Trust Bank in the name of the District.

**NOTE 8. CONSTRUCTION FUNDS**

The District has several construction accounts used for the water projects. These are as follows:

		<u>2021</u>
Big Creek Sewer Coal Settlement	\$	5,401
John Creek Project		3,333
District Wide Tap Fees		47693
Misc. Line Extensions		4900
MWD Special Projects		9
Elk Creek Project		5,372
Various Short Line Extensions		91
Long Fork Virgie Sewer Project		90
Belfry Pond Sewer Project		30785
Pike County Fiscal Court Projects		81458
Repair and Maintenance Reimbursement		3568
Phelps Upgrade		3517
Various Misc. Projects		100
Total Construction Funds	<u>\$</u>	<u>186,317</u>

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 9. ADVANCES FOR CONSTRUCTION

	<u>2021</u>
<u>Water Projects</u>	
In House Projects	\$ 0
Booster Pump	88,108
<b>Sewer Projects</b>	
Phelps Waste Water: Kentucky Infrastructure Authority	717,995
Henry Clay Sewer Projects:	
COE Section 531	45391
LGEDF Funds	<u>92642</u>
<b>Total Advances for Construction</b>	<u>\$ 944,136</u>

MOUNTAIN WATER DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

NOTE 10 CONSTRUCTION IN PROGRESS

Mountain Water District has overseen several construction projects. As of December 31, 2021 the following projects were in progress.

	<u>1/1/2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/2021</u>
<u>Water Projects</u>				
FEMA Mitigation Project	\$ 852,599	\$ 47,789	\$ 900,388	\$ 0
Radio Read	0	491,623	463,209	28,414
Water tap	0	107,295	107,295	0
Tank Rehab	0	195,109	195,109	0
Various In House Projects	78,885	3,968	0	82,853
Total	<u>\$ 931,484</u>	<u>\$ 845,784</u>	<u>\$ 1,666,001</u>	<u>\$ 111,267</u>
<u>Sewer Projects</u>				
Phelps/Buskirk	\$ 189,838	\$ 545,558	\$ 0	\$ 735,396
Henry Clay	138,708	79,936	79,936	138,708
Belfry Pond Sewer	7,271,324	1,286,226	8,557,550	0
Total accumulated depreciation	<u>\$ 7,599,870</u>	<u>\$ 1,911,720</u>	<u>\$ 8,637,486</u>	<u>\$ 874,104</u>
Capital Assets-net	<u>\$ 8,531,354</u>			<u>\$ 985,371</u>

MOUNTAIN WATER DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2021

NOTE 11. CAPITAL ASSETS

The following is a summary of changes in fixed asset:

	1/1/2021	Additions	Deductions	12/31/2021
<b>Non Depreciable</b>				
Land and Land Rights	\$ 578,640	\$ 0	\$ 0	\$ 578,640
Total Non Depreciable	<u>\$ 578,640</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 578,640</u>
<b>Depreciable</b>				
Supply & Pumping	\$ 4,557,317	\$ 1,194,844	\$ 0	\$ 5,752,161
Water Treatment Equipment	10,088,258	0	0	10,088,258
Transmission & Distribution	96,090,493	577,192	16,495	96,651,190
General Plant	6,198,682	418,367	0	6,617,049
Sewer Utility Plant	36,505,773	8,769,460	0	45,275,233
Sewer General Plant	636,735	147,876	0	784,611
Total Depreciable	<u>\$ 154,077,258</u>	<u>\$ 11,107,739</u>	<u>\$ 16,495</u>	<u>\$ 165,168,502</u>
Total at historical cost	<u>\$ 154,655,898</u>	<u>\$ 11,107,739</u>	<u>\$ 16,495</u>	<u>\$ 165,747,142</u>
<b>Less: Accumulated depreciation</b>				
Supply & Pumping	\$ 2,397,586	\$ 100,329	\$ 0	\$ 2,497,915
Water Treatment Equipment	3,356,314	287,088	0	3,643,402
Transmission & Distribution	46,498,804	2,377,725	16,495	48,860,034
General Plant	4,845,688	348,943	0	5,194,631
Sewer Utility Plant	12,788,177	1,058,831	0	13,847,008
Sewer General Plant	263,868	24,643	0	288,511
Total accumulated depreciation	<u>\$ 70,150,437</u>	<u>\$ 4,197,559</u>	<u>\$ 16,495</u>	<u>\$ 74,331,501</u>
Capital Assets-net	<u>\$ 84,505,461</u>			<u>\$ 91,415,641</u>

Depreciation expense was \$4,197,559 for the year ended December 31, 2021.

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 12 LONG-TERM DEBT**

The following is a summary of bonds, notes payable and capital leases of the District for the year ended December 31, 2021.

Changes In Long-Term Debt

Description	Beginning Balance	Additions	Reductions	Ending Balance
Revenue Bonds	\$ 10,224,000	\$ 0	\$ 293,000	\$ 9,931,000
Total Notes Payable and Capital Leases	8,503,221	345,742	930,201	7,918,762
	<u>\$ 18,727,221</u>	<u>\$ 345,742</u>	<u>\$ 1,223,201</u>	<u>\$ 17,849,762</u>

Maturities of Long-Term Debt

YEAR	Bonds		
	Principle	Interest	Total
2022	\$ 217,300	\$ 214,113	\$ 431,413
2023	224,700	240,226	464,926
2024	230,100	234,158	464,258
2025	236,000	227,886	463,886
2026	242,500	221,451	463,951
2027 2032	1,317,500	1,002,423	2,319,923
2032 2037	1,520,200	824,128	2,344,328
2037 2042	1,755,300	594,784	2,350,084
2042 2047	1,425,100	315,346	1,740,446
2047 2052	994,600	194,238	1,188,838
2052 2057	1,079,200	110,028	1,189,228
2057 2062	688,500	22,664	711,164
	<u>\$ 9,931,000</u>	<u>\$ 4,201,443</u>	<u>\$ 14,132,443</u>

YEAR	Notes Payable		
	Principle	Inter Interest	Total
2022	\$ 929,195	\$ 117,189	\$ 1,046,384
2023	901,431	105,863	1,007,294
2024	598,616	95,216	693,831
2025	510,890	85,305	596,194
2026	450,949	77,031	527,980
2027 2032	2,134,141	274,035	2,408,176
2032 2037	1,740,046	118,669	1,858,715
2037 2042	653,496	20,813	674,309
	<u>\$ 7,918,762</u>	<u>\$ 894,121</u>	<u>\$ 8,812,883</u>

MOUNTAIN WATER DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2021

NOTE 13 BONDS

Shelby Waste Water Project Fund \$ 565,000

The 4.125% sewer system revenue bonds issued July 22, 2005 in the original amount of \$740,000 are payable to USDA-Rural Development to the year 2045. The bonds are secured by a statutory mortgage lien on the utility plant service and a pledge of all water revenues from the system.

Phelps Waste Water Project Bond 316,000

The 4.5% sewer system revenue bonds issued October 23, 2003 in the original amount of \$426,000 are payable to USDA-Rural Development to the year 2043. The bonds are secured by a statutory mortgage lien on the utility plant in service and a pledge of all water revenues from the system.

Feds Creek Project 537,000

The 3.5% revenue bonds issued July 2002 in the original amount of \$800,000 are payable to USDA - Rural Development to the year 2035. The bonds are secured by a secondary statutory mortgage lien on the utility plant in service and a pledge of all water revenues from the system.

Johns Creek 1,293,000

The 4.125% revenue bonds issued 2005 in the original amount of \$1,650,000 are payable to USDA-Rural Development to the year 2027. The bonds are secured by a secondary statutory mortgage lien on the utility plant in service and a pledge of all water revenues from the system.

Radio Read Project 3,033,000

The 1.5% interest payments in January and July revenue bonds issued 2020 in the original amount of \$3,150,000 are payable to USDA-Rural Development to the year 2061. The bonds are secured by a secondary statutory mortgage lien on the Radio read Equipment and a pledge of all water revenues from the system.

Belfry 3,653,000

The 1.73% revenue bonds issued 2020 in the original amount of \$3,653,000 are payable to USDA-Rural Development to the year 2060. The bonds are secured by a secondary statutory mortgage lien on the Belfry project and a pledge of all water revenues from the system.

Russell Fork Water Plant Project 534,000

The 4.5% revenue bonds issued April 2009 in the original amount of \$650,000 are payable to USDA - Rural Development to the year 2047. The bonds are secured by a secondary statutory mortgage lien on the utility plant in service and pledge of all water revenue from the system.

Total bonds	\$ 9,931,000
Less current portion	(217,300)
Long Term Bonds Payable	<u>\$ 9,713,700</u>

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 14 NOTES PAYABLE AND CAPITAL LEASES**

Kentucky Rural Water Finance Corporation

The 3.14% note issued August 2012 (120) the original amount of \$6,270,000, payable in monthly installments, with payments through August 2039, secured by water revenues from the system. \$ 3,285,000

Kentucky Infrastructure Authority-Multi-Area

The 2.9% note issued June 1994 in the original Amount of \$5,165,093, payable in semi-annual Installments of \$129,479, with payments through the year 2023, secured by water revenues from the system. 499,674

Kentucky Infrastructure Authority-Indian Creek

The 3% note issued June 1994 in the original amount of \$377,760, payable in semi-annual installments of \$8,577, with payments though the year 2023, secured by water revenue from the system. 33,059

Kentucky Infrastructure Authority-F01-07

The 1.8% note issued January 2002 in the original amount of \$1,197,072 payable in semi-annual of \$35,769, with payments through the year 2024 secured by water revenues from the system. 174,117

Kentucky Infrastructure Authority A03-06

The 1% note issued June 2004 in the original Amount of \$226,776 payable in semi-annual Installments of \$6,846 with payments through the year 2023, secured by water revenues from the system. 30,106

Kentucky Infrastructure Authority A209-32

The 1% note issued January 2010 in the original amount of \$750,000 with \$390,750 in principle forgiveness, payable in semi-annual installments of \$5,212, with payments through the year 2031, secured by water revenues from the system. 183,551

Kentucky Infrastructure Authority-Multi-Area

The .75% note issued June 2019 in the original Amount of \$3,419,563, payable in semi-annual Installments of \$92,262, with payments through the year 2038, secured by water revenues from the system. 2,989,166

US Bank

Loan to finance Big Fork Project, original balance \$272,145 at 3.1% interest; payments are \$4,153 beginning June 26, 2016 for 24 months, maturing December 2021 17,912

Community Trust Bank

A lease purchase agreement, original balance \$52,797; at 4.567% interest; secured by 2 vehicles; payments are \$1,192 for 48 months maturing October 2022. 12,048

Community Trust Bank

A lease purchase agreement, original balance \$24,844; at 3.99% interest; secured by a vehicle; payments are \$561 for 48 months and a final maturing October 2024. 15,971

MOUNTAIN WATER DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2021

NOTE 14 NOTES PAYABLE AND CAPITAL LEASES

Community Trust Bank

A lease purchase agreement, original balance \$92,577; at 3.0% interest; secured by a Excavator; payments are \$3,959 for 24 months maturing September 2020. 0

Community Trust Bank

A lease purchase agreement, original balance \$24,092; at 4.5% interest; secured by a vehicle; payments are \$550 for 24 months and a final balloon payment of \$12,596 maturing March 2021. 0

US BANK

A lease purchase agreement, original balance \$33,789; at 3.853% interest; secured by a vehicle; payments are \$761 for 28 months, maturing 2021. 0

Community Trust Bank

A lease purchase agreement, original balance \$53,433; at 3.25% interest; secured by a vehicle; payments are \$1,189 for 48 months maturing in October 2024. 36,261

Kentucky Infrastructure Authority A16-079

The .75% note issued August 2018 in the original Amount of \$300,000, payable in semi-annual Installments of \$7,408 with payments through the year 2037, secured by water revenues from the system. 243,050

Community Trust Bank

A purchase agreement, original balance \$23,799 at 4.054% interest, secured by vehicle; payments are \$598 for 48 months, maturing May 2022. 2,031

Community Trust Bank

A purchase agreement, original balance \$22,042 at 4.054% interest, secured by vehicle; payments are \$498 for 48 months, maturing March 2022. 1,050

Community Trust Bank

A purchase agreement, original balance \$47,740 at 4.5% interest, secured by vehicle; payments are \$1090 for 24 months, Balloon Pmt. on March 2021. 0

Community Trust Bank

A lease purchase agreement, original balance \$33,234; at 3.25% interest; secured by a vehicle; payments are \$739 for 48 months maturing in Oct 2024. 24,636

Community Trust Bank

A lease purchase agreement, original balance \$33,285; at 3.25% interest; secured by a vehicle; payments are \$650 for 48 months maturing in Oct 2024. 24,636

Community Trust Bank

A lease purchase agreement, original balance \$33,234; at 3.25% interest; secured by a vehicle; payments are \$739 for 48 months maturing in Oct 2024 24,636

MOUNTAIN WATER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 14 NOTES PAYABLE AND CAPITAL LEASES**

Community Trust Bank

A lease purchase agreement, original balance \$24,879; at 4.053% interest; secured by a vehicle; Payments are \$560 for 48 months maturing May 2022. 2,190

Community Trust Bank

A purchase agreement, original balance \$39,347 at 3.050% interest, secured by vehicle; payments are \$871.79 for 48 months, maturing May 2025. 33,905

Community Trust Bank

A purchase agreement, original balance \$30,021 at 3.043% interest, secured by vehicle; payments are \$665.07 for 48 months, maturing October 2025. 28,842

Community Trust Bank

A purchase agreement, original balance \$29,711 at 3.043% interest, secured by vehicle; payments are \$658.20 for 48 months, maturing October 2025. 28,544

Community Trust Bank

A purchase agreement, original balance \$58,892 at 3.041% interest, secured by vehicle; payments are \$1,304.60 for 48 months, maturing November 2025. 57,713

Community Trust Bank

A purchase agreement, original balance \$30,021 at 3.043% interest, secured by vehicle; payments are \$665.07 for 48 months, maturing October 2025. 28,222

Community Trust Bank

A purchase agreement, original balance \$51,500 at 3.000% interest, secured by vehicle; payments are \$1,140.85 for 48 months, maturing November 2025. 50,488

Community Trust Bank

A purchase agreement, original balance \$76,250 at 3.000% interest, secured by vehicle; payments are \$1,689.12 for 48 months, maturing November 2025. 74,752

Takeuchi

A purchase agreement, original balance \$30,000 at 4.720% interest, secured by Skid Loader; payments are \$1312.42 for 24 months, maturing February 2023. 16,601

Total Notes Payable and Capital Leases	\$	7,918,161
Less current portion		(929,195)
Total Long-term Portion	\$	6,988,966

NOTE 15. RESTRICTED ASSETS AND RESERVE NET POSITION

As of December 31, 2021 restricted cash were as follows:

	<u>2021</u>
Depreciation Reserve	\$ 861,966
Sinking Fund	300,967
Customer Deposit Escrow Account	410,014
Operation & Maintenance reserve	410,661
Waste Water O & M Reserve	877,346
Recycling Account	2,626
Construction Account	186,317
<u>Total Restricted Cash</u>	<u>\$ 3,485,972</u>

The District is required by debt covenants to pay into and maintain a Depreciation Reserve Fund, a Repair and Maintenance Fund and Operation and Maintenance Fund. These Amounts may be used for extraordinary maintenance expenses related to the project or for costs of replacing worn obsolete portions of the project. If Amounts are withdrawn from said funds, the District must make required periodic deposits until the required balance is reinstated.

	<u>Maximum Required Balance</u>	<u>Required Balance at 12/31/21</u>	<u>Actual Balance At 12/31/21</u>
Depreciation Reserve Funds	\$ 852,060	\$ 852,060	\$ 861,966
Repairs and Maintenance Funds	1,296,794	882,868	1,288,007
Total		<u>\$ 1,734,928</u>	<u>\$ 2,068,619</u>

The Repair and Maintenance Funds required by Kentucky Infrastructure Authority (KIA) loan agreements are fully funded.

The Depreciation Reserve Funds Required by USDA-Rural Development (RD) loan requirements are fully funded.

The USDA-Rural Development (RD) loan agreements also include a requirement for an Operation and Maintenance Fund. The funding of this reserve is secondary to the Depreciation Reserve Funds. Mountain Water's management stated during the field work that there is verbal agreement to transfer \$6,000 monthly O & M reserve to Rural Development Reserves until equal to 6 months revenue. These payments were transferred during 2021.

**NOTE 16 – RETIREMENT PLAN**

**KENTUCKY RETIREMENT SYSTEM  
 County Employees Retirement System (CERS)**

*Plan description:* Substantially all full-time classified employees of the District participate in the County Employees Retirement System ("CERS"). CERS is a cost-sharing, multiple-employer, defined benefit pension plan administered by the Kentucky General Assembly. The plan covers substantially all regular full-time members employed in non-hazardous duty positions of each county and school board, and any additional eligible local agencies electing to participate in the plan. The plan provides for retirement, disability and death benefits to plan members.

CERS issues a publicly available financial report included in the Kentucky Retirement Systems Annual Report that includes financial statements and the required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky, 40601, or by calling (502) 564-4646 or at <https://kyret.ky.gov>.

*Benefits provided:* Benefits under the plan will vary based on final compensation, years of service and other factors as fully described in the plan documents.

*Contributions:* Funding for CERS is provided by members who contribute 5% (6.00% for employees hired after September 1, 2008) of their salary through payroll deductions and by employers of members who contribute 17.06% of the member's salary. The contribution requirements of CERS are established and may be amended by the CERS Board of Trustees.

At December 31, 2021, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2021 was determined using standard roll-forward techniques. The District's proportion of the net pension liability was based on contributions to CERS during the fiscal year ended June 30, 2021. At June 30, 2021, the District's proportion was .083070%.

For the year ended December 31, 2021, the District recognized pension expense of \$5,296,364. At December 31, 2021, the District reported deferred outflows of resources for District contributions subsequent to the measurement date and deferred inflows of resources related to pensions from the net difference between projected and actual earnings on pension plan investments in the amount of:

Deferred Outflows of Resources for:	
Liability Experience	\$ 60,819
Changes of Assumptions	71,084
Investment Experience	205,464
Changes in Proportion & Differences Between Employer Contributions & Proportionate Share of Contributions	38,319
District contributions subsequent to Measurement Date	266,447
	<u>\$ 642,133</u>
Deferred Inflows of Resources for:	
Liability Experience	\$ 51,405
Assumption Changes	0
Investment Experience	911,380
Changes in Proportion & Differences Between Employer Contributions & Proportionate Share of Contributions	80,579
	<u>\$ 1,043,364</u>

**NOTE 16 – RETIREMENT PLAN (Continued)**

**KENTUCKY RETIREMENT SYSTEM  
 County Employees Retirement System (CERS) (Continued)**

District contributions subsequent to the measurement date of \$266,477 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CERS will be recognized in pension expense as follows:

Year	Amount
2022	\$ 186,620
2023	(205,310)
2024	(161,487)
2025	(221,054)
2026	0
	<u>\$ (401,231)</u>

*Actuarial Methods and Assumptions:* The total pension liability for CERS was determined by applying procedures to the actuarial valuation as of June 30, 2021. The financial reporting actuarial valuation as of June 30, 2021, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2019
Experience Study	July 1, 2013 - June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of pay
Amortization Period	30 years, closed
	<i>Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases</i>
Payroll Growth Rate	2.0% for CERS non-hazardous and Hazardous, and 0.0% for KERS non-hazardous and hazardous
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Inflation	2.30%
Salary Increases	3.30% to 10.30%, varies by service for CERS Nonhazardous; 3.55% to 19.05%, varies by service for CERS Hazardous; 3.30% to 15.30%, varies by service, for KERS Nonhazardous; 3.55% to 20.05% varies, by service for KERS Hazardous
Investment Rate of Return	6.25% for CERS Non-hazardous, and hazardous, and KERS Hazardous, 5.25% for KERS Non-hazardous
Phase-in Provision	Board certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018 for CERS Nonhazardous and Hazardous

The mortality table used for active members was Pub-2010 General Mortality table, for the Nonhazardous Plans, and the Pub-2010 Public Safety Mortality table for the Hazardous Plans, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for non-disabled retired members was a system-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019. The mortality table used for the disabled members was PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

*Long-Term Expected Investment Return:* The long-term expected rate of return was determined by using a building block method in which best estimate ranges of expected future real rates of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class is summarized in the table below. The current long-term inflation assumption is 2.30% per annum for both the non-hazardous and hazardous plan.

**NOTE 16 – RETIREMENT PLAN (Continued)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Growth		
US Equity	21.75%	5.70%
Non-US Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
Liquidity		
Core Bonds	10.00%	0.00%
Cash	1.50%	-0.60%
Diversifying Strategies		
Real Estate	10.00%	5.30%
Opportunistic	0.00%	N/A
Real Return	10.00%	4.55%
Total	100.00%	

*Discount Rate:* The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment return of 6.25%. The long-term assumed investment rate of return was applied to all periods of projected of benefit payments to determine the total pension liability.

The Schedule of Deferred Inflows and Outflows, and Pension Expense include only certain categories of deferred outflows of resources and deferred inflows of resources. These include differences between expected and actual experience, changes of assumptions and differences between projected and actual earnings on plan investments. The Schedule does not include deferred outflows/inflows of resources for changes in the employer's proportionate share of contributions or employer contributions made subsequent to the measurement date. The net pension liability as of June 30, 2021, is based on the June 30, 2021, actuarial valuation for the first year of implementation. As a result, there are no differences between expected and actual experience or changes in assumptions subject to amortization. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed five-year period.

**NOTE 16 – RETIREMENT PLAN (Continued)**

**KENTUCKY RETIREMENT SYSTEM  
 County Employees Retirement System (CERS)(Continued)**

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate:* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.25 %, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
District's proportionate share of the net pension liability	\$6,792,838	\$5,296,364	\$4,058,067

*Pension plan fiduciary net position:* Detailed information about the pension plan's fiduciary net position is available in the separately issued CERS financial report which publicly available at <https://kyret.ky.gov>.

*Payables to the pension plan:* At December 31, 2021 the District had payables to CERS in the amount of \$0 for June's covered payroll with contributions required to be paid in July.

MOUNTAIN WATER DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 17 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

The District's proportion of the collective net OPEB liability and OPEB expense was determined using the employers' actual contributions for Fiscal Year 2021. This method is expected to be reflective of the employers' long-term contribution effort. At June 30, 2021, the District's proportion for the nonhazardous was .083051%.

OPEB Liability: For the period ending December 31, 2021, the District reported a liability of \$1,589,970 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined.

For the year ended December 31, 2021, the District recognized OPEB expense of \$232,459 (this is from tables for pension plan year ending 06/30/21, for nonhazardous in total. The District also reported deferred outflows of resources and deferred inflows of resources related to pensions as the following:

	Deferred Outflows	Deferred Inflows
Liability Experience	\$ 250,023	\$ 474,712
Assumption Changes	421,531	1,478
Investment Experience	80,107	328,836
Change in Proportion & Differences Between Employer Contribution & Proportionate Share of Plan		
Contributions	90,168	36,088
District Contributions Subsequent to the Measurement Date	11,074	0
	<u>\$ 852,903</u>	<u>\$ 841,114</u>

The District's deferred outflows of resources of \$11,074 related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources as of December 31, 2021 will be recognized into OPEB expense (benefit) as follows:

Year Ending	
2022	\$ 77,972
2023	29,036
2024	4,668
2025	(99,887)
2026	0
thereafter	0
	<u>\$ 11,789</u>

MOUNTAIN WATER DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 17 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Net OPEB Liability: The District's net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

*Actuarial Assumptions and Methods:* Total pension liability for CERS was determined by actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2019
Experience Study	July 1, 2013 - June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	30 years, closed period at June 30, 2019, <i>Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases</i>
Payroll Growth Rate	2.0% for CERS Nonhazardous and Hazardous, and 0.0% for KERS Nonhazardous and Hazardous
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Inflation	2.30 percent
Salary Increases	3.30% to 10.30%, varies by service for CERS Nonhazardous; 3.55% to 19.05%, varies by service for CERS Hazardous; 3.30% to 15.30%, varies by service for KERS Nonhazardous; 3.55% to 20.05%, varies by service for KERS Hazardous
Investment Rate of Return	6.25%
Mortality	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Healthcare Trend Rates	
Pre - 65	Initial trend starting at 6.30% at January 1, 2023, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years.
Post - 65	Initial trend starting at 6.30% in 2023, then gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years
Phase-in Provision	District certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018 for CERS Non-Hazardous and Hazardous

NOTE 17 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years. Several factors are considered in evaluating the long-term rate of return assumptions including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which cover a longer time frame. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the table on the following page.

Asset Class Target	Target Allocation	Long-Term Expected Real Rate of Return
<b>Growth</b>		
US Equity	21.75%	5.70%
Non-US Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
<b>Liquidity</b>		
Core Bonds	10.00%	0.00%
Cash	1.50%	-0.60%
<b>Diversifying Strategies</b>		
Real Estate	10.00%	5.40%
Opportunistic	0.00%	N/A
Real Return	10.00%	4.55%

*Discount Rate;* The projection of cash flows used to determine the discount rate of 6.25% for CERS Nonhazardous and CERS Hazardous assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy established in Statute as amended by House Bill 362 (passed in 2018) over the remaining 30 years (closed) amortization period of the unfunded actuarial accrued liability.

The projection of cash flows used to determine the discount rate of 5.25% for the KERS Nonhazardous, and 6.25% for KERS Hazardous, assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy, established in Statute as amended by House Bill 8, passed during the 2021 legislative session, over the remaining 30 years (closed) amortization period of the unfunded actuarial accrued liability.

The discount rate determination does not use a municipal bond rate. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the Annual Comprehensive Financial Report (ACFR).

MOUNTAIN WATER DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 17 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONCLUDED)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate  
The following presents the District's proportionate share of the net OPEB liability calculated using the discount rates of 5.20%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower, (4.20%), or 1 percentage point higher, (6.20%), than the current rate:

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
District's Share of the Net OPEB Liability	\$2,183,017	\$1,589,970	\$1,103,277

*Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates:* The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Discount Rate	1% Increase
District's Share of the Net OPEB Liability	\$1,144,589	\$1,589,970	\$2,127,551

*OPEB Plan Fiduciary Net Position:* Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report.

REQUIRED SUPPLEMENTAL INFORMATION

MOUNTAIN WATER DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 - BUDGET (GAAP BASIS) AND ACTUAL  
 For The Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>OPERATING REVENUES</b>				
Metered Sales-Residential	\$ 6,905,470	\$ 6,905,470	\$ 7,026,179	\$ 120,709
Metered Sales-Commercial	602,937	602,937	565,100	(37,837)
Sewage Revenue	2,202,415	2,202,415	1,992,882	(209,533)
Metered Sales-Multi-Family	292,404	292,404	304,496	12,092
Metered Sales-Public Authorities	377,983	377,983	389,277	11,294
Other Water Service Revenue	411,190	411,190	207,619	(203,571)
Service Connection Fees	0	0	182,163	182,163
Metered Sales-Industrial	59,624	59,624	59,746	122
Fire Protection Revenue	1,125	1,125	1,525	400
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 10,853,148</b>	<b>\$ 10,853,148</b>	<b>\$ 10,728,987</b>	<b>\$ (124,161)</b>
<b>OPERATING EXPENSES</b>				
Depreciation	\$ 4,231,274	\$ 4,231,274	\$ 4,197,559	\$ 33,715
Water Purchased	1,217,563	1,217,563	1,170,994	46,569
Material and Supplies	1,482,702	1,482,702	579,090	903,612
Wages	2,381,124	2,381,124	2,339,537	41,587
Contract Service-Accounting	73,519	73,519	77,590	(4,071)
Education, Dues and Meetings	0	0	37,812	(37,812)
Employee Benefits	408,557	408,557	448,440	(39,883)
Contract Service-Legal Engineering	138,897	138,897	245,482	(106,585)
Easements	0	0	7,316	(7,316)
PSC Tax Assessment	12,000	12,000	20,725	(8,725)
Payroll Taxes	179,861	179,861	155,925	23,936
Property Taxes	21,065	21,065	155,925	(134,860)
Retirement Expense	599,654	599,654	815,482	(215,828)
Settlement Fees	0	0	27,647	(27,647)
Sewage fees	0	0	78,284	(78,284)
Repairs and Maintenance	0	0	929,993	(929,993)
Utilities	1,442,855	1,442,855	1,449,102	(6,247)
Telephone Expense	0	0	56,026	(56,026)
Bad debts	50,000	50,000	60,361	(10,361)
Advertising	2,887	2,887	3,841	(954)
Rent	0	0	9,000	(9,000)
Transportation	123,234	123,234	0	123,234
Insurance	198,626	198,626	146,136	52,490
Miscellaneous	578,809	578,809	0	578,809
Amortization Expense	0	0	3,440	(3,440)
<b>Total Operating Expenses</b>	<b>\$ 13,142,627</b>	<b>\$ 13,142,627</b>	<b>\$ 13,015,707</b>	<b>\$ 126,920</b>
<b>Operating Income (Loss)</b>	<b>\$ (2,289,479)</b>	<b>\$ (2,289,479)</b>	<b>\$ (2,286,720)</b>	<b>\$ 2,759</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Gain On Sale of Assets	\$ 0	\$ 0	\$ 5,823	\$ 5,823
Interest Income	6,200	6,200	3,905	(2,295)
Interest Expense	(426,154)	(426,154)	(356,314)	69,840
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (419,954)</b>	<b>\$ (419,954)</b>	<b>\$ (346,586)</b>	<b>\$ 73,368</b>
<b>NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET POSITION</b>	<b>\$ (2,709,433)</b>	<b>\$ (2,709,433)</b>	<b>\$ (2,633,306)</b>	<b>\$ 76,127</b>
<b>CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET POSITION</b>				
Government and State Grants	\$ 2,426,718	\$ 2,426,718	\$ 5,554,096	\$ (3,127,378)
Customers through Tap-on Fees	100,000	100,000	130,190	(30,190)
<b>CAPITAL CONTRIBUTIONS AND OTHER CHANGES IN NET POSITION</b>	<b>\$ 2,526,718</b>	<b>\$ 2,526,718</b>	<b>\$ 5,684,286</b>	<b>\$ (3,157,568)</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (182,715)</b>	<b>\$ (182,715)</b>	<b>\$ 3,050,980</b>	<b>\$ (3,081,441)</b>

**MOUNTAIN WATER DISTRICT**  
**County Employees Retirement System Non-Hazardous**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Last Ten Fiscal Years \*\*

	2020-2021	2019-2020	2018-2019	2017-18	2016-17	2015-16	2014-15
<b>Schedule of the District's Proportionate Share of the Net Pension Liability</b>							
District's proportion of the net pension liability	0.083070%	0.085027%	0.084444%	0.08172%	0.07050%	0.00492%	0.00499%
District's proportionate share of the net pension liability	5,296,364	6,521,501	5,938,492	4,976,000	4,127,000	242,000	163,000
District's covered-employee payroll	2,264,929	2,116,759	2,286,000	2,081,000	1,966,000	857,000	150,000
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	233.84239%	308.08897%	259.77655%	239.11581%	209.91862%	28.23804%	108.66667%
Plan fiduciary net position as a percentage of the total pension liability	47.81000%	50.45000%	53.54000%	53.54000%	53.32000%	55.50000%	59.97000%

	2020-2021	2019-2020	2018-2019	2017-18	2016-17	2015-16	2014-15
<b>Schedule of District Contributions</b>							
Contractually required contribution	\$ 409,513	\$ 420,346	\$ 502,000	\$ 524,000	\$ 485,000	\$ 194,000	\$ 26,000
Contributions in relation to the contractually required contribution	409,513	420,346	502,000	524,000	485,000	194,000	26,000
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
District's covered payroll	2,264,929	2,116,759	2,286,000	2,081,000	1,966,000	857,000	150,000
Contributions as a percentage of covered-employee payroll	18.0806%	19.8580%	21.9598%	25.1802%	24.6694%	22.6371%	17.3333%

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See independent auditor's report and accompanying notes to the financial statement.

**MOUNTAIN WATER DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE**  
**NET OPEB LIABILITY - MEDICAL INSURANCE PLAN**  
**County Employees Retirement Plan**  
Last 10 Fiscal Years\*  
For The Year Ended December 31, 2021

	2021	2020	2019	2018	2017
District's proportion of the collective net OPEB liability (asset)	0.083051%	0.085020%	0.084440%	0.081720%	0.070500%
District's proportionate share of the collective net OPEB liability (asset)	\$ 1,589,970	\$ 2,052,540	\$ 1,420,000	\$ 1,450,000	\$ 1,417,000
Total	<u>\$ 1,589,970</u>	<u>\$ 2,052,540</u>	<u>\$ 1,420,000</u>	<u>\$ 1,450,000</u>	<u>\$ 1,417,000</u>
District's covered-employee payroll	2,264,929	2,116,759	2,286,000	2,081,000	1,966,000
District's proportionate share of the collective net OPEB liability (asset) as a percentage of its covered-employee payroll	70.200%	96.966%	62.117%	69.678%	72.075%
Plan fiduciary net position as a percentage of the total OPEB liability	62.907%	51.670%	60.438%	57.622%	52.394%

\* The amounts presented for each fiscal year were determined as of June 30.

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See independent auditor's report and accompanying notes to the financial statement.

**MOUNTAIN WATER DISTRICT**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS - MEDICAL INSURANCE PLAN**  
**County Employees Retirement Plan**  
 Last 10 Fiscal Years\*  
 For The Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 148,010	\$ 146,388	\$ 136,273	\$ 293,282	\$ 239,749
Contributions in relation to the					
Contractually required contribution	(148,010)	(146,388)	(136,273)	(293,282)	(239,749)
Contribution deficiency (excess)	<u>\$ 0</u>				
District's covered-employee payroll	\$ 2,264,929	\$ 2,116,759	\$ 2,286,000	\$ 2,081,000	\$ 1,966,000
Contributions as a percentage of covered- employee payroll	6.53%	6.92%	5.96%	14.09%	12.19%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See independent auditor's report and accompanying notes to the financial statement.

MOUNTAIN WATER DISTRICT

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION-  
POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
DECEMBER 31, 2021

*Changes of benefit terms* – None

*Actuarial Assumptions and Methods:* Total pension liability for CERS was determined by actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2019
Experience Study	July 1, 2013 - June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	30 years, closed period at June 30, 2019, <i>Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases</i>
Payroll Growth Rate	2.0% for CERS Nonhazardous and Hazardous, and 0.0% for KERS Nonhazardous and Hazardous
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Inflation	2.30 percent
Salary Increases	3.30% to 10.30%, varies by service for CERS Nonhazardous; 3.55% to 19.05%, varies by service for CERS Hazardous; 3.30% to 15.30%, varies by service for KERS Nonhazardous; 3.55% to 20.05%, varies by service for KERS Hazardous
Investment Rate of Return	6.25%
Mortality	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Healthcare Trend Rates	
Pre - 65	Initial trend starting at 6.30% at January 1, 2023, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years.
Post - 65	Initial trend starting at 6.30% in 2023, then gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years
Phase-in Provision	District certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018 for CERS Non-Hazardous and Hazardous

*Plan description* – Employees of the District are provided OPEBs through the County Employees Retirement System (CERS)—a cost-sharing, multiple-employer defined benefit OPEB plan administered by the Kentucky General Assembly. CERS issues a publicly available financial report that can be obtained at <https://kyret.ky.gov>.

The Board reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the CERS Medical Insurance and Life Insurance Plans. The following information is about the CERS plans:

**Medical Insurance Plan**

Plan description – Under the provisions of Kentucky Revised Statute Section 61.701, the KRS Board administers

MOUNTAIN WATER DISTRICT

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION-  
POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
DECEMBER 31, 2021

the Kentucky Retirement Systems Insurance Fund. The statutes provide for a single insurance fund to provide group hospital and medical benefits to retirees drawing a benefit from the three pension funds administered by KRS: (1) KERS; (2) CERS; and (3) SPRS. The assets of the Insurance Fund are also segregated by plan.

Benefits provided – The Kentucky Retirement Systems' Insurance Fund (Insurance Fund) was established to provide hospital and medical insurance for eligible members receiving benefits from KERS, CERS, and SPRS. The eligible non-Medicare retirees are covered by the Department of Employee Insurance (DEI) plans. KRS submits the premium payments to DEI. The Board contracts with Humana to provide health care benefits to the eligible Medicare retirees through a Medicare Advantage Plan. The Insurance Fund pays a prescribed contribution for whole or partial payment of required premiums to purchase hospital and medical insurance.

As a result of House Bill 290 (2004 Kentucky General Assembly), medical insurance benefits are calculated differently for members who began participating on, or after, July 1, 2003. Once members reach a minimum vesting period of 10 years, non-hazardous employees whose participation began on, or after, July 1, 2003, earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Hazardous employees whose participation began on, or after, July 1, 2003 earn \$15 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. Upon death of a hazardous employee, the employee's spouse receives \$10 per month for insurance benefits for each year of the deceased employee's earned hazardous service. This dollar amount is subject to adjustment annually, which is currently 1.5%, based upon Kentucky Revised Statutes. This benefit is not protected under the inviolable contract provisions of Kentucky Revised Statute 16.652, 61.692 and 78.852. The Kentucky General Assembly reserves the right to suspend or reduce this benefit if, in its judgment, the welfare of the Commonwealth so demands.

Contributions: Funding for CERS is provided by members who contribute 5% (6.00% for employees hired after September 1, 2008) of their salary through payroll deductions and by employers of members who contribute 17.06% of the member's salary. The contribution requirements of CERS are established and may be amended by the CERS Board of Trustees.

The District's proportion of the collective net OPEB liability and OPEB expense was determined using the employers' actual contributions for Fiscal Year 2021. This method is expected to be reflective of the employers' long-term contribution effort. At June 30, 2021, the District's proportion for the nonhazardous was .083051%.

OPEB Liability: For the period ending December 31, 2021, the District reported a liability of \$1,589,970 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined.

MOUNTAIN WATER DISTRICT

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION-  
POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
DECEMBER 31, 2021

For the year ended December 31, 2021, the District recognized OPEB expense of \$232,459 (this is from tables for pension plan year ending 06/30/21, for nonhazardous in total. The District also reported deferred outflows of resources and deferred inflows of resources related to pensions as the following:

	Deferred Outflows	Deferred Inflows
Liability Experience	\$ 250,023	\$ 474,712
Assumption Changes	421,531	1,478
Investment Experience	80,107	328,836
Change in Proportion & Differences Between Employer Contribution & Proportionate Share of Plan Contributions	90,168	36,088
District Contributions Subsequent to the Measurement Date	11,074	0
	<u>\$ 852,903</u>	<u>\$ 841,114</u>

The District's deferred outflows of resources of \$11,074 related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources as of December 31, 2021 will be recognized into OPEB expense (benefit) as follows:

Year Ending	
2022	\$ 77,972
2023	29,036
2024	4,668
2025	(99,887)
2026	0
thereafter	0
	<u>\$ 11,789</u>

**Net OPEB Liability:** The District 's net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years. Several factors are considered in evaluating the long-term rate of return assumptions including long-term historical data., estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which cover a longer time frame. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

MOUNTAIN WATER DISTRICT

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION-  
POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
DECEMBER 31, 2021

The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the table.

Asset Class Target	Target Allocation	Long-Term Expected Real Rate of Return
<b>Growth</b>		
US Equity	21.75%	5.70%
Non-US Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
<b>Liquidity</b>		
Core Bonds	10.00%	0.00%
Cash	1.50%	-0.60%
<b>Diversifying Strategies</b>		
Real Estate	10.00%	5.40%
Opportunistic	0.00%	N/A
Real Return	10.00%	4.55%

*Discount Rate;* The projection of cash flows used to determine the discount rate of 6.25% for CERS Nonhazardous and CERS Hazardous assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy established in Statute as amended by House Bill 362 (passed in 2018) over the remaining 30 years (closed) amortization period of the unfunded actuarial accrued liability.

The projection of cash flows used to determine the discount rate of 5.25% for the KERS Nonhazardous, and 6.25% for KERS Hazardous, assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy, established in Statute as amended by House Bill 8, passed during the 2021 legislative session, over the remaining 30 years (closed) amortization period of the unfunded actuarial accrued liability.

The discount rate determination does not use a municipal bond rate. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the Annual Comprehensive Financial Report (ACFR).

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate  
The following presents the District's proportionate share of the net OPEB liability calculated using the discount rates of 5.20%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower, (4.20%), or 1 percentage point higher, (6.20%), than the current rate:

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
District's Share of the Net OPEB Liability	\$2,183,017	\$1,589,970	\$1,103,277

MOUNTAIN WATER DISTRICT

NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION-  
POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
DECEMBER 31, 2021

*Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates:* The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
District's Share of the Net OPEB Liability	\$1,144,589	\$1,589,970	\$2,127,551

*OPEB Plan Fiduciary Net Position:* Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report.

**MOUNTAIN WATER DISTRICT**  
**BOARD MEMBERS AND OTHER OFFICERS OF THE BOARD**  
**DECEMBER 31, 2021**

<u>NAME</u>	<u>Title</u>
Johnny Denison	Chairman
Randy Tackett	Vice-Chairman
Paul Chaney	Commissioner
Myrtle Runyon	Secretary
Kevin Varney	Treasurer
Roy Sawyer	District Manager
Carrie Hatfield	Chief Financial Officer

**OTHER REPORTS REQUIRED  
BY GOVERNMENT AUDITING STANDARD**

**Wallen, Puckett, & Anderson, psc**  
CERTIFIED PUBLIC ACCOUNTANTS

106 Fourth Street • Post Office Box 1349 • Pikeville, Kentucky 41502

J. Don Wallen, CPA  
L. Kevin Puckett, CPA  
James K. Anderson, CPA  
Johnny C. Cornett, CPA  
Johnny K. White, CPA

606-432-8833  
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners  
Mountain Water District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Mountain Water District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Mountain Water District's basic financial statements, and have issued our report thereon dated September 23, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Mountain Water District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mountain Water District's internal control. Accordingly, we do not express an opinion on the effectiveness of Mountain Water District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Mountain Water District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

WALLEN, PUCKETT, AND ANDERSON, P. S. C.

*Wallen, Puckett and Anderson, PLLC*

Certified Public Accountants  
Pikeville, Kentucky

September 23, 2022

**Wallen, Puckett, & Anderson, PSC**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners  
Mountain Water District

**Report on Compliance for Each Major Federal Program**  
***Opinion on Each Major Federal Program***

We have audited Mountain Water District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Mountain Water District's major federal programs for the year ended December 31, 2021. Mountain Water District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Mountain Water District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Mountain Water District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Mountain Water District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Mountain Water District's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Mountain Water District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Mountain Water District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Mountain Water District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Mountain Water District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Mountain Water District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

WALLEN, PUCKETT, AND ANDERSON, P. S. C.

*Wallen, Puckett and Anderson, PSC*

Certified Public Accountants  
Pikeville, Kentucky

September 23, 2022

FEDERAL FINANCIAL ASSISTANCE

MOUNTAIN WATER DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM OR CLUSTER TITLE	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<b><u>RURAL DEVELOPMENT</u></b>			
Appalachian Regional Commission	10.760	N/A	\$ 472,052
Belfry Sewer	10.760	N/A	674,140
Radio Read - RD Grant	10.760	N/A	215,212
Radio Read - RD Loan	10.760	N/A	276,411
Total U.S. Department of Agriculture			<u>\$ 1,637,815</u>
<b><u>U. S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<u>Federal Emergency Management Agency</u>			
<u>Kentucky Division of Emergency Management</u>			
FEMA DR 1925 KY Hazard Mitigation Grant Program	97.039	PON2 095 1300000008	\$ 136,868
Total U.S. Department of Homeland Security			<u>\$ 136,868</u>
Total Expenditures of Federal Awards			<u>\$ 1,774,683</u>

MOUNTAIN WATER DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2021

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Mountain Water District under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Mountain Water District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Mountain Water District.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATE

Mountain Water District has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

NOTE D – LOAN BALANCES

Loans from the US Department of Agriculture, Rural Development.

Loan 91-40 WTP	\$	534,000
Bond 91-45 Radio Read		3,033,000
Belfry WW		3,653,000
Bond 91-33		1,293,000
Bond – Shelby Sewer Project		545,000
Bond 91-01 Phelps Sewer		316,000
Bond 91-24 Russell Fork WTP		537,000

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

MOUNTAIN WATER DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Year Ended December 31, 2021

SECTION I – SUMMARY OF AUDITORS’ RESULTS

1. The auditor’s report expresses an unmodified opinion on whether the financial statements of Mountain Water District were prepared in accordance with GAAP.
2. No significant deficiencies were disclosed during the audit of the financial statements. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Mountain Water District were disclosed during the audit.
4. No significant deficiency in internal control over major federal award programs disclosed during the audit. No material weaknesses are reported.
5. The auditor’s report on compliance for the major federal award programs for Mountain Water District expresses an unmodified opinion on all major federal programs.
6. No Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:

Name	CFDA #
U.S. Department of Agriculture / Rural Development / Belfry Sewer	10.760
U.S. Department of Agriculture / Rural Development / Radio Read	10.760

8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Mountain Water District was determined to be a low-risk auditee.

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT

There were no findings related to federal awards.

SECTION III – FINDINGS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings or questioned costs related to the major federal programs which are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance.

MOUNTAIN WATER DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

December 31, 2021

There were no Findings on the District's prior audit report.

# **EXHIBIT 14**

Depreciation Schedule was filed separately as  
013\_DepreciationSchedule.xlsx

# **EXHIBIT 15**

## COMPUTER SOFTWARE USED TO DEVELOP APPLICATION AND EXHIBITS

<b>Software</b>	<p>Microsoft Word  Microsoft Excel 365  Acrobat Reader DC  Kofax Power PDF  Accounting CS Software Package  United Systems Alliance Suite</p>
<b>Uses for Application</b>	<p><b>Microsoft Word:</b> Word processing; preparation of exhibits  <b>Microsoft Excel:</b> preparation of rate study, billing analysis; recording/extraction of financial information  <b>Adobe Acrobat Pro DC:</b> conversion of electronic documents into format acceptable for electronic filing with Public Service Commission; viewing documents in portable document format  <b>Adobe Acrobat Reader DC:</b> viewing documents in portable document format  <b>Kofax Power PDF Advanced:</b> conversion of electronic documents into format acceptable for electronic filing with Public Service Commission; viewing documents in portable document format  <b>Accounting CS:</b> Financial record storage; preparation of summary reports; maintenance of billing and operations records</p>
<b>Description of Software</b>	<p><b>Microsoft Word:</b> Word processing software  <b>Microsoft Excel:</b> Spreadsheet software  <b>Adobe Acrobat Pro DC:</b> Publishing software  <b>Adobe Acrobat Reader DC:</b> PDF viewing software  <b>Kofax Power PDF:</b> Publishing Software  <b>Accounting CS Software Package:</b> Financial/Operations recordkeeping software  <b>United Systems Alliance Suite:</b> Financial/Operations recordkeeping software</p>
<b>Software Suppliers</b>	<p><b>Microsoft:</b> Word, Excel  <b>Adobe:</b> Acrobat Pro DC; Acrobat Reader DC  <b>Kofax:</b> Kofax Power PDF Advanced  <b>Thomason-Reuters:</b> Accounting CS Software Package  <b>United Systems:</b> Alliance Software Package</p>
<b>Minimum Specifications To Operate All Listed Software</b>	<p><b>Computer/Processor:</b> 1 gigahertz (GHz) or faster x86-bit or x64-bit processor with SSE2  <b>Memory:</b> 1 GB RAM  <b>Hard disk:</b> 3.0 GB of available disk space  <b>Display:</b> 1366 x 768 screen resolution  <b>Operating system:</b> Windows 7 or higher</p>

# **EXHIBIT 16**

## **Summary Information from the Financials**

**August 23, 2021**

### **Balance Sheet as of July**

- Cash in Bank is \$391,559.10
- Accounts Receivable \$1,160,179.28
- Plant in place is \$164,901,275.94
- Accounts Payable is \$194,494.14
- Equity is \$67,219,090

### **Income Statement –July/Year to Date**

- Revenue \$944,929 /6,180,189
- Utility Operating Expenses \$1,098,704/7,110,567
- Income (Loss) (\$ 187,242)/ \$ (1,165,507)
- Included in the loss is Depreciation of (\$335,997/ (\$2,339,608)
- Operating income was negative in the amount of (\$153,775) this month.

### **Cash Flow Statement**

- Cash increased by \$7,878

### **Additional Comments**

- Our current Operating account balance was \$375,176
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$861,528 and \$870,306 respectively. Our O&M Reserve is \$384,063
- We are going to transfer to the sinking fund \$83,500 to ensure we have money to pay our debt service. Also, we are transferring \$6,600 to our O & M Reserve.
- There were three payrolls in the month of July.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of July 31, 2021 and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>Current Assets</b>		
Cash In Bank	\$ 391,559.10	\$ 260,677.60
Accounts Receivable	1,160,179.28	1,204,808.70
Clearing Accounts	92,339.87	18,995.89
Inventory	279,476.25	322,594.50
Other Current Assets	<u>3,447,762.65</u>	<u>3,268,250.75</u>
<b>Total Current Assets</b>	<u>5,371,317.15</u>	<u>5,075,327.44</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,841,727.68	4,802,205.74
Water Treatment Plant	10,207,654.70	9,876,152.70
Transmission & Distribution Plant	97,796,163.30	96,404,616.81
Water General Plant	4,730,776.23	4,480,655.35
Sewer General Plant	37,366,832.66	36,981,849.03
Construction in Progress	<u>9,958,121.37</u>	<u>6,869,466.95</u>
Total Plant In Service	164,901,275.94	159,414,946.58
Less Accumulated Depreciation	<u>(72,660,987.07)</u>	<u>(68,509,083.86)</u>
<b>Net Capital Assets</b>	<u>92,240,288.87</u>	<u>90,905,862.72</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(24,956.64)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>67,359.53</u>
<b>Total Non Current Assets</b>	<u>92,304,208.05</u>	<u>90,973,222.25</u>
<b>Total Net Assets</b>	<u>\$ 97,675,525.20</u>	<u>\$ 96,048,549.69</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,493,870.59</u>	<u>\$ 2,493,870.59</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of July 31, 2021 and 2020**

**Liabilities and Net Assets**

	<b>2021</b>	<b>2020</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 194,494.14	\$ 318,891.43
Current Portion Due - Notes Payable	1,363,902.00	1,140,214.00
Customer Deposits	428,785.45	404,214.90
Accrued Payroll and Related Expenses	147,073.38	182,943.83
Accrued Interest - Long Term Debt	<u>232,631.47</u>	<u>187,515.07</u>
<b>Total Current Liabilities</b>	<u>2,366,886.44</u>	<u>2,233,779.23</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	7,358,331.00	7,358,331.00
Notes Payable	4,021,975.13	5,925,419.18
Notes Payable - Ky Infrastructure Authority	4,366,751.33	4,889,573.81
Notes Payable - Rural Development	10,083,900.00	3,421,000.00
Advances for Construction	5,375,878.57	6,338,791.78
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,140,214.00)</u>
<b>Total Long-Term Liabilities</b>	<u>29,842,934.03</u>	<u>26,792,901.77</u>
<b>Total Liabilities</b>	<u>32,209,820.47</u>	<u>29,026,681.00</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	740,485.00	740,485.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,165,506.61)	(1,121,772.88)
Contributions in aid of Construction	60,917,479.32	62,567,923.01
Tap-On-Fees	<u>7,467,117.61</u>	<u>7,329,104.15</u>
<b>Total Net Position</b>	<u>67,219,090.32</u>	<u>68,775,254.28</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended July 31, 2021</b>	<b>7 Months Ended July 31, 2021</b>
<b>Operating Revenue</b>	\$ 944,929.18	\$ 6,180,189.38
<b>Total Operating Revenue</b>	<u>944,929.18</u>	<u>6,180,189.38</u>
<b>Operating Expenses</b>		
Water Supply Expense	19,046.28	100,032.42
Water Purchases	98,695.88	703,821.11
Electricity Expense	122,901.49	852,099.02
Repairs & Maintenance - Sewer	15,320.02	60,783.19
Repairs & Maintenance - Water	59,857.20	302,396.43
Transmission & Distribution Expense	112,770.49	680,060.60
Customer Service Expense	51,749.39	293,411.71
Administrator Expense	(90.53)	982.81
Sewer Expense	63,807.26	344,646.48
General & Administrative	<u>218,649.82</u>	<u>1,432,725.89</u>
<b>Total Operating Expenses</b>	762,707.30	4,770,959.66
Depreciation Expense	<u>335,996.60</u>	<u>2,339,607.60</u>
<b>Utility Operating Expense</b>	<u>1,098,703.90</u>	<u>7,110,567.26</u>
<b>Utility Operating Income (Loss)</b>	<u>(153,774.72)</u>	<u>(930,377.88)</u>
<b>Non Operating Revenue</b>		
Interest Income	240.56	2,249.74
Interest Expense	<u>(33,707.67)</u>	<u>(237,378.47)</u>
<b>Total Non Operating Revenue</b>	<u>(33,467.11)</u>	<u>(235,128.73)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (187,241.83)	\$ (1,165,506.61)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>9,412.50</u>	<u>91,824.95</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>9,412.50</u>	<u>91,824.95</u>
<b>Change in Net Position</b>	<u>(177,829.33)</u>	<u>(1,073,681.66)</u>
<b>Net Position, beginning of period</b>	<u>67,396,919.65</u>	<u>68,292,771.98</u>
<b>Net Position, end of period</b>	<u>\$ 67,219,090.32</u>	<u>\$ 67,219,090.32</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 7 Months Ended July 31, 2021**

	<b>1 Month Ended July 31, 2021</b>	<b>7 Months Ended July 31, 2021</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (187,241.83)	\$ (1,165,506.61)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	2,339,607.60
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(46,714.60)	65,837.42
Other Current Assets	88,737.97	43,965.70
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(42,571.14)	(66,893.72)
Accrued Interest	(59,373.87)	14,794.47
Advances for Construction	37,342.61	826,788.47
Accrued Liabilities	31,793.12	60,648.96
Tap on Fees	9,412.50	91,824.95
Customer Deposits	10,442.06	60,649.34
Clearing Accounts	(23,197.20)	(35,590.35)
Total Adjustments	<u>341,868.05</u>	<u>3,401,632.84</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>154,626.22</u>	<u>2,236,126.23</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(11,421.82)	(291,988.55)
Construction in Progress	(92,033.80)	(1,254,745.68)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(103,455.62)</u>	<u>(1,546,734.23)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	0.00	113,724.85
Notes Payable Repayments	(43,292.25)	(807,409.50)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(43,292.25)</u>	<u>(693,684.65)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	7,878.35	(4,292.65)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>383,680.75</u>	<u>392,242.99</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 391,559.10</u>	<u>\$ 391,559.10</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of July 31, 2021 and 2020**

**ASSETS:**

	<b>2021</b>	<b>2020</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 375,176.39	\$ 255,755.51
CTB-MWD Payroll Account	16,062.53	4,601.91
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>391,559.10</b>	<b>260,677.60</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	832,297.77	924,771.59
RECEIVABLE - RETURNED CHECKS	16,508.99	12,265.62
RECEIVABLE - OTHER FEES, ETC..	12,994.79	(30,180.97)
A/R - CIP - SEWER	0.00	15,386.40
RECEIVABLE - SEWER REVENUE	321,807.64	276,832.00
PROVISION FOR UNCOLLECTIBLES	(23,429.91)	5,734.06
<b>Total Accounts Receivable:</b>	<b>1,160,179.28</b>	<b>1,204,808.70</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	92,339.87	18,995.89
<b>Total Clearing Accounts:</b>	<b>92,339.87</b>	<b>18,995.89</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	278,711.96
BB & T - Sinking Fund	181,159.71	244,487.92
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	27.62	255.61
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	386,509.78
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	39,208.52	33,425.96
CTB - O & M RESERVES	384,063.14	304,529.00
Community Trust Bank - Misc Line Extension	4,898.43	4,893.53
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	24,506.61	8,549.85
CTB - R & M RESERVE	870,306.14	869,436.39
CTB - Dist Wide WW Tap Fees	36,677.80	26,989.61

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of July 31, 2021 and 2020**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,914.01	609.00
MWD PHELPS UPGRADE ACCT.	3,516.98	33,516.98
CTB- Recycling Revenue Acct.	40,494.96	35,741.80
MWD DEPRECIATION RESERVE ACCOUNT	861,600.72	860,590.22
CTB. PCFC Projects	82,979.70	106,466.64
CTB - R & M REIMBURSEMENT ACCT.	2,658.05	8,589.90
CTB-MWD Escrow Account	100.00	0.00
MWD INSURANCE SWEEP ACCOUNT	743.25	815.45
MWD Meter Replacement Project	229,704.61	0.00
New Customer Deposit Acct.	436,460.82	0.00
Prepaid Expense-WC	0.00	45,485.57
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,447,762.65</b>	<b>3,268,250.75</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of July 31, 2021 and 2020**

**LIABILITIES:**

	<b>2021</b>	<b>2020</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	(767.04)
FEDERAL INCOME TAX WITHHELD	2,883.44	19,983.51
KY INCOME TAX WITHHELD	17,742.78	3,309.48
ACCRUED FUTA	2,431.39	2,319.44
Accrued CERS	78,125.84	120,312.21
Accrued County Withheld	2,540.42	2,491.90
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	29,937.26	33,745.00
<b>Total Employee Related Payables</b>	<b>147,073.38</b>	<b>182,943.83</b>

**Other Current Liabilities:**

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,316,921.24	3,625,785.81
US Bank Big Creek Water Loan	35,600.74	76,803.00
#154 fORD f250 2017	97.97	8,227.97
# 155 CTB	5,811.39	5,238.73
CTB V# 156	4,818.06	11,280.35
CTB V # 157 2018 GMC Sierra	5,044.46	11,757.77
CTB LOC - COAL SEV 2005	0.00	939.39
CTB 158 & 159	17,972.16	34,733.18
WELLS FARGO MINI EXCAVATOR	1,964.37	14,218.88
CTB # 161	3,151.93	13,393.64
CTB- 160	0.00	36,596.51
CTB -162	17,983.64	(956.38)
CTB- #163 2019 Ford 350	41,650.91	0.00
#165 Ford F-250 2021	27,967.46	0.00
#164 2021 Ford F-250	27,967.46	0.00
#166	27,957.46	0.00
CTB-# 167 Chevrolet Silverado 2500	37,801.37	0.00
Regions Bank Radio Read Project	0.00	1,929,738.23
CTB-LN OF COMMITMENT - FEMA REC	322,012.48	0.00
COMMUNITY TRUST V#148	0.00	10.68
US Bank V#149	0.00	1.51
CTB-V# 150 FORD F-150	0.00	1,475.38
CTB. V# 151 FORD F-150	0.00	492.90
CTB-Boom Truck # CTO-02	0.00	5,375.50
CTB AEP Line of credit	103,066.13	125,078.35
Kobelco mini excavator	1,716.67	25,227.78
2017 Takeunchi Skid Steer	22,125.44	0.00
<b>Total Notes Payable</b>	<b>4,021,975.13</b>	<b>5,925,419.18</b>

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	620,160.88	855,993.30
KIA LOAN B291-01 INDIAN CREEK	41,020.35	56,592.27
KIA LOAN F01-07 WATER PLANT	208,013.69	274,903.42
KIA LOAN A03-06 SO WMSN III	35,036.98	44,825.81

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of July 31, 2021 and 2020**

KIA Shelby III Phase II	192,738.41	210,975.85
KIA-A16-079 Grinder St	250,186.64	264,379.10
KIA-Douglas WWTP	3,019,594.38	3,181,904.06

<b>Total Notes Payable - Ky Infrastructure Authority</b>	4,366,751.33	4,889,573.81
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**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	553,000.00	564,000.00
RD Bond91-45 Radio Read	3,091,900.00	0.00
RD Belfry WW	3,653,000.00	0.00
RD Bond 91-33	1,325,000.00	1,355,000.00
RD Bond - Shelby Sewer Project	580,000.00	594,500.00
RD Bond - 91-01 Phelps Sewer	325,000.00	333,500.00
RD BOND 91-24 RUSSELL FK WTP	556,000.00	574,000.00

<b>Total Notes Payable - Rural Development</b>	10,083,900.00	3,421,000.00
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**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	73,839,898.00
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,589,684.41
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)

<b>Total Contributions in Aid of Construction</b>	113,094,523.90	112,734,780.55
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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of July 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	228,471.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,508,958.55</u>	<u>4,476,654.61</u>
Total Cost of Water Supply Plant	4,841,727.68	4,802,205.74
Less: Accumulated Depreciation	<u>(2,793,125.70)</u>	<u>(2,582,288.26)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 2,048,601.98</b>	<b>\$ 2,219,917.48</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>9,756,756.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	9,876,152.70
Less: Accumulated Depreciation	<u>(3,632,393.94)</u>	<u>(3,341,087.15)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,575,260.76</b>	<b>\$ 6,535,065.55</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,528,131.08
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,833,079.07
WATER SERVICES	6,938,855.36	6,869,919.36
WATER METERS & INSTALLATIONS	7,650,305.48	6,543,259.29
HYDRANTS	<u>1,254,797.39</u>	<u>1,249,034.14</u>
Total Cost of Water Transmission & Distribution Plant	97,796,163.30	96,404,616.81
Less: Accumulated Depreciation	<u>(48,451,276.24)</u>	<u>(46,106,216.41)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 49,344,887.06</b>	<b>\$ 50,298,400.40</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 146,118.68
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,512,327.49	1,278,760.29
TOOLS, SHOP & GARAGE EQUIPMENT	317,801.81	315,496.99
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	315,598.37	311,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	4,730,776.23	4,480,655.35
Less: Accumulated Depreciation	<u>(3,945,415.84)</u>	<u>(3,565,578.04)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 785,360.39</b>	<b>\$ 915,077.31</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,131,344.66
SEWER SERVICES	457,235.46	432,199.02
SEWER METERS & INSTALLATIONS	853,660.70	584,387.04
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	13,449.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,366,832.66	36,981,849.03
Less: Accumulated Depreciation	<u>(13,666,753.86)</u>	<u>(12,741,892.51)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,700,078.80</b>	<b>\$ 24,239,956.52</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of July 31, 2021 and 2020**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 1,196,790.42	\$ 2,146,048.54
CIP-MATERIALS & SUPPLIES	94,920.75	281,423.48
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>8,494,388.71</u>	<u>4,269,973.44</u>
Total Construction in Progress	9,958,121.37	6,869,466.95
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 9,786,099.88</b>	<b>\$ 6,697,445.46</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,240,288.87</u></b>	<b><u>\$ 90,905,862.72</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended July 31, 2021</b>	<b>7 Months Ended July 31, 2021</b>
<b>Water Supply Expense:</b>		
PUMPING LABOR - OPERATIONS	0.00	33.22
WATER TREATMENT LABOR - OPERATIONS	16,794.46	82,768.54
HEALTH INSURANCE - WTP OPERATIONS	2,254.78	16,308.25
DENTAL INSURANCE - WTP OPERATIONS	77.96	363.35
VISION INSURANCE - PUMPING OPER.	0.00	12.14
VISION INSURANCE - WTP OPER.	(15.61)	(55.03)
LIFE INSURANCE - WTP OPER.	(19.50)	500.78
SHORT TERM DISAB. - PUMPING OPER.	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	(45.81)	64.29
<b>Total Water Supply Expenses</b>	<b>19,046.28</b>	<b>100,032.42</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	43,535.88	281,965.31
WATER PURCHASED -PIKEVILLE	55,160.00	421,855.80
<b>Total Water Purchases Expenses</b>	<b>98,695.88</b>	<b>703,821.11</b>
<b>Electricity Expense:</b>		
Electrical Expense	122,901.49	852,099.02
<b>Total Electricity Expenses</b>	<b>122,901.49</b>	<b>852,099.02</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	0.00	2,262.68
Hand Tools R & M Sewer	346.49	2,000.57
PS/LS R & M Sewer	12,017.05	34,513.53
Vehicle R & M Sewer	437.94	821.45
General R & M Sewer	2,518.54	21,184.96
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>15,320.02</b>	<b>60,783.19</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	7,362.91	25,055.09
Hand Tools R & M	460.91	6,130.16
PS/LS R & M	8,099.50	74,613.75
Vehicle R & M	5,006.89	36,234.14
General R & M	37,426.99	154,135.70
General R & M -Telemetry	1,500.00	6,227.59
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>59,857.20</b>	<b>302,396.43</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	91,281.91	516,206.55
T & D LABOR - MAINTENANCE	4,811.50	31,508.71
HEALTH INSURANCE - T & D OPERATIONS	14,558.00	113,535.74
DENTAL INSURANCE - T & D OPERATIONS	290.92	3,361.97
DENTAL INSURANCE - T & D MAINT	0.00	(37.59)
VISION INSURANCE - T & D OPER.	(25.31)	299.03
LIFE INSURANCE - T & D OPER.	(284.30)	(961.81)
LIFE INSURANCE - T & D MAINT.	0.00	4,296.35

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>7 Months Ended</b>
	<b>July 31, 2021</b>	<b>July 31, 2021</b>
SHORT TERM DISAB. - T & D OPER.	(225.48)	(1,243.88)
SHORT TERM DISAB. - T & D MAINT.	(10.50)	1,381.52
UNIFORM EXPENSE (WATER)	2,373.75	11,714.01
<b>Total Transmission &amp; Distribution Expenses</b>	112,770.49	680,060.60
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	33,417.49	183,294.30
ADMIN. & GENERAL LABOR	14,766.37	78,977.83
HEALTH INSURANCE - CUSTOMER ACCOUNTS	3,787.15	23,323.12
DENTAL INSURANCE - CUST. ACCOUNTS	154.86	1,535.43
VISION INSURANCE - CUST. ACCOUNTS	(23.11)	4,888.01
LIFE INSURANCE - CUSTOMER ACCTS	(192.98)	1,217.99
SHORT TERM DISAB. - CUSTOMER ACCTS	(160.39)	175.03
<b>Total Customer Service Expenses</b>	51,749.39	293,411.71
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	121.93	1,202.11
SHORT TERM DISAB. - ADMIN. & GENERAL	(212.46)	(219.30)
<b>Total Administrator Expenses</b>	(90.53)	982.81
<b>Sewer Expense:</b>		
SEWER LABOR	43,648.98	225,421.16
HEALTH INSURANCE - SEWER	4,496.97	31,708.84
DENTAL INSURANCE - SEWER	134.97	1,137.92
VISION INSURANCE - SEWER	(27.06)	(94.49)
LIFE INSURANCE - SEWER	(146.40)	1,251.51
SHORT TERM DISAB. - SEWER	(161.40)	125.73
UNIFORM EXPENSE (WW)	760.84	2,815.10
Sewage Fees	5,807.01	50,223.23
Chemicals-WW	6,627.46	26,179.35
SAFETY SUPPLIES-WW	2,665.89	5,878.13
<b>Total Sewer Expenses</b>	63,807.26	344,646.48
<b>General &amp; Administrative Expense:</b>		
Undistributed	(19.02)	2,150.43
PAYROLL TAXES - FICA & U.C.	18,884.71	105,307.43
COMP COMMISSIONERS - AUTO DIST	2,300.00	15,500.00
COMPENSATION - ADMINISTRATOR	47,403.96	252,860.86
HEALTH INSURANCE - ADMIN. & GENERAL	3,018.38	22,069.76
VISION INSURANCE - ADMIN. & GENERAL	(60.63)	(279.70)
LIFE INSURANCE - ADMIN. & GENERAL	(187.14)	729.18
Employee Expense	660.20	4,006.53
Insurance expense	24,290.00	74,990.84
UTILITY EXPENSE	0.00	5,777.95
LABORATORY SUPPLIES	1,115.48	7,070.33
LABORATORY EXPENSE	1,021.56	4,699.53
Laboratory Testing Expenses	2,817.00	23,195.67
Laboratory Testing Expense	3,273.75	34,532.33
CHEMICALS	0.00	65,963.90
SAFETY SUPPLIES	1,850.10	9,491.09
CONTRACT SERVICE AND ACCOUNTING	0.00	28,489.00

No assurance is given that the financial statements are free from material misstatements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>7 Months Ended</b>
	<b>July 31, 2021</b>	<b>July 31, 2021</b>
CONTRACT SERVICE - LEGAL	0.00	2,722.50
CONTRACT SERVICE-GENERAL	800.00	16,792.49
CONTRACT SERVICES - MANPOWER	18,938.29	87,526.45
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	14,398.25	86,129.74
ADVERTISING	466.20	2,929.58
OTHER LEGAL PSC EXPENSE	537.00	23,601.30
MOBILE PHONE EXPENSE	1,713.33	13,294.94
TELEPHONE/INTERNET	2,312.89	17,798.11
TELEPHONE/INTERNET	240.82	2,046.24
EDUCATION, DUES, MEETINGS, INSURANCE	3,945.40	15,909.17
Office Expense	16,530.33	135,377.83
Easements	0.00	570.88
SETTLEMENT EXPENSES	0.00	1,065.52
SERVICE FEE EXPENSE	56.00	6,605.26
BANK SERVICE FEES EXP	134.90	3,970.43
PSC TAX ASSESSMENT	0.00	20,724.79
Retirement Expense	52,163.76	322,926.75
MISCELLANEOUS SUPPLIES	44.30	203.78
SUPPLIES & EXPENSES TREATMENT (WW)	0.00	6,975.00
<b>Total General &amp; Administrative Expenses</b>	<b>218,649.82</b>	<b>1,432,725.89</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>July 31, 2021</b>	<b>7 Months Ended</b> <b>July 31, 2021</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 601,710.02	\$ 4,007,424.92
METERED SALES - COMMERCIAL	47,167.37	306,187.44
METERED SALES - INDUSTRIAL	5,815.76	30,591.64
METERED SALES - PUBLIC AUTH.	32,612.56	225,626.22
METERED SALES - MULTI FAMILY	25,498.45	179,145.88
FIRE PROTECTION REVENUE	125.00	875.00
CUSTOMER LATE PAYMENT CHARGES	17,628.81	77,392.63
OTHER WATER SERVICE REVENUE	5,236.60	51,787.07
SERVICE CONNECTION FEES	16,860.00	105,084.00
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	90.00
SEWER REVENUE -RESIDENTIAL	149,324.55	936,223.00
SEWER REVENUE - COMMERCIAL	42,950.06	259,761.58
	944,929.18	6,180,189.38
<b>Total Operating Revenue</b>	<b>944,929.18</b>	<b>6,180,189.38</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	08/31/20	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 595,013.18	\$ 567,521.26	\$ 581,368.82	\$ 546,014.49	\$ 629,049.62	\$ 590,459.79	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 6,926,392.29
METERED SALES - COMMERCIAL	57,402.52	89,564.64	36,066.46	54,298.52	68,951.44	40,356.63	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	612,471.02
METERED SALES - INDUSTRIAL	5,182.40	4,752.62	4,503.80	5,039.14	4,858.18	5,144.70	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	54,927.78
METERED SALES - PUBLIC AUTH.	28,705.26	30,262.79	31,180.20	29,534.79	27,518.62	30,584.98	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	372,827.88
METERED SALES - MULTI FAMILY	23,689.07	25,921.56	24,240.92	24,030.66	23,409.65	26,871.55	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	300,437.74
FIRE PROTECTION REVENUE	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,375.00
CUSTOMER LATE PAYMENT CHARGES	(103.93)	0.00	0.00	(21.13)	0.00	0.00	0.00	0.00	(143.14)	15,047.63	15,552.00	17,628.81	77,267.57
OTHER WATER SERVICE REVENUE	1,036.61	9,820.28	3,124.31	1,021.25	8,275.64	(142.00)	0.00	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	75,065.16
MISC. REVENUES	0.00	0.00	0.00	0.00	105,895.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105,895.20
SERVICE CONNECTION FEES	4,305.00	3,840.00	2,715.00	3,165.00	2,415.00	10,635.00	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	121,524.00
WASTE WATER	30.00	0.00	0.00	103.00	0.00	0.00	0.00	0.00	0.00	30.00	60.00	0.00	223.00
SEWER REVENUE - RESIDENTIAL	129,472.64	128,617.80	124,554.95	116,705.50	69,315.77	132,431.59	123,315.57	119,119.00	123,541.05	140,724.79	138,766.45	149,324.55	1,504,889.66
SEWER REVENUE - COMMERCIAL	36,519.56	41,043.82	41,391.70	37,154.36	33,663.33	33,655.58	32,038.61	33,400.94	36,641.66	39,515.77	41,558.56	42,950.06	449,534.35
<b>Total Sales</b>	<b>881,377.31</b>	<b>901,469.77</b>	<b>849,271.16</b>	<b>817,170.58</b>	<b>973,352.45</b>	<b>870,122.82</b>	<b>803,744.24</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>10,602,830.65</b>
<b>Gross Profit</b>	<b>881,377.31</b>	<b>901,469.77</b>	<b>849,271.16</b>	<b>817,170.58</b>	<b>973,352.45</b>	<b>870,122.82</b>	<b>803,744.24</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>10,602,830.65</b>

<b>Operating Expenses</b>													
Undistributed	0.00	0.00	0.00	(14.46)	204.21	2,151.66	0.00	0.00	0.00	17.79	0.00	(19.02)	2,340.18
DEPRECIATION EXPENSE	230,453.58	230,453.58	230,453.58	230,453.58	552,763.23	230,453.58	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,228,121.65
AMORTIZATION EXPENSE	0.00	0.00	0.00	0.00	3,440.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	93,174.42	93,174.42	93,174.42	93,174.42	(33,899.83)	93,174.42	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	924,861.35
PAYROLL TAXES - FICA & U.C.	12,586.63	12,099.24	12,305.64	12,054.79	13,581.01	20,445.55	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	167,934.74
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	0.00	0.00	0.00	33.22	0.00	0.00	0.00	0.00	0.00	33.22
WATER TREATMENT LABOR - OPERATIONS	6,392.50	5,964.00	6,079.00	5,812.00	6,748.00	9,749.63	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	113,764.04
T & D LABOR - OPERATIONS	66,387.22	63,927.45	64,314.09	61,816.96	67,625.69	98,246.24	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	840,277.96
T & D LABOR - MAINTENANCE	6,721.65	3,922.20	3,384.00	3,598.20	4,741.40	6,259.76	6,342.65	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	53,876.16
CUSTOMER ACCOUNTS LABOR	20,925.89	21,382.02	23,586.64	23,496.07	25,160.36	36,114.32	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	297,845.28
ADMIN. & GENERAL LABOR	9,869.71	9,882.68	9,904.06	9,720.50	10,192.89	14,750.93	9,799.31	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	128,547.57
SEWER LABOR	25,711.31	24,186.04	24,429.27	24,418.73	27,207.02	40,490.99	28,990.59	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	351,373.53
COMP. COMMISSIONERS - AUTO DIST	1,500.00	1,500.00	1,500.00	1,500.00	2,500.00	2,000.00	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	24,000.00
COMPENSATION - ADMINISTRATOR	32,212.00	32,212.00	32,212.00	32,212.00	31,962.00	47,308.64	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	413,670.86
HEALTH INSURANCE - WTP	1,243.64	1,978.32	1,379.58	2,363.12	2,363.12	2,254.78	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	25,636.03
OPERATIONS													
HEALTH INSURANCE - T & D	12,660.94	15,384.20	14,289.22	16,063.09	21,532.38	14,555.92	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	193,465.57
OPERATIONS													
HEALTH INSURANCE - T & D	0.00	0.00	0.00	41.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.34
MAINTENANCE													
HEALTH INSURANCE - CUSTOMER	4,795.13	5,406.86	5,382.94	4,087.26	5,791.87	3,787.15	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	48,787.18
ACCOUNTS													

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	08/31/20	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	Total
HEALTH INSURANCE - ADMIN. & GENERAL	1,796.14	2,068.02	2,068.02	3,206.60	3,463.16	3,018.38	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	34,671.70
DENTAL INSURANCE - SEWER	5,945.39	5,490.22	4,857.35	3,222.66	3,979.44	3,046.91	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	55,203.90
DENTAL INSURANCE - WTP OPERATIONS	144.66	74.34	74.34	115.50	115.50	(21.15)	85.01	25.73	85.01	25.78	85.01	77.96	887.69
DENTAL INSURANCE - T & D OPERATIONS	443.17	487.91	481.96	458.51	500.34	488.16	531.33	590.61	531.33	412.92	516.70	290.92	5,733.86
DENTAL INSURANCE - T & D MAINT	0.00	0.00	0.00	(5.37)	(10.74)	(16.11)	(10.74)	(10.74)	0.00	0.00	0.00	0.00	(53.70)
DENTAL INSURANCE - CUST. ACCOUNTS	199.60	199.60	159.92	335.23	225.39	154.87	245.14	245.14	245.14	245.14	245.14	245.14	2,655.17
DENTAL INSURANCE - ADMIN. & GENERAL	191.67	191.67	191.67	191.67	191.67	121.88	191.66	191.66	191.66	191.66	191.66	121.93	2,160.46
DENTAL INSURANCE - SEWER	196.26	196.26	156.74	176.42	176.42	64.99	172.80	196.23	196.23	176.47	196.23	134.97	2,040.02
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	12.14	0.00	0.00	0.00	0.00	0.00	0.00	12.14
VISION INSURANCE - WTP OPER.	(16.12)	1.87	1.87	7.97	7.97	(19.62)	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(4.55)	(51.47)
VISION INSURANCE - T & D OPER.	52.66	76.63	72.71	78.07	86.48	4.86	67.97	54.34	80.72	42.76	73.69	(25.31)	665.58
VISION INSURANCE - CUST. ACCOUNTS	14.63	67.05	61.24	11.05	11.05	(37.71)	4,708.45	74.15	26.87	26.87	112.49	(23.11)	5,053.03
VISION INSURANCE - ADMIN. & GENERAL	(18.19)	(18.19)	(18.19)	(26.05)	(26.05)	(48.49)	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(386.37)
VISION INSURANCE - SEWER	11.32	23.24	0.92	21.34	16.18	(57.88)	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(21.49)
LIFE INSURANCE - WTP OPER.	95.97	61.15	64.90	60.95	60.95	59.10	60.95	89.22	82.94	71.69	156.38	(19.50)	844.70
LIFE INSURANCE - T & D OPER.	(165.16)	(165.16)	(158.51)	(139.66)	(139.66)	(215.69)	(36.89)	(185.40)	(131.27)	(185.40)	(185.40)	(284.30)	(1,729.96)
LIFE INSURANCE - T & D MAINT.	610.20	568.32	610.73	763.44	583.13	617.56	570.75	947.82	698.96	(15.39)	1,476.65	0.00	7,432.17
LIFE INSURANCE - CUSTOMER ACCTS	127.10	219.85	234.75	331.66	174.59	(394.31)	243.42	365.61	281.13	269.70	645.42	(192.98)	2,305.94
LIFE INSURANCE - ADMIN. & GENERAL	138.41	147.77	157.07	296.82	188.73	73.85	148.48	252.94	(216.92)	179.81	478.16	(187.14)	1,657.98
LIFE INSURANCE - SEWER	155.37	155.26	140.29	195.83	135.12	106.79	137.72	240.29	214.68	192.26	506.17	(146.40)	2,033.38
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	0.00	0.00	19.52	0.00	0.00	0.00	36.88	0.00	0.00	0.00	56.40
SHORT TERM DISAB. - WTP OPER.	21.56	2.31	21.83	2.51	2.51	(12.76)	2.51	8.77	45.97	11.69	53.92	(45.81)	115.01
SHORT TERM DISAB. - T & D OPER.	(261.81)	(161.08)	(140.05)	(131.30)	(137.00)	(260.25)	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(2,075.12)
SHORT TERM DISAB. - T & D MAINT.	319.03	185.67	185.67	182.01	272.55	202.61	208.31	198.50	209.77	209.77	363.06	(10.50)	2,526.45
SHORT TERM DISAB. - CUSTOMER ACCTS	197.66	29.47	(0.33)	15.25	15.26	(26.96)	41.05	17.96	73.64	40.40	189.33	(160.39)	432.34
SHORT TERM DISAB. - ADMIN. & GENERAL	44.87	(11.32)	(11.32)	(11.22)	(48.00)	(99.72)	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	(256.29)
SHORT TERM DISAB. - SEWER	68.78	7.41	7.41	(9.65)	(15.35)	(54.57)	2.03	8.02	99.16	41.33	191.16	(161.40)	184.33
UNIFORM EXPENSE (WATER)	2,510.62	1,348.91	4,045.87	2,654.77	1,679.12	1,270.91	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	23,953.30
UNIFORM EXPENSE (ADMIN)	0.00	0.00	0.00	20.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.88
UNIFORM EXPENSE (WW)	771.90	292.43	295.28	386.78	270.70	219.67	217.02	375.71	442.85	316.08	482.93	760.84	4,832.19
Employee Expense	670.24	2,127.34	417.50	4,123.69	1,130.29	1,641.14	249.50	621.70	150.00	428.00	255.99	660.20	12,475.59
Insurance expense	0.00	32,173.72	5,761.90	0.00	(22,913.39)	134.00	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	90,013.07
Water Purchased - Williamson	46,055.98	43,840.40	41,796.47	41,000.42	36,131.52	36,201.25	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	490,790.10
WATER PURCHASED - PIKEVILLE	54,407.46	50,343.35	43,779.31	44,456.99	62,584.34	60,892.70	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	677,427.25
Sewage Fees	9,977.27	10,769.51	12,939.92	15,794.47	13,997.43	10,838.95	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	113,701.83
UTILITY EXPENSE	657.27	657.27	791.64	522.90	657.27	911.43	1,568.70	454.16	1,081.22	881.22	881.22	0.00	9,064.30

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	08/31/20	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	Total
LABORATORY SUPPLIES	136.22	1,466.14	800.30	350.71	38.69	1,389.34	71.55	1,294.21	435.89	887.18	1,876.68	1,115.48	9,862.39
LABORATORY EXPENSE	50.70	0.00	403.94	106.00	299.15	1,442.42	289.81	1,283.94	661.80	0.00	0.00	1,021.56	5,559.32
Laboratory Testing Expenses	0.00	3,237.75	3,276.75	3,037.25	4,566.50	7,095.75	599.00	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	37,313.92
Laboratory Testing Expense	0.00	3,884.50	0.00	2,113.00	1,440.00	8,562.00	7,545.30	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	41,969.83
CHEMICALS	7,039.59	22,870.34	10,910.80	14,897.74	18,432.12	2,519.22	0.00	16,183.78	9,722.91	12,648.54	24,889.45	0.00	140,114.49
Chemicals-WW	1,781.64	0.00	0.00	11,850.60	0.00	5,406.00	11,263.17	2,159.89	1,260.00	1,622.72	0.00	6,627.46	39,811.59
SAFETY SUPPLIES	3,995.52	1,214.97	1,388.22	935.88	736.19	1,856.78	295.57	2,159.89	1,263.07	1,441.24	624.44	1,850.10	17,761.87
SAFETY SUPPLIES-WW	673.51	187.01	49.99	36.76	118.95	73.52	1,873.51	309.40	0.00	176.54	779.27	2,665.89	6,944.35
Electrical Expense	82,370.08	94,260.90	106,754.88	91,717.97	115,970.15	120,136.14	146,245.49	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	1,343,173.00
CONTRACT SERVICE - ACCOUNTING	8,188.00	33,067.00	3,454.00	3,221.00	4,796.00	4,224.00	3,024.00	2,438.00	2,775.00	5,514.00	10,514.00	0.00	81,215.00
CONTRACT SERVICE - LEGAL	0.00	182.50	0.00	928.20	4,125.00	0.00	0.00	2,722.50	0.00	0.00	0.00	0.00	7,958.20
ENGINEERING	0.00	0.00	0.00	0.00	232.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	232.00
CONTRACT SERVICE-GENERAL	5,094.22	12,623.32	11,627.64	17,966.48	13,945.00	1,596.63	3,573.37	7,732.49	850.00	800.00	1,440.00	800.00	78,049.15
CONTRACT SERVICES - MANPOWER	0.00	0.00	0.00	0.00	0.00	0.00	3,909.68	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	87,526.45
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	13,963.61	19,318.58	(4,012.26)	9,140.85	7,649.97	11,335.07	9,494.08	23,022.07	13,868.39	0.00	14,011.88	14,398.25	132,190.49
ADVERTISING	174.50	453.60	0.00	0.00	100.80	0.00	453.60	1,024.38	355.32	630.08	0.00	466.20	3,658.48
OTHER LEGAL PSC EXPENSE	537.00	537.00	537.00	537.00	0.00	537.00	537.00	17,074.50	537.00	3,841.80	537.00	537.00	25,749.30
MOBILE PHONE EXPENSE	1,705.00	1,797.05	2,534.79	1,872.07	2,054.28	1,827.31	1,980.64	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	23,258.13
TELEPHONE/INTERNET	2,636.39	2,274.06	2,947.08	2,013.14	2,695.35	2,782.78	2,547.32	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	30,364.13
TELEPHONE/INTERNET	0.00	162.43	541.32	139.85	270.66	272.81	272.81	107.95	273.55	878.30	0.00	240.82	3,160.50
EDUCATION, DUES, MEETINGS, INSURANCE	1,442.13	1,796.89	3,148.06	2,975.38	1,426.49	2,926.77	1,646.55	1,278.41	523.93	3,155.26	2,432.85	3,945.40	26,698.12
Office Expense	22,088.69	16,295.72	13,262.08	16,512.54	45,816.40	22,192.49	17,478.17	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	249,353.26
Easements	0.00	0.00	0.00	1,500.00	0.00	0.00	545.88	25.00	0.00	0.00	0.00	0.00	2,070.88
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,065.52	0.00	1,065.52
SERVICE FEE EXPENSE	315.35	162.28	20.63	143.30	10,575.10	0.00	20.63	1.10	0.00	22.00	6,505.53	56.00	17,821.92
BANK SERVICE FEES EXP	172.46	384.99	142.96	158.05	9,398.39	160.63	630.45	2,641.27	141.36	129.23	132.59	134.90	14,227.28
Worker's Compensation Insurance	0.00	0.00	10,016.00	10,016.00	78,414.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98,446.96
PSC TAX ASSESSMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	73,019.91	54,306.60	47,725.26	48,706.73	(68,924.88)	37,104.35	62,671.44	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	477,760.37
MISCELLANEOUS SUPPLIES	26.58	17.72	163.65	26.58	240.09	26.58	35.44	26.58	35.44	8.86	26.58	44.30	678.40
Major Equipment R & M	7,394.53	9,171.95	8,531.17	4,923.65	89.17	1,597.15	1,587.67	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	55,165.56
Major Equipment R & M Sewer	0.00	0.00	0.00	0.00	0.00	126.85	190.00	959.42	79.35	373.76	533.30	0.00	2,262.68
Hand Tools R & M	140.36	1,114.37	448.54	826.52	1,168.65	1,447.88	69.97	349.22	1,742.29	1,283.41	776.48	460.91	9,828.60
Hand Tools R & M Sewer	120.10	0.00	230.75	54.88	105.92	355.97	820.12	99.98	98.94	57.87	221.20	346.49	2,512.22
PS/LS R & M	12,201.84	11,674.30	5,125.31	20,073.81	9,316.47	15,122.73	1,743.63	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	133,005.48
PS/LS R & M Sewer	6,632.44	8,984.06	8,904.61	6,643.44	5,784.73	2,164.83	0.00	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	71,462.81
Vehicle R & M	6,291.51	3,644.30	2,950.47	4,498.00	3,773.58	4,267.22	3,622.91	11,378.96	2,471.38	5,457.94	4,028.84	5,006.89	57,392.00
Vehicle R & M Sewer	0.00	0.00	114.99	0.00	0.00	0.00	153.74	205.43	8.55	15.39	0.00	437.94	936.44
General R & M	18,587.20	15,404.99	67,821.89	28,508.27	159,494.30	5,508.59	22,161.23	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	443,952.35
General R & M Sewer	4,770.68	2,963.18	5,779.57	144.00	3,529.71	1,752.72	662.80	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	38,372.10
General R & M - Insurance										1,287.00	2,199.91	1,500.00	6,227.59

No substantiality provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	08/31/20	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	Total
R & M Leak Det.	650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	650.00
SUPPLIES & EXPENSES TREATMENT (MMV)	0.00	0.00	1,125.00	1,125.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	10,350.00
INTEREST EXPENSE - TERM DEBT	30,735.09	31,160.58	30,464.11	30,558.73	(33,192.58)	29,887.86	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	298,859.40
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	4,035.00	90,556.97	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	134,941.97
<b>Total Operating Expenses</b>	<u>966,968.38</u>	<u>1,031,578.29</u>	<u>992,667.82</u>	<u>981,403.12</u>	<u>1,341,469.42</u>	<u>1,037,213.89</u>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>12,662,032.11</u>
<b>Operating Income (Loss)</b>	<u>(85,591.07)</u>	<u>(130,108.52)</u>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(368,116.97)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(2,059,202.11)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(85,591.07)</u>	<u>(130,108.52)</u>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(368,116.97)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(2,059,202.11)</u>
<b>Net Income (Loss)</b>	<u>(85,591.07)</u>	<u>(130,108.52)</u>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(368,116.97)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(2,059,202.11)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	7 Months Ended July 31, 2021 Actual	7 Months Ended July 31, 2021 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 4,007,424.92	\$ 4,028,190.80	\$ (20,765.88)
METERED SALES - COMMERCIAL	306,187.44	351,713.25	(45,525.81)
METERED SALES - INDUSTRIAL	30,591.64	34,780.65	(4,189.01)
METERED SALES - PUBLIC AUTH.	225,626.22	220,490.05	5,136.17
METERED SALES - MULTI FAMILY	179,145.88	170,569.00	8,576.88
FIRE PROTECTION REVENUE	875.00	656.25	218.75
CUSTOMER LATE PAYMENT CHARGES	77,392.63	133,473.05	(56,080.42)
OTHER WATER SERVICE REVENUE	51,787.07	21,347.65	30,439.42
SERVICE CONNECTION FEES	105,084.00	84,950.80	20,133.20
SERVICE CONNECTION FEES FOR WASTE WATER	90.00	89.25	0.75
SEWER REVENUE -RESIDENTIAL	936,223.00	1,003,052.75	(66,829.75)
SEWER REVENUE - COMMERCIAL	259,761.58	281,689.30	(21,927.72)
<b>Total Sales</b>	<u>6,180,189.38</u>	<u>6,331,002.80</u>	<u>(150,813.42)</u>
<b>Gross Profit</b>	<u>6,180,189.38</u>	<u>6,331,002.80</u>	<u>(150,813.42)</u>
<b>Operating Expenses</b>			
Undistributed	2,150.43	0.00	2,150.43
DEPRECIATION EXPENSE	1,753,544.10	1,776,938.95	(23,394.85)
DEPRECIATION EXPENSE - SEWER	586,063.50	691,304.25	(105,240.75)
PAYROLL TAXES - FICA & U.C.	105,307.43	104,918.95	388.48
PUMPING LABOR - OPERATIONS	33.22	0.00	33.22
WATER TREATMENT LABOR - OPERATIONS	82,768.54	39,597.25	43,171.29
T & D LABOR - OPERATIONS	516,206.55	541,000.85	(24,794.30)
T & D LABOR - MAINTENANCE	31,508.71	46,472.45	(14,963.74)
CUSTOMER ACCOUNTS LABOR	183,294.30	183,489.85	(195.55)
ADMIN. & GENERAL LABOR	78,977.83	76,020.00	2,957.83
SEWER LABOR	225,421.16	222,995.50	2,425.66
COMP COMMISSIONERS - AUTO DIST	15,500.00	17,500.00	(2,000.00)
COMPENSATION - ADMINISTRATOR	252,860.86	244,412.60	8,448.26
HEALTH INSURANCE - WTP OPERATIONS	16,308.25	16,196.25	112.00
HEALTH INSURANCE - T & D OPERATIONS	113,535.74	96,815.85	16,719.89
HEALTH INSURANCE - CUSTOMER ACCOUNTS	23,323.12	40,440.20	(17,117.08)
HEALTH INSURANCE - ADMIN. & GENERAL	22,069.76	14,106.75	7,963.01
HEALTH INSURANCE - SEWER	31,708.84	41,725.85	(10,017.01)
DENTAL INSURANCE - WTP OPERATIONS	363.35	468.45	(105.10)
DENTAL INSURANCE - T & D OPERATIONS	3,361.97	2,797.10	564.87
DENTAL INSURANCE - T & D MAINT	(37.59)	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	1,535.43	1,348.10	187.33
DENTAL INSURANCE - ADMIN. & GENERAL	1,202.11	1,158.50	43.61
DENTAL INSURANCE - SEWER	1,137.92	1,180.70	(42.78)
VISION INSURANCE - PUMPING OPER.	12.14	0.00	12.14
VISION INSURANCE - WTP OPER.	(55.03)	17.50	(72.53)
VISION INSURANCE - T & D OPER.	299.03	632.95	(333.92)
VISION INSURANCE - CUST. ACCOUNTS	4,888.01	192.50	4,695.51
VISION INSURANCE - ADMIN. & GENERAL	(279.70)	(63.00)	(216.70)
VISION INSURANCE - SEWER	(94.49)	175.00	(269.49)
LIFE INSURANCE - WTP OPER.	500.78	456.75	44.03
LIFE INSURANCE - T & D OPER.	(961.81)	(1,123.50)	161.69
LIFE INSURANCE - T & D MAINT.	4,296.35	4,161.50	134.85
LIFE INSURANCE - CUSTOMER ACCTS	1,217.99	1,519.00	(301.01)
LIFE INSURANCE - ADMIN. & GENERAL	729.18	1,076.25	(347.07)
LIFE INSURANCE - SEWER	1,251.51	1,143.35	108.16
SHORT TERM DISAB. - PUMPING OPER.	36.88	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	64.29	50.75	13.54

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	7 Months Ended July 31, 2021 Actual	7 Months Ended July 31, 2021 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D OPER.	(1,243.88)	(1,300.80)	56.92
SHORT TERM DISAB. - T & D MAINT.	1,381.52	1,384.85	(3.33)
SHORT TERM DISAB. - CUSTOMER ACCTS	175.03	280.60	(105.57)
SHORT TERM DISAB. - ADMIN. & GENERAL	(219.30)	(56.55)	(162.75)
SHORT TERM DISAB. - SEWER	125.73	(77.55)	203.28
UNIFORM EXPENSE (PLANT)	0.00	44.95	(44.95)
UNIFORM EXPENSE (WATER)	11,714.01	11,516.75	197.26
UNIFORM EXPENSE (ADMIN)	0.00	85.75	(85.75)
UNIFORM EXPENSE (WW)	2,815.10	1,969.35	845.75
Employee Expense	4,006.53	8,393.00	(4,386.47)
Insurance expense	74,990.84	101,964.95	(26,974.11)
Water Purchased -Williamson	281,965.31	286,018.85	(4,053.54)
WATER PURCHASED -PIKEVILLE	421,855.80	424,225.70	(2,369.90)
Sewage Fees	50,223.23	41,358.95	8,864.28
UTILITY EXPENSE	5,777.95	4,145.75	1,632.20
LABORATORY SUPPLIES	7,070.33	4,559.95	2,510.38
LABORATORY EXPENSE	4,699.53	2,411.50	2,288.03
Laboratory Testing Expenses	23,195.67	26,033.60	(2,837.93)
Laboratory Testing Expense	34,532.33	11,379.70	23,152.63
CHEMICALS	65,963.90	94,645.85	(28,681.95)
Chemicals-WW	26,179.35	33,900.45	(7,721.10)
SAFETY SUPPLIES	9,491.09	23,349.10	(13,858.01)
SAFETY SUPPLIES-WW	5,878.13	5,143.25	734.88
Electrical Expense	852,099.02	841,665.45	10,433.57
CONTRACT SERVICE - ACCOUNTING	28,489.00	42,886.10	(14,397.10)
CONTRACT SERVICE - LEGAL	2,722.50	23,794.20	(21,071.70)
ENGINEERING	0.00	4,575.70	(4,575.70)
CONTRACT SERVICE-GENERAL	16,792.49	9,128.60	7,663.89
CONTRACT SERVICES - MANPOWER	87,526.45	38,971.95	48,554.50
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	86,129.74	71,886.50	14,243.24
ADVERTISING	2,929.58	1,684.10	1,245.48
Bad Debts Charged to Expense	0.00	29,166.70	(29,166.70)
OTHER LEGAL PSC EXPENSE	23,601.30	87,500.00	(63,898.70)
MOBILE PHONE EXPENSE	13,294.94	15,095.50	(1,800.56)
TELEPHONE/INTERNET	17,798.11	17,432.95	365.16
TELEPHONE/INTERNET	2,046.24	1,689.35	356.89
EDUCATION, DUES, MEETINGS, INSURANCE	15,909.17	28,262.50	(12,353.33)
EMPLOYEE BENIFIT EXPENSE	0.00	1.75	(1.75)
Office Expense	135,377.83	105,270.70	30,107.13
Easements	570.88	58.35	512.53
SETTLEMENT EXPENSES	1,065.52	350.00	715.52
SERVICE FEE EXPENSE	6,605.26	13,431.25	(6,825.99)
BANK SERVICE FEES EXP	3,970.43	0.00	3,970.43
Worker's Compensation Insurance	0.00	13,900.25	(13,900.25)
PSC TAX ASSESSMENT	20,724.79	12,287.95	8,436.84
Retirement Expense	322,926.75	349,798.20	(26,871.45)
MISCELLANEOUS SUPPLIES	203.78	252.60	(48.82)
Major Equipment R & M	25,055.09	52,656.95	(27,601.86)
Major Equipment R & M Sewer	2,262.68	1,901.10	361.58
Hand Tools R & M	6,130.16	24,741.50	(18,611.34)
Hnad Tools R & M Sewer	2,000.57	1,030.75	969.82
PS/LS R & M	74,613.75	98,830.10	(24,216.35)
PS/LS R & M Sewer	34,513.53	97,105.75	(62,592.22)
Vehicle R & M	36,234.14	50,229.10	(13,994.96)
Vehicle R & M Sewer	821.45	554.75	266.70
General R & M	154,135.70	348,042.35	(193,906.65)
General R & M Sewer	21,184.96	18,381.45	2,803.51

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	<b>7 Months Ended July 31, 2021 Actual</b>	<b>7 Months Ended July 31, 2021 Budget</b>	<b>Over/(Under) Budget</b>
General R & M -Telemetry	6,227.59	5,588.35	639.24
R & M Leak Det.	0.00	938.00	(938.00)
SUPPLIES & EXPENSES TREATMENT (WW)	<u>6,975.00</u>	<u>8,180.10</u>	<u>(1,205.10)</u>
<b>Total Operating Expenses</b>	<u>7,110,567.26</u>	<u>7,667,776.30</u>	<u>(557,209.04)</u>
<b>Operating Income (Loss)</b>	<u>(930,377.88)</u>	<u>(1,336,773.50)</u>	<u>406,395.62</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	2,249.74	3,616.65	(1,366.91)
INTEREST EXPENSE - TERM DEBT	(209,133.47)	(219,100.00)	9,966.53
INTEREST EXPENSE - TERM DEBT	<u>(28,245.00)</u>	<u>(28,245.00)</u>	<u>0.00</u>
<b>Total Other Income (Expenses)</b>	<u>(235,128.73)</u>	<u>(243,728.35)</u>	<u>8,599.62</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,165,506.61)</u>	<u>(1,580,501.85)</u>	<u>414,995.24</u>
<b>Net Income (Loss)</b>	<u><u>\$ (1,165,506.61)</u></u>	<u><u>\$ (1,580,501.85)</u></u>	<u><u>\$ 414,995.24</u></u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended July 31, 2021 Actual	1 Month Ended July 31, 2021 Budget	7 Months Ended July 31, 2021 Actual	7 Months Ended July 31, 2021 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 601,710.02	\$ 575,455.84	\$ 4,007,424.92	\$ 4,028,190.80
METERED SALES - COMMERCIAL	47,167.37	50,244.75	306,187.44	351,713.25
METERED SALES - INDUSTRIAL	5,815.76	4,968.67	30,591.64	34,780.65
METERED SALES - PUBLIC AUTH.	32,612.56	31,498.59	225,626.22	220,490.05
METERED SALES - MULTI FAMILY	25,498.45	24,367.00	179,145.88	170,569.00
FIRE PROTECTION REVENUE	125.00	93.75	875.00	656.25
CUSTOMER LATE PAYMENT CHARGES	17,628.81	19,067.59	77,392.63	133,473.05
OTHER WATER SERVICE REVENUE	5,236.60	3,049.67	51,787.07	21,347.65
SERVICE CONNECTION FEES	16,860.00	12,135.84	105,084.00	84,950.80
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	12.75	90.00	89.25
SEWER REVENUE -RESIDENTIAL	149,324.55	143,293.25	936,223.00	1,003,052.75
SEWER REVENUE - COMMERCIAL	42,950.06	40,241.34	259,761.58	281,689.30
<b>Total Sales</b>	<u>944,929.18</u>	<u>904,429.04</u>	<u>6,180,189.38</u>	<u>6,331,002.80</u>
<b>Gross Profit</b>	<u>944,929.18</u>	<u>904,429.04</u>	<u>6,180,189.38</u>	<u>6,331,002.80</u>
<b>Operating Expenses</b>				
Undistributed	(19.02)	0.00	2,150.43	0.00
DEPRECIATION EXPENSE	253,848.42	253,848.41	1,753,544.10	1,776,938.95
DEPRECIATION EXPENSE - SEWER	82,148.18	98,757.75	586,063.50	691,304.25
PAYROLL TAXES - FICA & U.C.	18,884.71	14,988.41	105,307.43	104,918.95
PUMPING LABOR - OPERATIONS	0.00	0.00	33.22	0.00
WATER TREATMENT LABOR - OPERATIONS	16,794.46	5,656.75	82,768.54	39,597.25
T & D LABOR - OPERATIONS	91,281.91	77,285.83	516,206.55	541,000.85
T & D LABOR - MAINTENANCE	4,811.50	6,638.91	31,508.71	46,472.45
CUSTOMER ACCOUNTS LABOR	33,417.49	26,212.83	183,294.30	183,489.85
ADMIN. & GENERAL LABOR	14,766.37	10,860.00	78,977.83	76,020.00
SEWER LABOR	43,648.98	31,856.50	225,421.16	222,995.50
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,500.00	15,500.00	17,500.00
COMPENSATION - ADMINISTRATOR	47,403.96	34,916.08	252,860.86	244,412.60
HEALTH INSURANCE - WTP OPERATIONS	2,254.78	2,313.75	16,308.25	16,196.25
HEALTH INSURANCE - T & D OPERATIONS	14,558.00	13,830.83	113,535.74	96,815.85
HEALTH INSURANCE - CUSTOMER ACCOUNTS	3,787.15	5,777.16	23,323.12	40,440.20
HEALTH INSURANCE - ADMIN. & GENERAL	3,018.38	2,015.25	22,069.76	14,106.75
HEALTH INSURANCE - SEWER	4,496.97	5,960.83	31,708.84	41,725.85
DENTAL INSURANCE - WTP OPERATIONS	77.96	66.91	363.35	468.45
DENTAL INSURANCE - T & D OPERATIONS	290.92	399.58	3,361.97	2,797.10
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(37.59)	0.00
DENTAL INSURANCE - CUST. ACCOUNTS	154.86	192.58	1,535.43	1,348.10
DENTAL INSURANCE - ADMIN. & GENERAL	121.93	165.50	1,202.11	1,158.50
DENTAL INSURANCE - SEWER	134.97	168.66	1,137.92	1,180.70
VISION INSURANCE - PUMPING OPER.	0.00	0.00	12.14	0.00
VISION INSURANCE - WTP OPER.	(15.61)	2.50	(55.03)	17.50
VISION INSURANCE - T & D OPER.	(25.31)	90.41	299.03	632.95
VISION INSURANCE - CUST. ACCOUNTS	(23.11)	27.50	4,888.01	192.50
VISION INSURANCE - ADMIN. & GENERAL	(60.63)	(9.00)	(279.70)	(63.00)
VISION INSURANCE - SEWER	(27.06)	25.00	(94.49)	175.00
LIFE INSURANCE - WTP OPER.	(19.50)	65.25	500.78	456.75
LIFE INSURANCE - T & D OPER.	(284.30)	(160.50)	(961.81)	(1,123.50)
LIFE INSURANCE - T & D MAINT.	0.00	594.50	4,296.35	4,161.50
LIFE INSURANCE - CUSTOMER ACCTS	(192.98)	217.00	1,217.99	1,519.00
LIFE INSURANCE - ADMIN. & GENERAL	(187.14)	153.75	729.18	1,076.25
LIFE INSURANCE - SEWER	(146.40)	163.33	1,251.51	1,143.35

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended July 31, 2021 Actual</b>	<b>1 Month Ended July 31, 2021 Budget</b>	<b>7 Months Ended July 31, 2021 Actual</b>	<b>7 Months Ended July 31, 2021 Budget</b>
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	36.88	0.00
SHORT TERM DISAB. - WTP OPER.	(45.81)	7.25	64.29	50.75
SHORT TERM DISAB. - T & D OPER.	(225.48)	(185.84)	(1,243.88)	(1,300.80)
SHORT TERM DISAB. - T & D MAINT.	(10.50)	197.83	1,381.52	1,384.85
SHORT TERM DISAB. - CUSTOMER ACCTS	(160.39)	40.08	175.03	280.60
SHORT TERM DISAB. - ADMIN. & GENERAL	(212.46)	(8.09)	(219.30)	(56.55)
SHORT TERM DISAB. - SEWER	(161.40)	(11.09)	125.73	(77.55)
UNIFORM EXPENSE (PLANT)	0.00	6.41	0.00	44.95
UNIFORM EXPENSE (WATER)	2,373.75	1,645.25	11,714.01	11,516.75
UNIFORM EXPENSE (ADMIN)	0.00	12.25	0.00	85.75
UNIFORM EXPENSE (WW)	760.84	281.33	2,815.10	1,969.35
Employee Expense	660.20	1,199.00	4,006.53	8,393.00
Insurance expense	24,290.00	14,566.41	74,990.84	101,964.95
Water Purchased -Williamson	43,535.88	40,859.83	281,965.31	286,018.85
WATER PURCHASED -PIKEVILLE	55,160.00	60,603.66	421,855.80	424,225.70
Sewage Fees	5,807.01	5,908.41	50,223.23	41,358.95
UTILITY EXPENSE	0.00	592.25	5,777.95	4,145.75
LABORATORY SUPPLIES	1,115.48	651.41	7,070.33	4,559.95
LABORATORY EXPENSE	1,021.56	344.50	4,699.53	2,411.50
Laboratory Testing Expenses	2,817.00	3,719.08	23,195.67	26,033.60
Laboratory Testing Expense	3,273.75	1,625.66	34,532.33	11,379.70
CHEMICALS	0.00	13,520.83	65,963.90	94,645.85
Chemicals-WW	6,627.46	4,842.91	26,179.35	33,900.45
SAFETY SUPPLIES	1,850.10	3,335.58	9,491.09	23,349.10
SAFETY SUPPLIES-WW	2,665.89	734.75	5,878.13	5,143.25
Electrical Expense	122,901.49	120,237.91	852,099.02	841,665.45
CONTRACT SERVICE - ACCOUNTING	0.00	6,126.58	28,489.00	42,886.10
CONTRACT SERVICE - LEGAL	0.00	3,399.16	2,722.50	23,794.20
ENGINEERING	0.00	653.66	0.00	4,575.70
CONTRACT SERVICE-GENERAL	800.00	1,304.08	16,792.49	9,128.60
CONTRACT SERVICES - MANPOWER	18,938.29	5,567.41	87,526.45	38,971.95
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00
AUTO & TRANSPORTATION EXPENSE	14,398.25	10,269.50	86,129.74	71,886.50
ADVERTISING	466.20	240.58	2,929.58	1,684.10
Bad Debts Charged to Expense	0.00	4,166.66	0.00	29,166.70
OTHER LEGAL PSC EXPENSE	537.00	12,500.00	23,601.30	87,500.00
MOBILE PHONE EXPENSE	1,713.33	2,156.50	13,294.94	15,095.50
TELEPHONE/INTERNET	2,312.89	2,490.41	17,798.11	17,432.95
TELEPHONE/INTERNET	240.82	241.33	2,046.24	1,689.35
EDUCATION, DUES, MEETINGS, INSURANCE	3,945.40	4,037.50	15,909.17	28,262.50
EMPLOYEE BENIFIT EXPENSE	0.00	0.25	0.00	1.75
Office Expense	16,530.33	15,038.66	135,377.83	105,270.70
Easements	0.00	8.33	570.88	58.35
SETTLEMENT EXPENSES	0.00	50.00	1,065.52	350.00
SERVICE FEE EXPENSE	56.00	1,918.75	6,605.26	13,431.25
BANK SERVICE FEES EXP	134.90	0.00	3,970.43	0.00
Worker's Compensation Insurance	0.00	1,985.75	0.00	13,900.25
PSC TAX ASSESSMENT	0.00	1,755.41	20,724.79	12,287.95
Retirement Expense	52,163.76	49,971.16	322,926.75	349,798.20
MISCELLANEOUS SUPPLIES	44.30	36.08	203.78	252.60
Major Equipment R & M	7,362.91	7,522.41	25,055.09	52,656.95
Major Equipment R & M Sewer	0.00	271.58	2,262.68	1,901.10
Hand Tools R & M	460.91	3,534.50	6,130.16	24,741.50
Hnad Tools R & M Sewer	346.49	147.25	2,000.57	1,030.75
PS/LS R & M	8,099.50	14,118.58	74,613.75	98,830.10
PS/LS R & M Sewer	12,017.05	13,872.25	34,513.53	97,105.75

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended July 31, 2021 Actual</b>	<b>1 Month Ended July 31, 2021 Budget</b>	<b>7 Months Ended July 31, 2021 Actual</b>	<b>7 Months Ended July 31, 2021 Budget</b>
Vehicle R & M	5,006.89	7,175.58	36,234.14	50,229.10
Vehicle R & M Sewer	437.94	79.25	821.45	554.75
General R & M	37,426.99	49,720.33	154,135.70	348,042.35
General R & M Sewer	2,518.54	2,625.91	21,184.96	18,381.45
General R & M -Telemetry	1,500.00	798.33	6,227.59	5,588.35
R & M Leak Det.	0.00	134.00	0.00	938.00
SUPPLIES & EXPENSES TREATMENT (WW)	0.00	1,168.58	6,975.00	8,180.10
INTEREST EXPENSE - TERM DEBT	29,672.67	31,300.00	209,133.47	219,100.00
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	28,245.00	28,245.00
<b>Total Operating Expenses</b>	<u>1,132,411.57</u>	<u>1,130,731.14</u>	<u>7,347,945.73</u>	<u>7,915,121.30</u>
<b>Operating Income (Loss)</b>	<u>(187,482.39)</u>	<u>(226,302.10)</u>	<u>(1,167,756.35)</u>	<u>(1,584,118.50)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>240.56</u>	<u>516.67</u>	<u>2,249.74</u>	<u>3,616.65</u>
<b>Total Other Income (Expenses)</b>	<u>240.56</u>	<u>516.67</u>	<u>2,249.74</u>	<u>3,616.65</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(187,241.83)</u>	<u>(225,785.43)</u>	<u>(1,165,506.61)</u>	<u>(1,580,501.85)</u>
<b>Net Income (Loss)</b>	<u>\$ (187,241.83)</u>	<u>\$ (225,785.43)</u>	<u>\$ (1,165,506.61)</u>	<u>\$ (1,580,501.85)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
JULY, 2021**

- 228** Field maintenance work orders issued during the month of JULY.  
**208** Field maintenance work orders completed during the month of JULY.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	48	44	52	32	<b>176</b>
FEBRUARY	47	38	45	24	<b>154</b>
MARCH	49	58	65	45	<b>217</b>
APRIL	38	39	42	66	<b>185</b>
MAY	38	44	66	46	<b>194</b>
JUNE	41	32	51	40	<b>164</b>
JULY	39	51	62	56	<b>208</b>
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>300</b>	<b>306</b>	<b>383</b>	<b>309</b>	<b>1298</b>

- 15** New PAID service tap work orders issued during the month of JULY.  
**11** New PAID service tap work orders completed during the month of JULY.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	2	1	0	8	<b>11</b>
FEBRUARY	3	0	0	2	<b>5</b>
MARCH	6	2	1	2	<b>11</b>
APRIL	11	4	1	5	<b>21</b>
MAY	2	2	1	2	<b>7</b>
JUNE	0	3	0	4	<b>7</b>
JULY	2	3	3	3	<b>11</b>
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>26</b>	<b>15</b>	<b>6</b>	<b>26</b>	<b>73</b>

**WATER**

- 115** Water Customer Work Orders completed during the month of JULY.  
**3,183** Delinquent Notices Mailed during the month of JULY.  
**345** Delinquent Work Orders Written Up during the month of JULY.  
**227** Delinquent Accounts Disconnected during the month of JULY.

**SEWER**

- 45 Sewer Customer Work Orders completed during the month of JULY.
- 1 Delinquent Work Orders Written Up during the month of JULY.
- 0 Delinquent Work Orders Disconnected during the month of JULY.
  
- 2 Water Delinquent Work Orders Written Up – City of Pikeville Agreement
- 2 Water Delinquent Accounts Disconnected – City of Pikeville Agreement
- 2 Water Delinquent Accounts Reconnected – City of Pikeville Agreement
  
- 8 Vehicle & equipment maintenance work orders issued during the month of JULY.
- 6 Vehicle & equipment maintenance work orders completed during the month of JULY.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,499 (16,712 + 787 Multi-Users)
FEBRUARY	17,484 (16,665 + 819 Multi-Users)
MARCH	17,412 (16,601 + 811 Multi-Users)
APRIL	17,446 (16,635 + 811 Multi-Users)
MAY	17,470 (16,655 + 815 Multi-Users)
JUNE	17,494 (16,675 + 819 Multi-Users)
JULY	17,474 (16,655 + 819 Multi-Users)
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,234
FEBRUARY	2,221
MARCH	2,251
APRIL	2,287
MAY	2,345
JUNE	2,344
JULY	2,352
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**JULY 2021 WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,474	68,027,520	\$718,882.69	-0.56%
<b>SEWER</b>	2,352	9,972,904	\$198,230.35	5.71%
<b>TOTAL BILLED</b>			<b>\$917,113.04</b>	<b>0.73%</b>

1 Sewer taps were completed during the month of JULY.

4 Hydrant work orders were completed during the month of JULY.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **JULY** was **31,557,000** gallons.

**WATERLOSS** due to leaks and breaks was **9,721,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **15,630,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,221,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **1,985,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **JULY** was **15,399,000** gallons for an unaccounted-for loss of **13.39%**.

**Water loss percentage utilizing the PSC form was 21.9%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

28 Work Orders completed for Booster Pump Stations during the month of JULY.

**WATER STORAGE TANK MAINTENANCE:**

5 Work Orders completed for Water Storage Tanks during the month of JULY.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of JULY.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

10 Work Orders completed for Pressure Regulator Stations during the month of JULY.

**TELEMETRY MAINTENANCE:**

7 Work Orders completed for Telemetry during the month of JULY.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

4 Work Orders completed for the Russell Fork Water Plant during the month of JULY.

## **WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of JULY.

- **15**- Special Bacteriological Samples
- **2**- Fluoride Samples

## **SEWER DEPARTMENT:**

### **WASTEWATER PLANT MAINTENANCE:**

**7** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of JULY.

### **LIFT STATION MAINTENANCE:**

**5** Work Orders completed for Lift Stations excluding regular maintenance during the month of JULY.

### **COLLECTION SYSTEM MAINTENANCE:**

**64** Work Orders completed for Collection Systems during the month of JULY.

# **Summary Information from the Financials**

**September 24,2021**

## **Balance Sheet as of August**

- Cash in Bank is \$454,847.22
- Accounts Receivable \$1,027,302.67,
- Plant in place is \$165,447,219.44
- Accounts Payable is \$286,421
- Equity is \$66,969,266

## **Income Statement –August /Year to Date**

- Revenue \$906,872 /7,087,062
- Utility Operating Expenses \$1,027,412/8,137,980
- Income (Loss) (\$ 153,905 )/ \$ (1,319,412)
- Included in the loss is Depreciation of (\$335,997/ (\$2,675,604)
- Operating income was negative in the amount of (\$120,540) this month.

## **Cash Flow Statement**

- Cash increased by \$63,289

## **Additional Comments**

- Our current Operating account balance was \$438,462
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$861,528 and \$870,306 respectively. Our O&M Reserve is \$390,663
- We are going to transfer to the sinking fund \$83,500 to ensure we have money to pay our debt service. Also, we are transferring \$6,600 to our O & M Reserve

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of August 31, 2021 and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>Current Assets</b>		
Cash In Bank	\$ 454,847.72	\$ 245,539.28
Accounts Receivable	1,027,302.67	1,298,590.76
Clearing Accounts	91,937.97	(5,811.74)
Inventory	279,476.25	322,594.50
Other Current Assets	<u>3,294,390.79</u>	<u>3,300,054.20</u>
<b>Total Current Assets</b>	<u>5,147,955.40</u>	<u>5,160,967.00</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,841,727.68	4,802,205.74
Water Treatment Plant	10,207,654.70	9,876,152.70
Transmission & Distribution Plant	97,800,329.07	96,417,617.72
Water General Plant	4,750,744.83	4,480,655.35
Sewer General Plant	37,397,932.94	37,010,153.03
Construction in Progress	<u>10,448,830.22</u>	<u>7,882,175.38</u>
Total Plant In Service	165,447,219.44	160,468,959.92
Less Accumulated Depreciation	<u>(72,996,983.67)</u>	<u>(68,832,711.86)</u>
<b>Net Capital Assets</b>	<u>92,450,235.77</u>	<u>91,636,248.06</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(24,956.64)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>67,359.53</u>
<b>Total Non Current Assets</b>	<u>92,514,154.95</u>	<u>91,703,607.59</u>
<b>Total Net Assets</b>	<u>\$ 97,662,110.35</u>	<u>\$ 96,864,574.59</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,493,870.59</u>	<u>\$ 2,493,870.59</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of August 31, 2021 and 2020**

**Liabilities and Net Assets**

	<b>2021</b>	<b>2020</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 286,421.41	\$ 262,891.33
Current Portion Due - Notes Payable	1,363,902.00	1,140,214.00
Customer Deposits	422,077.22	413,634.22
Accrued Payroll and Related Expenses	163,803.18	193,105.88
Accrued Interest - Long Term Debt	<u>264,347.47</u>	<u>219,231.07</u>
<b>Total Current Liabilities</b>	<u>2,500,551.28</u>	<u>2,229,076.50</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	7,358,331.00	7,358,331.00
Notes Payable	3,977,397.72	5,535,882.39
Notes Payable - Ky Infrastructure Authority	4,366,751.33	4,889,573.81
Notes Payable - Rural Development	10,083,900.00	3,421,000.00
Advances for Construction	5,523,200.35	7,622,019.33
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,140,214.00)</u>
<b>Total Long-Term Liabilities</b>	<u>29,945,678.40</u>	<u>27,686,592.53</u>
<b>Total Liabilities</b>	<u>32,446,229.68</u>	<u>29,915,669.03</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	740,485.00	740,485.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,319,411.54)	(1,207,111.02)
Contributions in aid of Construction	60,818,297.69	62,567,923.01
Tap-On-Fees	<u>7,470,380.11</u>	<u>7,341,479.16</u>
<b>Total Net Position</b>	<u>66,969,266.26</u>	<u>68,702,291.15</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended August 31, 2021</b>	<b>8 Months Ended August 31, 2021</b>
<b>Operating Revenue</b>		
	\$ <u>906,872.15</u>	\$ <u>7,087,061.53</u>
<b>Total Operating Revenue</b>	<u>906,872.15</u>	<u>7,087,061.53</u>
<b>Operating Expenses</b>		
Water Supply Expense	13,765.90	113,798.32
Water Purchases	92,883.82	796,704.93
Electricity Expense	97,391.65	949,490.67
Repairs & Maintenance - Sewer	14,212.58	74,995.77
Repairs & Maintenance - Water	37,452.59	339,849.02
Transmission & Distribution Expense	84,736.30	764,796.90
Customer Service Expense	35,800.74	329,212.45
Administrator Expense	210.82	1,193.63
Sewer Expense	55,523.16	400,169.64
General & Administrative	<u>259,438.31</u>	<u>1,692,164.20</u>
<b>Total Operating Expenses</b>	691,415.87	5,462,375.53
Depreciation Expense	<u>335,996.60</u>	<u>2,675,604.20</u>
<b>Utility Operating Expense</b>	<u>1,027,412.47</u>	<u>8,137,979.73</u>
<b>Utility Operating Income (Loss)</b>	<u>(120,540.32)</u>	<u>(1,050,918.20)</u>
<b>Non Operating Revenue</b>		
Interest Income	197.39	2,447.13
Interest Expense	<u>(33,562.00)</u>	<u>(270,940.47)</u>
<b>Total Non Operating Revenue</b>	<u>(33,364.61)</u>	<u>(268,493.34)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (153,904.93)	\$ (1,319,411.54)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>3,262.50</u>	<u>95,087.45</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>3,262.50</u>	<u>95,087.45</u>
<b>Change in Net Position</b>	<u>(150,642.43)</u>	<u>(1,224,324.09)</u>
<b>Net Position, beginning of period</b>	<u>67,119,908.69</u>	<u>68,193,590.35</u>
<b>Net Position, end of period</b>	\$ <u>66,969,266.26</u>	\$ <u>66,969,266.26</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 8 Months Ended August 31, 2021**

	<b>1 Month Ended August 31, 2021</b>	<b>8 Months Ended August 31, 2021</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (153,904.93)	\$ (1,319,411.54)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	2,675,604.20
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	33,694.98	99,532.40
Other Current Assets	153,371.86	197,337.56
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	91,927.27	25,033.55
Accrued Interest	31,716.00	46,510.47
Advances for Construction	147,321.78	974,110.25
Accrued Liabilities	16,729.80	77,378.76
Tap on Fees	3,262.50	95,087.45
Customer Deposits	(6,708.23)	53,941.11
Clearing Accounts	401.90	(35,188.45)
Total Adjustments	<u>807,714.46</u>	<u>4,209,347.30</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>653,809.53</u>	<u>2,889,935.76</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(55,234.65)	(347,223.20)
Construction in Progress	(490,708.85)	(1,745,454.53)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(545,943.50)</u>	<u>(2,092,677.73)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	201.24	113,926.09
Notes Payable Repayments	(44,778.65)	(852,188.15)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(44,577.41)</u>	<u>(738,262.06)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	63,288.62	58,995.97
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>391,559.10</u>	<u>392,242.99</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 454,847.72</u>	<u>\$ 454,847.72</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of August 31, 2021 and 2020**

**ASSETS:**

	<b>2021</b>	<b>2020</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 438,461.80	\$ 244,260.82
CTB-MWD Payroll Account	16,065.74	958.28
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>454,847.72</b>	<b>245,539.28</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	736,832.91	998,578.71
RECEIVABLE - RETURNED CHECKS	18,300.68	12,952.71
RECEIVABLE - OTHER FEES, ETC..	4,616.35	(30,569.58)
A/R - CIP - SEWER	0.00	15,386.40
RECEIVABLE - SEWER REVENUE	290,982.64	296,508.46
PROVISION FOR UNCOLLECTIBLES	(23,429.91)	5,734.06
<b>Total Accounts Receivable:</b>	<b>1,027,302.67</b>	<b>1,298,590.76</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	91,937.97	(5,811.74)
<b>Total Clearing Accounts:</b>	<b>91,937.97</b>	<b>(5,811.74)</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	278,711.96
BB & T - Sinking Fund	264,659.71	312,987.92
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	236.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	393,618.84
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	39,193.47	34,452.58
CTB - O & M RESERVES	390,663.14	304,529.00
Community Trust Bank - Misc Line Extension	4,898.84	4,893.95
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	10,652.18	1,983.20
CTB - R & M RESERVE	870,306.14	869,436.39
CTB - Dist Wide WW Tap Fees	36,677.80	26,989.61

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of August 31, 2021 and 2020**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Variou Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,914.01	100.00
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	42,078.56	35,741.80
MWD DEPRECIATION RESERVE ACCOUNT	861,666.40	860,684.98
CTB. PCFC Projects	81,457.55	104,066.64
CTB - R & M REIMBURSEMENT ACCT.	2,591.73	3,287.54
CTB-MWD Escrow Account	100.00	0.00
MWD INSURANCE SWEEP ACCOUNT	824.51	685.04
New Customer Deposit Acct.	436,439.57	0.00
Prepaid Expense-WC	0.00	45,485.57
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,294,390.79</b>	<b>3,300,054.20</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of August 31, 2021 and 2020**

**LIABILITIES:**

	<b>2021</b>	<b>2020</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	(767.04)
FEDERAL INCOME TAX WITHHELD	2,883.44	19,983.51
KY INCOME TAX WITHHELD	13,899.27	(283.10)
ACCRUED FUTA	2,482.05	2,345.43
Accrued CERS	88,891.47	131,147.24
Accrued County Withheld	4,253.22	4,189.15
ACCRUED GARNISHMENT WTH	1,641.64	1,549.33
TAXES COLLECTED ON CUST. BILLS	37,889.17	34,941.36
<b>Total Employee Related Payables</b>	<b>163,803.18</b>	<b>193,105.88</b>

**Other Current Liabilities:**

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,289,195.72	3,595,743.62
US Bank Big Creek Water Loan	32,080.85	73,388.41
#154 fORD f250 2017	(690.08)	6,708.69
# 155 CTB	5,305.35	3,790.81
CTB V# 156	4,264.50	10,749.13
CTB V # 157 2018 GMC Sierra	4,471.76	11,208.19
CTB LOC - COAL SEV 2005	0.00	939.39
CTB 158 & 159	16,797.39	33,659.34
WELLS FARGO MINI EXCAVATOR	1,964.37	10,260.25
CTB # 161	3,151.93	12,907.88
CTB- 160	0.00	36,596.51
CTB -162	17,483.94	(956.38)
CTB- #163 2019 Ford 350	39,915.60	0.00
#165 Ford F-250 2021	27,305.68	0.00
#164 2021 Ford F-250	27,967.46	0.00
#166	27,295.68	0.00
CTB-# 167 Chevrolet Silverado 2500	37,027.17	0.00
Regions Bank Radio Read Project	0.00	1,929,738.23
CTB-Line Credit for FEMA BPS Recl.	0.00	(342,949.30)
CTB-LN OF COMMITMENT - FEMA REC	322,012.48	0.00
COMMUNITY TRUST V#148	0.00	10.68
US Bank V#149	0.00	1.51
CTB-V# 150 FORD F-150	0.00	978.94
CTB. V# 151 FORD F-150	0.00	3.76
CTB-Boom Truck # CTO-02	0.00	4,714.51
CTB AEP Line of credit	100,691.13	125,078.35
Kobelco mini excavator	0.00	23,309.87
2017 Takeunchi Skid Steer	20,813.00	0.00
<b>Total Notes Payable</b>	<b>3,977,397.72</b>	<b>5,535,882.39</b>

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	620,160.88	855,993.30
KIA LOAN B291-01 INDIAN CREEK	41,020.35	56,592.27
KIA LOAN F01-07 WATER PLANT	208,013.69	274,903.42

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of August 31, 2021 and 2020**

KIA LOAN A03-06 SO WMSN III	35,036.98	44,825.81
KIA Shelby III Phase II	192,738.41	210,975.85
KIA-A16-079 Grinder St	250,186.64	264,379.10
KIA-Douglas WWTP	3,019,594.38	3,181,904.06

<b>Total Notes Payable - Ky Infrastructure Authority</b>	4,366,751.33	4,889,573.81
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**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	553,000.00	564,000.00
RD Bond91-45 Radio Read	3,091,900.00	0.00
RD Belfry WW	3,653,000.00	0.00
RD Bond 91-33	1,325,000.00	1,355,000.00
RD Bond - Shelby Sewer Project	580,000.00	594,500.00
RD Bond - 91-01 Phelps Sewer	325,000.00	333,500.00
RD BOND 91-24 RUSSELL FK WTP	556,000.00	574,000.00

<b>Total Notes Payable - Rural Development</b>	10,083,900.00	3,421,000.00
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**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	73,839,898.00
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,589,684.41
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)

<b>Total Contributions in Aid of Construction</b>	113,094,523.90	112,734,780.55
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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of August 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	228,471.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,508,958.55</u>	<u>4,476,654.61</u>
Total Cost of Water Supply Plant	4,841,727.68	4,802,205.74
Less: Accumulated Depreciation	<u>(2,823,593.62)</u>	<u>(2,588,170.02)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 2,018,134.06</b>	<b>\$ 2,214,035.72</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>9,756,756.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	9,876,152.70
Less: Accumulated Depreciation	<u>(3,655,118.80)</u>	<u>(3,362,756.54)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,552,535.90</b>	<b>\$ 6,513,396.16</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,528,131.08
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,833,079.07
WATER SERVICES	6,941,632.54	6,878,586.63
WATER METERS & INSTALLATIONS	7,651,694.07	6,547,592.93
HYDRANTS	<u>1,254,797.39</u>	<u>1,249,034.14</u>
Total Cost of Water Transmission & Distribution Plant	97,800,329.07	96,417,617.72
Less: Accumulated Depreciation	<u>(48,626,447.26)</u>	<u>(46,291,371.11)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 49,173,881.81</b>	<b>\$ 50,126,246.61</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 146,118.68
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,515,327.49	1,278,760.29
TOOLS, SHOP & GARAGE EQUIPMENT	334,770.41	315,496.99
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	315,598.37	311,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	4,750,744.83	4,480,655.35
Less: Accumulated Depreciation	<u>(3,970,900.46)</u>	<u>(3,583,325.77)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 779,844.37</b>	<b>\$ 897,329.58</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,131,344.66
SEWER SERVICES	487,403.65	432,199.02
SEWER METERS & INSTALLATIONS	854,592.79	612,691.04
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	13,449.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,397,932.94	37,010,153.03
Less: Accumulated Depreciation	<u>(13,748,902.04)</u>	<u>(12,835,066.93)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,649,030.90</b>	<b>\$ 24,175,086.10</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of August 31, 2021 and 2020**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 1,550,699.35	\$ 2,361,975.48
CIP-MATERIALS & SUPPLIES	105,494.67	289,471.48
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>8,620,614.71</u>	<u>5,058,706.93</u>
Total Construction in Progress	10,448,830.22	7,882,175.38
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 10,276,808.73</b>	<b>\$ 7,710,153.89</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,450,235.77</u></b>	<b><u>\$ 91,636,248.06</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended August 31, 2021</b>	<b>8 Months Ended August 31, 2021</b>
<b>Water Supply Expense:</b>		
PUMPING LABOR - OPERATIONS	0.00	33.22
WATER TREATMENT LABOR - OPERATIONS	11,238.94	94,007.48
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	18,671.37
DENTAL INSURANCE - WTP OPERATIONS	85.01	448.36
VISION INSURANCE - PUMPING OPER.	0.00	12.14
VISION INSURANCE - WTP OPER.	(4.55)	(59.58)
LIFE INSURANCE - WTP OPER.	71.69	572.47
SHORT TERM DISAB. - PUMPING OPER.	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	11.69	75.98
<b>Total Water Supply Expenses</b>	<b>13,765.90</b>	<b>113,798.32</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	36,340.88	318,306.19
WATER PURCHASED -PIKEVILLE	56,542.94	478,398.74
<b>Total Water Purchases Expenses</b>	<b>92,883.82</b>	<b>796,704.93</b>
<b>Electricity Expense:</b>		
Electrical Expense	97,391.65	949,490.67
<b>Total Electricity Expenses</b>	<b>97,391.65</b>	<b>949,490.67</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	374.29	2,636.97
Hand Tools R & M Sewer	0.00	2,000.57
PS/LS R & M Sewer	12,990.46	47,503.99
Vehicle R & M Sewer	0.00	821.45
General R & M Sewer	847.83	22,032.79
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>14,212.58</b>	<b>74,995.77</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	4,362.14	29,417.23
Hand Tools R & M	1,417.39	7,547.55
PS/LS R & M	1,288.95	75,902.70
Vehicle R & M	6,374.85	42,608.99
General R & M	22,350.23	176,485.93
General R & M -Telemetry	1,659.03	7,886.62
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>37,452.59</b>	<b>339,849.02</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	62,158.57	578,365.12
T & D LABOR - MAINTENANCE	3,019.20	34,527.91
HEALTH INSURANCE - T & D OPERATIONS	16,498.20	130,033.94
DENTAL INSURANCE - T & D OPERATIONS	477.71	3,839.68
DENTAL INSURANCE - T & D MAINT	0.00	(37.59)
VISION INSURANCE - T & D OPER.	44.38	343.41
LIFE INSURANCE - T & D OPER.	(179.20)	(1,141.01)
LIFE INSURANCE - T & D MAINT.	645.74	4,942.09

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>August 31, 2021</b>	<b>8 Months Ended</b> <b>August 31, 2021</b>
SHORT TERM DISAB. - T & D OPER.	(78.07)	(1,321.95)
SHORT TERM DISAB. - T & D MAINT.	190.71	1,572.23
UNIFORM EXPENSE (WATER)	1,959.06	13,673.07
<b>Total Transmission &amp; Distribution Expenses</b>	<b>84,736.30</b>	<b>764,796.90</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,074.42	204,368.72
ADMIN. & GENERAL LABOR	9,963.96	88,941.79
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	27,410.38
DENTAL INSURANCE - CUST. ACCOUNTS	284.82	1,820.25
VISION INSURANCE - CUST. ACCOUNTS	26.87	4,914.88
LIFE INSURANCE - CUSTOMER ACCTS	303.65	1,521.64
SHORT TERM DISAB. - CUSTOMER ACCTS	59.76	234.79
<b>Total Customer Service Expenses</b>	<b>35,800.74</b>	<b>329,212.45</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	1,393.77
SHORT TERM DISAB. - ADMIN. & GENERAL	19.16	(200.14)
<b>Total Administrator Expenses</b>	<b>210.82</b>	<b>1,193.63</b>
<b>Sewer Expense:</b>		
SEWER LABOR	30,125.70	255,546.86
HEALTH INSURANCE - SEWER	5,786.90	37,495.74
DENTAL INSURANCE - SEWER	387.02	1,524.94
VISION INSURANCE - SEWER	(79.04)	(173.53)
LIFE INSURANCE - SEWER	220.44	1,471.95
SHORT TERM DISAB. - SEWER	41.33	167.06
UNIFORM EXPENSE (WW)	375.67	3,190.77
Sewage Fees	6,522.22	56,745.45
Chemicals-WW	11,125.76	37,305.11
SAFETY SUPPLIES-WW	1,017.16	6,895.29
<b>Total Sewer Expenses</b>	<b>55,523.16</b>	<b>400,169.64</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	2,421.69	4,572.12
PAYROLL TAXES - FICA & U.C.	12,722.78	118,030.21
COMP COMMISSIONERS - AUTO DIST	2,100.00	17,600.00
COMPENSATION - ADMINISTRATOR	31,602.64	284,463.50
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	25,276.36
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(304.36)
LIFE INSURANCE - ADMIN. & GENERAL	189.14	918.32
Employee Expense	748.39	4,754.92
Insurance expense	23,769.00	98,759.84
UTILITY EXPENSE	0.00	5,777.95
LABORATORY SUPPLIES	1,532.13	8,602.46
LABORATORY EXPENSE	1,195.11	5,894.64
Laboratory Testing Expenses	4,243.70	27,439.37
Laboratory Testing Expense	2,633.00	37,165.33
CHEMICALS	20,890.85	86,854.75
SAFETY SUPPLIES	430.93	9,922.02
CONTRACT SERVICE AND ACCOUNTING	13,155.00	41,644.00

No assurance is provided by the auditors on the above information. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended August 31, 2021</b>	<b>8 Months Ended August 31, 2021</b>
CONTRACT SERVICE - LEGAL	0.00	2,722.50
CONTRACT SERVICE-GENERAL	820.00	17,612.49
CONTRACT SERVICES - MANPOWER	14,610.02	102,136.47
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	13,955.70	100,085.44
ADVERTISING	464.30	3,393.88
OTHER LEGAL PSC EXPENSE	537.00	24,138.30
MOBILE PHONE EXPENSE	1,668.33	14,963.27
TELEPHONE/INTERNET	2,868.03	20,666.14
TELEPHONE/INTERNET	262.82	2,309.06
EDUCATION, DUES, MEETINGS, INSURANCE	4,799.10	20,708.27
Office Expense	14,481.93	149,859.76
Easements	2,400.00	2,970.88
SETTLEMENT EXPENSES	0.00	1,065.52
SERVICE FEE EXPENSE	78.47	6,683.73
BANK SERVICE FEES EXP	162.50	4,132.93
PSC TAX ASSESSMENT	0.00	20,724.79
Retirement Expense	80,362.23	403,288.98
MISCELLANEOUS SUPPLIES	26.58	230.36
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	8,100.00
<b>Total General &amp; Administrative Expenses</b>	<b>259,438.31</b>	<b>1,692,164.20</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended August 31, 2021</b>	<b>8 Months Ended August 31, 2021</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 586,725.75	\$ 4,594,150.67
METERED SALES - COMMERCIAL	51,956.13	358,143.57
METERED SALES - INDUSTRIAL	5,740.36	36,332.00
METERED SALES - PUBLIC AUTH.	30,673.36	256,299.58
METERED SALES - MULTI FAMILY	25,671.05	204,816.93
FIRE PROTECTION REVENUE	125.00	1,000.00
CUSTOMER LATE PAYMENT CHARGES	16,062.43	93,455.06
OTHER WATER SERVICE REVENUE	447.97	52,235.04
SERVICE CONNECTION FEES	17,155.00	122,239.00
SERVICE CONNECTION FEES FOR WASTE WATER	30.00	120.00
SEWER REVENUE -RESIDENTIAL	133,707.28	1,069,930.28
SEWER REVENUE - COMMERCIAL	38,577.82	298,339.40
<b>Total Operating Revenue</b>	<b>906,872.15</b>	<b>7,087,061.53</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 567,521.26	\$ 581,368.82	\$ 546,014.49	\$ 550,084.71	\$ 590,459.79	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 6,839,139.95
METERED SALES - COMMERCIAL	89,564.64	36,066.46	54,298.52	68,951.44	40,356.63	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	607,024.63
METERED SALES - INDUSTRIAL	4,752.62	4,503.80	5,039.14	4,858.18	5,144.70	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	55,485.74
METERED SALES - PUBLIC AUTH.	30,262.79	31,180.20	29,534.79	27,518.62	30,584.98	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.56	374,795.98
METERED SALES - MULTI FAMILY	25,921.56	24,240.92	24,030.66	23,409.65	26,871.55	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	302,419.72
FIRE PROTECTION REVENUE	125.00	125.00	125.00	0.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,375.00
CUSTOMER LATE PAYMENT CHARGES	0.00	0.00	(21.13)	0.00	0.00	0.00	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	93,433.93
OTHER WATER SERVICE REVENUE	9,820.28	3,124.31	1,021.25	8,275.64	(142.00)	(143.14)	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	74,476.52
MISC. REVENUES	0.00	0.00	0.00	105,895.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105,895.20
SERVICE CONNECTION FEES	3,840.00	2,715.00	3,165.00	2,415.00	10,635.00	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	134,374.00
WASTE WATER	0.00	0.00	103.00	0.00	0.00	0.00	0.00	0.00	30.00	60.00	0.00	30.00	223.00
SEWER REVENUE - RESIDENTIAL	128,617.80	124,554.95	116,705.50	49,099.05	132,431.59	123,315.57	119,119.00	122,541.05	140,724.79	138,766.45	149,324.55	133,707.28	1,488,907.58
SEWER REVENUE - COMMERCIAL	41,043.82	41,391.70	37,154.36	33,663.33	33,655.58	32,038.61	33,400.94	36,641.66	39,515.77	41,558.56	42,950.06	38,577.82	451,592.61
<b>Total Sales</b>	<u>901,469.77</u>	<u>849,271.16</u>	<u>817,170.58</u>	<u>874,170.82</u>	<u>870,122.82</u>	<u>803,744.24</u>	<u>870,054.12</u>	<u>859,927.63</u>	<u>893,022.61</u>	<u>938,388.78</u>	<u>944,929.18</u>	<u>906,872.15</u>	<u>10,529,143.86</u>

<b>Gross Profit</b>	901,469.77	849,271.16	817,170.58	874,170.82	870,122.82	803,744.24	870,054.12	859,927.63	893,022.61	938,388.78	944,929.18	906,872.15	10,529,143.86
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<b>Operating Expenses</b>													
Undistributed	0.00	0.00	(14.46)	204.21	2,151.66	0.00	0.00	0.00	17.79	0.00	(19.02)	2,421.69	4,761.87
DEPRECIATION EXPENSE	230,453.58	230,453.58	230,453.58	552,763.23	230,453.58	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,251,516.49
AMORTIZATION EXPENSE	0.00	0.00	0.00	3,440.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	93,174.42	93,174.42	93,174.42	(33,899.83)	93,174.42	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	913,835.11
PAYROLL TAXES - FICA & U.C.	12,099.24	12,305.64	12,054.42	13,581.01	20,445.55	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	168,070.89
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	0.00	0.00	33.22	0.00	0.00	0.00	0.00	0.00	0.00	33.22
WATER TREATMENT LABOR - OPERATIONS	5,964.00	6,079.00	5,812.00	6,748.00	9,749.63	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	118,610.48
T & D LABOR - OPERATIONS	63,927.45	64,314.09	61,816.96	67,625.69	98,246.24	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	836,049.31
T & D LABOR - MAINTENANCE	3,922.20	3,384.00	3,598.20	4,741.40	6,259.76	6,342.65	3,783.28	3,467.00	3,991.66	3,452.86	4,811.50	3,019.20	50,173.71
CUSTOMER ACCOUNTS LABOR	21,382.02	23,586.64	23,496.07	25,160.36	36,114.32	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	297,993.81
ADMIN. & GENERAL LABOR	9,882.68	9,904.06	9,720.50	10,192.89	14,750.93	9,799.31	9,903.12	9,948.40	9,885.54	9,924.06	14,766.37	9,963.36	128,641.92
SEWER LABOR	24,186.04	24,429.27	24,418.73	27,207.02	40,490.99	28,990.59	28,741.25	28,430.43	27,308.54	27,810.58	43,648.98	30,125.70	355,787.72
COMP COMMISSIONERS - AUTO DIST	1,500.00	1,500.00	1,500.00	2,500.00	2,000.00	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	24,600.00
COMPENSATION - ADMINISTRATOR	32,212.00	32,212.00	32,212.00	31,962.00	47,308.64	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	413,061.50
HEALTH INSURANCE - WTP	1,978.32	1,379.58	2,363.12	2,363.12	2,254.78	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	26,755.51
OPERATIONS	15,384.20	14,289.22	16,063.09	21,532.38	14,555.92	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	197,302.83
HEALTH INSURANCE - T & D	0.00	0.00	41.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.34
MAINTENANCE													
HEALTH INSURANCE - T & D	5,406.86	5,382.94	4,087.26	5,791.87	3,787.15	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	48,079.31
ACCOUNTS													

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	Total
HEALTH INSURANCE - ADMIN. & GENERAL	2,068.02	2,068.02	3,206.60	3,463.16	3,018.38	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	36,082.16
DENTAL INSURANCE - SEWER	5,490.22	4,857.35	3,222.66	3,979.44	3,046.91	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	55,045.41
DENTAL INSURANCE - WTP OPERATIONS	74.34	74.34	115.50	115.50	(21.15)	85.01	25.73	85.01	25.78	85.01	77.96	85.01	828.04
DENTAL INSURANCE - T & D OPERATIONS	487.91	481.96	458.51	500.34	488.16	531.33	590.61	531.33	412.92	516.70	290.92	477.71	5,768.40
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(5.37)	(10.74)	(16.11)	(10.74)	(10.74)	0.00	0.00	0.00	0.00	0.00	(53.70)
DENTAL INSURANCE - CUST. ACCOUNTS	199.60	159.92	335.23	225.39	154.87	245.14	245.14	245.14	245.14	245.14	154.86	284.82	2,740.39
DENTAL INSURANCE - ADMIN. & GENERAL	191.67	191.67	191.67	191.67	121.88	191.66	191.66	191.66	191.66	191.66	121.93	191.66	2,160.45
DENTAL INSURANCE - SEWER	196.26	156.74	176.42	176.42	64.99	172.80	196.23	196.23	176.47	196.23	134.97	387.02	2,230.78
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	12.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.14
VISION INSURANCE - WTP OPER.	1.87	1.87	7.97	7.97	(19.62)	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(39.90)
VISION INSURANCE - T & D OPER.	76.63	72.71	78.07	86.48	4.86	67.97	54.34	80.72	42.76	73.69	(25.31)	44.38	657.30
VISION INSURANCE - CUST. ACCOUNTS	67.05	61.24	11.05	11.05	(37.71)	4,708.45	74.15	26.87	26.87	112.49	(23.11)	26.87	5,065.27
VISION INSURANCE - ADMIN. & GENERAL	(18.19)	(18.19)	(26.05)	(26.05)	(48.49)	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(392.84)
VISION INSURANCE - SEWER	23.24	0.92	21.34	16.18	(57.88)	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(111.85)
LIFE INSURANCE - WTP OPER.	61.15	64.90	60.95	60.95	59.10	60.95	89.22	82.94	71.69	156.38	(19.50)	71.69	820.42
LIFE INSURANCE - T & D OPER.	(165.16)	(158.51)	(139.66)	(139.66)	(215.69)	(36.89)	(185.40)	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(1,744.00)
LIFE INSURANCE - T & D MAINT.	568.32	610.73	763.44	583.13	617.56	570.75	947.82	698.96	(15.39)	1,476.65	0.00	645.74	7,467.71
LIFE INSURANCE - CUSTOMER ACCTS	219.85	234.75	331.66	174.59	(394.31)	243.42	365.61	281.13	269.70	645.42	(192.98)	303.65	2,482.49
LIFE INSURANCE - ADMIN. & GENERAL	147.77	157.07	296.82	188.73	73.85	148.48	252.94	(216.92)	179.81	478.16	(187.14)	189.14	1,708.71
LIFE INSURANCE - SEWER	155.26	140.29	195.83	135.12	106.79	137.72	240.29	214.68	192.26	506.17	(146.40)	220.44	2,098.45
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	0.00	19.52	0.00	0.00	0.00	36.88	0.00	0.00	0.00	0.00	56.40
SHORT TERM DISAB. - WTP OPER.	2.31	21.83	2.51	2.51	(12.76)	2.51	8.77	45.97	11.69	53.92	(45.81)	11.69	105.14
SHORT TERM DISAB. - T & D OPER.	(161.08)	(140.05)	(131.30)	(137.00)	(260.25)	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(1,891.38)
SHORT TERM DISAB. - T & D MAINT.	185.67	185.67	182.01	272.55	202.61	208.31	198.50	209.77	209.77	363.06	(10.50)	190.71	2,398.13
SHORT TERM DISAB. - CUSTOMER ACCTS	29.47	(0.33)	15.25	15.26	(26.96)	41.05	17.96	73.64	40.40	189.33	(160.39)	59.76	294.44
SHORT TERM DISAB. - ADMIN. & GENERAL	(11.32)	(11.32)	(11.22)	(48.00)	(99.72)	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(282.00)
SHORT TERM DISAB. - SEWER	7.41	7.41	(9.65)	(15.35)	(54.57)	2.03	8.02	99.16	41.33	191.16	(161.40)	41.33	156.88
UNIFORM EXPENSE (WATER)	1,348.91	4,045.87	2,654.77	1,679.12	1,270.91	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	23,401.74
UNIFORM EXPENSE (ADMIN)	0.00	0.00	20.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.88
UNIFORM EXPENSE (WW)	292.43	295.28	386.78	270.70	219.67	217.02	375.71	442.85	316.08	482.93	760.84	375.67	4,435.96
Employee Expense	2,127.34	417.50	4,123.69	1,130.29	1,641.14	249.50	621.70	150.00	428.00	255.99	660.20	748.39	12,553.74
Insurance expense	32,173.72	5,761.90	0.00	(22,913.39)	134.00	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	113,782.07
Water Purchased - Williamson	43,840.40	41,796.47	41,000.42	36,131.52	36,201.25	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	481,075.00
WATER PURCHASED - PIKEVILLE	50,343.35	43,779.31	44,456.99	62,584.34	60,892.70	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	679,562.73
Sewage Fees	10,769.51	12,939.92	15,794.47	13,997.43	10,838.95	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	110,246.78
UTILITY EXPENSE	657.27	791.64	522.90	657.27	911.43	1,568.70	454.16	1,081.22	881.22	881.22	0.00	0.00	8,407.03

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	09/30/20	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	Total
SUPPLIES & EXPENSES TREATMENT (MW)	0.00	1,125.00	1,125.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	11,475.00
INTEREST EXPENSE - TERM DEBT	31,160.58	30,464.11	30,558.73	(33,192.58)	29,887.86	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	297,651.31
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	90,556.97	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	134,941.97
<b>Total Operating Expenses</b>	<u>1,031,578.29</u>	<u>992,667.82</u>	<u>981,403.12</u>	<u>1,341,469.42</u>	<u>1,037,213.89</u>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,974.47</u>	<u>12,756,038.99</u>
<b>Operating Income (Loss)</b>	<u>(130,108.52)</u>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,102.32)</u>	<u>(2,226,894.99)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Income (Loss) Before Taxes</b>	<u>(130,108.52)</u>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,102.32)</u>	<u>(2,226,894.99)</u>
<b>Net Income (Loss)</b>	<u>\$ (130,108.52)</u>	<u>\$ (143,396.66)</u>	<u>\$ (164,232.54)</u>	<u>\$ (467,298.60)</u>	<u>\$ (167,091.07)</u>	<u>\$ (200,703.71)</u>	<u>\$ (246,643.04)</u>	<u>\$ (164,917.98)</u>	<u>\$ (89,157.60)</u>	<u>\$ (111,760.56)</u>	<u>\$ (187,482.39)</u>	<u>\$ (154,102.32)</u>	<u>\$ (2,226,894.99)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	8 Months Ended August 31, 2021 Actual	8 Months Ended August 31, 2021 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 4,594,150.67	\$ 4,603,646.64	\$ (9,495.97)
METERED SALES - COMMERCIAL	358,143.57	401,958.00	(43,814.43)
METERED SALES - INDUSTRIAL	36,332.00	39,749.32	(3,417.32)
METERED SALES - PUBLIC AUTH.	256,299.58	251,988.64	4,310.94
METERED SALES - MULTI FAMILY	204,816.93	194,936.00	9,880.93
FIRE PROTECTION REVENUE	1,000.00	750.00	250.00
CUSTOMER LATE PAYMENT CHARGES	93,455.06	152,540.64	(59,085.58)
OTHER WATER SERVICE REVENUE	52,235.04	24,397.32	27,837.72
SERVICE CONNECTION FEES	122,239.00	97,086.64	25,152.36
SERVICE CONNECTION FEES FOR WASTE WATER	120.00	102.00	18.00
SEWER REVENUE -RESIDENTIAL	1,069,930.28	1,146,346.00	(76,415.72)
SEWER REVENUE - COMMERCIAL	298,339.40	321,930.64	(23,591.24)
	<hr/>	<hr/>	<hr/>
<b>Total Sales</b>	7,087,061.53	7,235,431.84	(148,370.31)
	<hr/>	<hr/>	<hr/>
<b>Gross Profit</b>	7,087,061.53	7,235,431.84	(148,370.31)
<b>Operating Expenses</b>			
Undistributed	4,572.12	0.00	4,572.12
DEPRECIATION EXPENSE	2,007,392.52	2,030,787.36	(23,394.84)
DEPRECIATION EXPENSE - SEWER	668,211.68	790,062.00	(121,850.32)
PAYROLL TAXES - FICA & U.C.	118,030.21	119,907.36	(1,877.15)
PUMPING LABOR - OPERATIONS	33.22	0.00	33.22
WATER TREATMENT LABOR - OPERATIONS	94,007.48	45,254.00	48,753.48
T & D LABOR - OPERATIONS	578,365.12	618,286.68	(39,921.56)
T & D LABOR - MAINTENANCE	34,527.91	53,111.36	(18,583.45)
CUSTOMER ACCOUNTS LABOR	204,368.72	209,702.68	(5,333.96)
ADMIN. & GENERAL LABOR	88,941.79	86,880.00	2,061.79
SEWER LABOR	255,546.86	254,852.00	694.86
COMP COMMISSIONERS - AUTO DIST	17,600.00	20,000.00	(2,400.00)
COMPENSATION - ADMINISTRATOR	284,463.50	279,328.68	5,134.82
HEALTH INSURANCE - WTP OPERATIONS	18,671.37	18,510.00	161.37
HEALTH INSURANCE - T & D OPERATIONS	130,033.94	110,646.68	19,387.26
HEALTH INSURANCE - CUSTOMER ACCOUNTS	27,410.38	46,217.36	(18,806.98)
HEALTH INSURANCE - ADMIN. & GENERAL	25,276.36	16,122.00	9,154.36
HEALTH INSURANCE - SEWER	37,495.74	47,686.68	(10,190.94)
DENTAL INSURANCE - WTP OPERATIONS	448.36	535.36	(87.00)
DENTAL INSURANCE - T & D OPERATIONS	3,839.68	3,196.68	643.00
DENTAL INSURANCE - T & D MAINT	(37.59)	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	1,820.25	1,540.68	279.57
DENTAL INSURANCE - ADMIN. & GENERAL	1,393.77	1,324.00	69.77
DENTAL INSURANCE - SEWER	1,524.94	1,349.36	175.58
VISION INSURANCE - PUMPING OPER.	12.14	0.00	12.14
VISION INSURANCE - WTP OPER.	(59.58)	20.00	(79.58)
VISION INSURANCE - T & D OPER.	343.41	723.36	(379.95)
VISION INSURANCE - CUST. ACCOUNTS	4,914.88	220.00	4,694.88
VISION INSURANCE - ADMIN. & GENERAL	(304.36)	(72.00)	(232.36)
VISION INSURANCE - SEWER	(173.53)	200.00	(373.53)
LIFE INSURANCE - WTP OPER.	572.47	522.00	50.47
LIFE INSURANCE - T & D OPER.	(1,141.01)	(1,284.00)	142.99
LIFE INSURANCE - T & D MAINT.	4,942.09	4,756.00	186.09
LIFE INSURANCE - CUSTOMER ACCTS	1,521.64	1,736.00	(214.36)
LIFE INSURANCE - ADMIN. & GENERAL	918.32	1,230.00	(311.68)
LIFE INSURANCE - SEWER	1,471.95	1,306.68	165.27
SHORT TERM DISAB. - PUMPING OPER.	36.88	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	75.98	58.00	17.98

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	8 Months Ended August 31, 2021 Actual	8 Months Ended August 31, 2021 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D OPER.	(1,321.95)	(1,486.64)	164.69
SHORT TERM DISAB. - T & D MAINT.	1,572.23	1,582.68	(10.45)
SHORT TERM DISAB. - CUSTOMER ACCTS	234.79	320.68	(85.89)
SHORT TERM DISAB. - ADMIN. & GENERAL	(200.14)	(64.64)	(135.50)
SHORT TERM DISAB. - SEWER	167.06	(88.64)	255.70
UNIFORM EXPENSE (PLANT)	0.00	51.36	(51.36)
UNIFORM EXPENSE (WATER)	13,673.07	13,162.00	511.07
UNIFORM EXPENSE (ADMIN)	0.00	98.00	(98.00)
UNIFORM EXPENSE (WW)	3,190.77	2,250.68	940.09
Employee Expense	4,754.92	9,592.00	(4,837.08)
Insurance expense	98,759.84	116,531.36	(17,771.52)
Water Purchased -Williamson	318,306.19	326,878.68	(8,572.49)
WATER PURCHASED -PIKEVILLE	478,398.74	484,829.36	(6,430.62)
Sewage Fees	56,745.45	47,267.36	9,478.09
UTILITY EXPENSE	5,777.95	4,738.00	1,039.95
LABORATORY SUPPLIES	8,602.46	5,211.36	3,391.10
LABORATORY EXPENSE	5,894.64	2,756.00	3,138.64
Laboratory Testing Expenses	27,439.37	29,752.68	(2,313.31)
Laboratory Testing Expense	37,165.33	13,005.36	24,159.97
CHEMICALS	86,854.75	108,166.68	(21,311.93)
Chemicals-WW	37,305.11	38,743.36	(1,438.25)
SAFETY SUPPLIES	9,922.02	26,684.68	(16,762.66)
SAFETY SUPPLIES-WW	6,895.29	5,878.00	1,017.29
Electrical Expense	949,490.67	961,903.36	(12,412.69)
CONTRACT SERVICE - ACCOUNTING	41,644.00	49,012.68	(7,368.68)
CONTRACT SERVICE - LEGAL	2,722.50	27,193.36	(24,470.86)
ENGINEERING	0.00	5,229.36	(5,229.36)
CONTRACT SERVICE-GENERAL	17,612.49	10,432.68	7,179.81
CONTRACT SERVICES - MANPOWER	102,136.47	44,539.36	57,597.11
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	100,085.44	82,156.00	17,929.44
ADVERTISING	3,393.88	1,924.68	1,469.20
Bad Debts Charged to Expense	0.00	33,333.36	(33,333.36)
OTHER LEGAL PSC EXPENSE	24,138.30	100,000.00	(75,861.70)
MOBILE PHONE EXPENSE	14,963.27	17,252.00	(2,288.73)
TELEPHONE/INTERNET	20,666.14	19,923.36	742.78
TELEPHONE/INTERNET	2,309.06	1,930.68	378.38
EDUCATION, DUES, MEETINGS, INSURANCE	20,708.27	32,300.00	(11,591.73)
EMPLOYEE BENIFIT EXPENSE	0.00	2.00	(2.00)
Office Expense	149,859.76	120,309.36	29,550.40
Easements	2,970.88	66.68	2,904.20
SETTLEMENT EXPENSES	1,065.52	400.00	665.52
SERVICE FEE EXPENSE	6,683.73	15,350.00	(8,666.27)
BANK SERVICE FEES EXP	4,132.93	0.00	4,132.93
Worker's Compensation Insurance	0.00	15,886.00	(15,886.00)
PSC TAX ASSESSMENT	20,724.79	14,043.36	6,681.43
Retirement Expense	403,288.98	399,769.36	3,519.62
MISCELLANEOUS SUPPLIES	230.36	288.68	(58.32)
Major Equipment R & M	29,417.23	60,179.36	(30,762.13)
Major Equipment R & M Sewer	2,636.97	2,172.68	464.29
Hand Tools R & M	7,547.55	28,276.00	(20,728.45)
Hnad Tools R & M Sewer	2,000.57	1,178.00	822.57
PS/LS R & M	75,902.70	112,948.68	(37,045.98)
PS/LS R & M Sewer	47,503.99	110,978.00	(63,474.01)
Vehicle R & M	42,608.99	57,404.68	(14,795.69)
Vehicle R & M Sewer	821.45	634.00	187.45
General R & M	176,485.93	397,762.68	(221,276.75)
General R & M Sewer	22,032.79	21,007.36	1,025.43

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	<b>8 Months Ended August 31, 2021 Actual</b>	<b>8 Months Ended August 31, 2021 Budget</b>	<b>Over/(Under) Budget</b>
General R & M -Telemetry	7,886.62	6,386.68	1,499.94
R & M Leak Det.	0.00	1,072.00	(1,072.00)
SUPPLIES & EXPENSES TREATMENT (WW)	<u>8,100.00</u>	<u>9,348.68</u>	<u>(1,248.68)</u>
<b>Total Operating Expenses</b>	<u>8,137,979.73</u>	<u>8,763,172.44</u>	<u>(625,192.71)</u>
<b>Operating Income (Loss)</b>	<u>(1,050,918.20)</u>	<u>(1,527,740.60)</u>	<u>476,822.40</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	2,447.13	4,133.32	(1,686.19)
INTEREST EXPENSE - TERM DEBT	(238,660.47)	(250,400.00)	11,739.53
INTEREST EXPENSE - TERM DEBT	<u>(32,280.00)</u>	<u>(32,280.00)</u>	<u>0.00</u>
<b>Total Other Income (Expenses)</b>	<u>(268,493.34)</u>	<u>(278,546.68)</u>	<u>10,053.34</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,319,411.54)</u>	<u>(1,806,287.28)</u>	<u>486,875.74</u>
<b>Net Income (Loss)</b>	<u>\$ (1,319,411.54)</u>	<u>\$ (1,806,287.28)</u>	<u>\$ 486,875.74</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended August 31, 2021 Actual	1 Month Ended August 31, 2021 Budget	8 Months Ended August 31, 2021 Actual	8 Months Ended August 31, 2021 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 586,725.75	\$ 575,455.84	\$ 4,594,150.67	\$ 4,603,646.64
METERED SALES - COMMERCIAL	51,956.13	50,244.75	358,143.57	401,958.00
METERED SALES - INDUSTRIAL	5,740.36	4,968.67	36,332.00	39,749.32
METERED SALES - PUBLIC AUTH.	30,673.36	31,498.59	256,299.58	251,988.64
METERED SALES - MULTI FAMILY	25,671.05	24,367.00	204,816.93	194,936.00
FIRE PROTECTION REVENUE	125.00	93.75	1,000.00	750.00
CUSTOMER LATE PAYMENT CHARGES	16,062.43	19,067.59	93,455.06	152,540.64
OTHER WATER SERVICE REVENUE	447.97	3,049.67	52,235.04	24,397.32
SERVICE CONNECTION FEES	17,155.00	12,135.84	122,239.00	97,086.64
SERVICE CONNECTION FEES FOR WASTE WATER	30.00	12.75	120.00	102.00
SEWER REVENUE -RESIDENTIAL	133,707.28	143,293.25	1,069,930.28	1,146,346.00
SEWER REVENUE - COMMERCIAL	38,577.82	40,241.34	298,339.40	321,930.64
<b>Total Sales</b>	<u>906,872.15</u>	<u>904,429.04</u>	<u>7,087,061.53</u>	<u>7,235,431.84</u>
<b>Gross Profit</b>	<u>906,872.15</u>	<u>904,429.04</u>	<u>7,087,061.53</u>	<u>7,235,431.84</u>
<b>Operating Expenses</b>				
Undistributed	2,421.69	0.00	4,572.12	0.00
DEPRECIATION EXPENSE	253,848.42	253,848.41	2,007,392.52	2,030,787.36
DEPRECIATION EXPENSE - SEWER	82,148.18	98,757.75	668,211.68	790,062.00
PAYROLL TAXES - FICA & U.C.	12,722.78	14,988.41	118,030.21	119,907.36
PUMPING LABOR - OPERATIONS	0.00	0.00	33.22	0.00
WATER TREATMENT LABOR - OPERATIONS	11,238.94	5,656.75	94,007.48	45,254.00
T & D LABOR - OPERATIONS	62,158.57	77,285.83	578,365.12	618,286.68
T & D LABOR - MAINTENANCE	3,019.20	6,638.91	34,527.91	53,111.36
CUSTOMER ACCOUNTS LABOR	21,074.42	26,212.83	204,368.72	209,702.68
ADMIN. & GENERAL LABOR	9,963.96	10,860.00	88,941.79	86,880.00
SEWER LABOR	30,125.70	31,856.50	255,546.86	254,852.00
COMP COMMISSIONERS - AUTO DIST	2,100.00	2,500.00	17,600.00	20,000.00
COMPENSATION - ADMINISTRATOR	31,602.64	34,916.08	284,463.50	279,328.68
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	2,313.75	18,671.37	18,510.00
HEALTH INSURANCE - T & D OPERATIONS	16,498.20	13,830.83	130,033.94	110,646.68
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	5,777.16	27,410.38	46,217.36
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	2,015.25	25,276.36	16,122.00
HEALTH INSURANCE - SEWER	5,786.90	5,960.83	37,495.74	47,686.68
DENTAL INSURANCE - WTP OPERATIONS	85.01	66.91	448.36	535.36
DENTAL INSURANCE - T & D OPERATIONS	477.71	399.58	3,839.68	3,196.68
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(37.59)	0.00
DENTAL INSURANCE - CUST. ACCOUNTS	284.82	192.58	1,820.25	1,540.68
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	165.50	1,393.77	1,324.00
DENTAL INSURANCE - SEWER	387.02	168.66	1,524.94	1,349.36
VISION INSURANCE - PUMPING OPER.	0.00	0.00	12.14	0.00
VISION INSURANCE - WTP OPER.	(4.55)	2.50	(59.58)	20.00
VISION INSURANCE - T & D OPER.	44.38	90.41	343.41	723.36
VISION INSURANCE - CUST. ACCOUNTS	26.87	27.50	4,914.88	220.00
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(9.00)	(304.36)	(72.00)
VISION INSURANCE - SEWER	(79.04)	25.00	(173.53)	200.00
LIFE INSURANCE - WTP OPER.	71.69	65.25	572.47	522.00
LIFE INSURANCE - T & D OPER.	(179.20)	(160.50)	(1,141.01)	(1,284.00)
LIFE INSURANCE - T & D MAINT.	645.74	594.50	4,942.09	4,756.00
LIFE INSURANCE - CUSTOMER ACCTS	303.65	217.00	1,521.64	1,736.00
LIFE INSURANCE - ADMIN. & GENERAL	189.14	153.75	918.32	1,230.00
LIFE INSURANCE - SEWER	220.44	163.33	1,471.95	1,306.68

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended August 31, 2021 Actual</b>	<b>1 Month Ended August 31, 2021 Budget</b>	<b>8 Months Ended August 31, 2021 Actual</b>	<b>8 Months Ended August 31, 2021 Budget</b>
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	36.88	0.00
SHORT TERM DISAB. - WTP OPER.	11.69	7.25	75.98	58.00
SHORT TERM DISAB. - T & D OPER.	(78.07)	(185.84)	(1,321.95)	(1,486.64)
SHORT TERM DISAB. - T & D MAINT.	190.71	197.83	1,572.23	1,582.68
SHORT TERM DISAB. - CUSTOMER ACCTS	59.76	40.08	234.79	320.68
SHORT TERM DISAB. - ADMIN. & GENERAL	19.16	(8.09)	(200.14)	(64.64)
SHORT TERM DISAB. - SEWER	41.33	(11.09)	167.06	(88.64)
UNIFORM EXPENSE (PLANT)	0.00	6.41	0.00	51.36
UNIFORM EXPENSE (WATER)	1,959.06	1,645.25	13,673.07	13,162.00
UNIFORM EXPENSE (ADMIN)	0.00	12.25	0.00	98.00
UNIFORM EXPENSE (WW)	375.67	281.33	3,190.77	2,250.68
Employee Expense	748.39	1,199.00	4,754.92	9,592.00
Insurance expense	23,769.00	14,566.41	98,759.84	116,531.36
Water Purchased -Williamson	36,340.88	40,859.83	318,306.19	326,878.68
WATER PURCHASED -PIKEVILLE	56,542.94	60,603.66	478,398.74	484,829.36
Sewage Fees	6,522.22	5,908.41	56,745.45	47,267.36
UTILITY EXPENSE	0.00	592.25	5,777.95	4,738.00
LABORATORY SUPPLIES	1,532.13	651.41	8,602.46	5,211.36
LABORATORY EXPENSE	1,195.11	344.50	5,894.64	2,756.00
Laboratory Testing Expenses	4,243.70	3,719.08	27,439.37	29,752.68
Laboratory Testing Expense	2,633.00	1,625.66	37,165.33	13,005.36
CHEMICALS	20,890.85	13,520.83	86,854.75	108,166.68
Chemicals-WW	11,125.76	4,842.91	37,305.11	38,743.36
SAFETY SUPPLIES	430.93	3,335.58	9,922.02	26,684.68
SAFETY SUPPLIES-WW	1,017.16	734.75	6,895.29	5,878.00
Electrical Expense	97,391.65	120,237.91	949,490.67	961,903.36
CONTRACT SERVICE - ACCOUNTING	13,155.00	6,126.58	41,644.00	49,012.68
CONTRACT SERVICE - LEGAL	0.00	3,399.16	2,722.50	27,193.36
ENGINEERING	0.00	653.66	0.00	5,229.36
CONTRACT SERVICE-GENERAL	820.00	1,304.08	17,612.49	10,432.68
CONTRACT SERVICES - MANPOWER	14,610.02	5,567.41	102,136.47	44,539.36
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00
AUTO & TRANSPORTATION EXPENSE	13,955.70	10,269.50	100,085.44	82,156.00
ADVERTISING	464.30	240.58	3,393.88	1,924.68
Bad Debts Charged to Expense	0.00	4,166.66	0.00	33,333.36
OTHER LEGAL PSC EXPENSE	537.00	12,500.00	24,138.30	100,000.00
MOBILE PHONE EXPENSE	1,668.33	2,156.50	14,963.27	17,252.00
TELEPHONE/INTERNET	2,868.03	2,490.41	20,666.14	19,923.36
TELEPHONE/INTERNET	262.82	241.33	2,309.06	1,930.68
EDUCATION, DUES, MEETINGS, INSURANCE	4,799.10	4,037.50	20,708.27	32,300.00
EMPLOYEE BENIFIT EXPENSE	0.00	0.25	0.00	2.00
Office Expense	14,481.93	15,038.66	149,859.76	120,309.36
Easements	2,400.00	8.33	2,970.88	66.68
SETTLEMENT EXPENSES	0.00	50.00	1,065.52	400.00
SERVICE FEE EXPENSE	78.47	1,918.75	6,683.73	15,350.00
BANK SERVICE FEES EXP	162.50	0.00	4,132.93	0.00
Worker's Compensation Insurance	0.00	1,985.75	0.00	15,886.00
PSC TAX ASSESSMENT	0.00	1,755.41	20,724.79	14,043.36
Retirement Expense	80,362.23	49,971.16	403,288.98	399,769.36
MISCELLANEOUS SUPPLIES	26.58	36.08	230.36	288.68
Major Equipment R & M	4,362.14	7,522.41	29,417.23	60,179.36
Major Equipment R & M Sewer	374.29	271.58	2,636.97	2,172.68
Hand Tools R & M	1,417.39	3,534.50	7,547.55	28,276.00
Hnad Tools R & M Sewer	0.00	147.25	2,000.57	1,178.00
PS/LS R & M	1,288.95	14,118.58	75,902.70	112,948.68
PS/LS R & M Sewer	12,990.46	13,872.25	47,503.99	110,978.00

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended August 31, 2021 Actual</b>	<b>1 Month Ended August 31, 2021 Budget</b>	<b>8 Months Ended August 31, 2021 Actual</b>	<b>8 Months Ended August 31, 2021 Budget</b>
Vehicle R & M	6,374.85	7,175.58	42,608.99	57,404.68
Vehicle R & M Sewer	0.00	79.25	821.45	634.00
General R & M	22,350.23	49,720.33	176,485.93	397,762.68
General R & M Sewer	847.83	2,625.91	22,032.79	21,007.36
General R & M -Telemetry	1,659.03	798.33	7,886.62	6,386.68
R & M Leak Det.	0.00	134.00	0.00	1,072.00
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,168.58	8,100.00	9,348.68
INTEREST EXPENSE - TERM DEBT	29,527.00	31,300.00	238,660.47	250,400.00
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	32,280.00	32,280.00
<b>Total Operating Expenses</b>	<u>1,060,974.47</u>	<u>1,130,731.14</u>	<u>8,408,920.20</u>	<u>9,045,852.44</u>
<b>Operating Income (Loss)</b>	<u>(154,102.32)</u>	<u>(226,302.10)</u>	<u>(1,321,858.67)</u>	<u>(1,810,420.60)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>197.39</u>	<u>516.67</u>	<u>2,447.13</u>	<u>4,133.32</u>
<b>Total Other Income (Expenses)</b>	<u>197.39</u>	<u>516.67</u>	<u>2,447.13</u>	<u>4,133.32</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(153,904.93)</u>	<u>(225,785.43)</u>	<u>(1,319,411.54)</u>	<u>(1,806,287.28)</u>
<b>Net Income (Loss)</b>	<u>\$ (153,904.93)</u>	<u>\$ (225,785.43)</u>	<u>\$ (1,319,411.54)</u>	<u>\$ (1,806,287.28)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
AUGUST, 2021**

- 228** Field maintenance work orders issued during the month of AUGUST.  
**208** Field maintenance work orders completed during the month of AUGUST.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	48	44	52	32	<b>176</b>
FEBRUARY	47	38	45	24	<b>154</b>
MARCH	49	58	65	45	<b>217</b>
APRIL	38	39	42	66	<b>185</b>
MAY	38	44	66	46	<b>194</b>
JUNE	41	32	51	40	<b>164</b>
JULY	39	51	62	56	<b>208</b>
AUGUST	43	40	45	45	<b>173</b>
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>343</b>	<b>346</b>	<b>428</b>	<b>354</b>	<b>1471</b>

- 12** New PAID service tap work orders issued during the month of AUGUST.  
**5** New PAID service tap work orders completed during the month of AUGUST.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	2	1	0	8	<b>11</b>
FEBRUARY	3	0	0	2	<b>5</b>
MARCH	6	2	1	2	<b>11</b>
APRIL	11	4	1	5	<b>21</b>
MAY	2	2	1	2	<b>7</b>
JUNE	0	3	0	4	<b>7</b>
JULY	2	3	3	3	<b>11</b>
AUGUST	0	1	0	4	<b>5</b>
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>26</b>	<b>16</b>	<b>6</b>	<b>30</b>	<b>78</b>

**WATER**

- 97** Water Customer Work Orders completed during the month of AUGUST.  
**3,043** Delinquent Notices Mailed during the month of AUGUST.  
**490** Delinquent Work Orders Written Up during the month of AUGUST.  
**289** Delinquent Accounts Disconnected during the month of AUGUST.

**SEWER**

- 59 Sewer Customer Work Orders completed during the month of AUGUST.
- 11 Delinquent Work Orders Written Up during the month of AUGUST.
- 0 Delinquent Work Orders Disconnected during the month of AUGUST.
  
- 3 Water Delinquent Work Orders Written Up – City of Pikeville Agreement
- 3 Water Delinquent Accounts Disconnected – City of Pikeville Agreement
- 3 Water Delinquent Accounts Reconnected – City of Pikeville Agreement
  
- 29 Vehicle & equipment maintenance work orders issued during the month of AUGUST.
- 30 Vehicle & equipment maintenance work orders completed during the month of AUGUST.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,499 (16,712 + 787 Multi-Users)
FEBRUARY	17,484 (16,665 + 819 Multi-Users)
MARCH	17,412 (16,601 + 811 Multi-Users)
APRIL	17,446 (16,635 + 811 Multi-Users)
MAY	17,470 (16,655 + 815 Multi-Users)
JUNE	17,494 (16,675 + 819 Multi-Users)
JULY	17,474 (16,655 + 819 Multi-Users)
AUGUST	17,465 (16,652 + 813 Multi-Users)
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,234
FEBRUARY	2,221
MARCH	2,251
APRIL	2,287
MAY	2,345
JUNE	2,344
JULY	2,352
AUGUST	2,341
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**AUGUST 2021 WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,465	66,244,650	\$706,872.26	-1.67%
<b>SEWER</b>	2,341	8,859,014	\$181,619.30	-8.38%
<b>TOTAL BILLED</b>			<b>\$888,491.56</b>	<b>-3.12%</b>

1 Sewer taps were completed during the month of AUGUST.

4 Hydrant work orders were completed during the month of AUGUST.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **AUGUST** was **26,011,000** gallons.

**WATERLOSS** due to leaks and breaks was **4,630,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **13,095,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,354,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **3,932,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **AUGUST** was **26,445,000** gallons for an unaccounted-for loss of **22.28%**.

**Water loss percentage utilizing the PSC form was 27.9%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

6 Work Orders completed for Booster Pump Stations during the month of AUGUST.

**WATER STORAGE TANK MAINTENANCE:**

2 Work Orders completed for Water Storage Tanks during the month of AUGUST.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of AUGUST.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

2 Work Orders completed for Pressure Regulator Stations during the month of AUGUST.

**TELEMETRY MAINTENANCE:**

12 Work Orders completed for Telemetry during the month of AUGUST.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

9 Work Orders completed for the Russell Fork Water Plant during the month of AUGUST.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of AUGUST.

- **12**- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**12** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of AUGUST.

**LIFT STATION MAINTENANCE:**

**9** Work Orders completed for Lift Stations excluding regular maintenance during the month of AUGUST.

**COLLECTION SYSTEM MAINTENANCE:**

**72** Work Orders completed for Collection Systems during the month of AUGUST.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of September 30, 2021 and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>Current Assets</b>		
Cash In Bank	\$ 364,434.88	\$ 296,219.57
Accounts Receivable	1,048,961.32	1,306,074.27
Clearing Accounts	83,399.96	5,520.58
Inventory	279,476.25	322,594.50
Other Current Assets	<u>3,372,784.56</u>	<u>3,623,022.15</u>
<b>Total Current Assets</b>	<u>5,149,056.97</u>	<u>5,553,431.07</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,841,727.68	4,802,205.74
Water Treatment Plant	10,207,654.70	9,876,152.70
Transmission & Distribution Plant	97,813,412.07	96,407,860.34
Water General Plant	4,754,444.83	4,480,655.35
Sewer General Plant	37,409,632.94	37,038,457.03
Construction in Progress	<u>10,711,942.14</u>	<u>8,211,444.60</u>
Total Plant In Service	165,738,814.36	160,816,775.76
Less Accumulated Depreciation	<u>(73,332,980.27)</u>	<u>(69,134,383.68)</u>
<b>Net Capital Assets</b>	<u>92,405,834.09</u>	<u>91,682,392.08</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(24,956.64)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>67,359.53</u>
<b>Total Non Current Assets</b>	<u>92,469,753.27</u>	<u>91,749,751.61</u>
<b>Total Net Assets</b>	<u>\$ 97,618,810.24</u>	<u>\$ 97,303,182.68</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,493,870.59</u>	<u>\$ 2,493,870.59</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of September 30, 2021 and 2020**

**Liabilities and Net Assets**

	<b>2021</b>	<b>2020</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 237,708.21	\$ 267,817.35
Current Portion Due - Notes Payable	1,363,902.00	1,140,214.00
Customer Deposits	441,818.82	380,738.61
Accrued Payroll and Related Expenses	176,025.27	208,830.70
Accrued Interest - Long Term Debt	<u>296,063.47</u>	<u>250,947.07</u>
<b>Total Current Liabilities</b>	<u>2,515,517.77</u>	<u>2,248,547.73</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	7,358,331.00	7,358,331.00
Notes Payable	3,936,095.31	3,901,367.55
Notes Payable - Ky Infrastructure Authority	4,366,751.33	4,889,573.81
Notes Payable - Rural Development	10,083,900.00	6,571,000.00
Advances for Construction	5,768,204.20	6,643,528.76
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,140,214.00)</u>
<b>Total Long-Term Liabilities</b>	<u>30,149,379.84</u>	<u>28,223,587.12</u>
<b>Total Liabilities</b>	<u>32,664,897.61</u>	<u>30,472,134.85</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	740,485.00	740,485.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,595,582.08)	(1,336,681.25)
Contributions in aid of Construction	60,818,297.69	62,567,923.01
Tap-On-Fees	<u>7,484,582.61</u>	<u>7,353,191.66</u>
<b>Total Net Position</b>	<u>66,707,298.22</u>	<u>68,584,433.42</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended September 30, 2021</b>	<b>9 Months Ended September 30, 2021</b>
<b>Operating Revenue</b>	\$ 899,266.21	\$ 7,986,327.74
	<u>899,266.21</u>	<u>7,986,327.74</u>
<b>Total Operating Revenue</b>	<u>899,266.21</u>	<u>7,986,327.74</u>
<b>Operating Expenses</b>		
Water Supply Expense	14,191.44	127,989.76
Water Purchases	100,139.34	896,844.27
Electricity Expense	110,929.48	1,060,420.15
Repairs & Maintenance - Sewer	49,814.37	124,810.14
Repairs & Maintenance - Water	78,199.92	417,977.30
Transmission & Distribution Expense	84,467.41	849,264.31
Customer Service Expense	36,285.71	365,498.16
Administrator Expense	3,765.66	4,959.29
Sewer Expense	49,388.28	449,557.92
General & Administrative	247,275.52	1,939,439.72
<b>Total Operating Expenses</b>	<u>774,457.13</u>	<u>6,236,761.02</u>
Depreciation Expense	<u>335,996.60</u>	<u>3,011,600.80</u>
<b>Utility Operating Expense</b>	<u>1,110,453.73</u>	<u>9,248,361.82</u>
<b>Utility Operating Income (Loss)</b>	<u>(211,187.52)</u>	<u>(1,262,034.08)</u>
<b>Non Operating Revenue</b>		
Interest Income	500.42	2,947.55
Interest Expense	<u>(65,555.08)</u>	<u>(336,495.55)</u>
<b>Total Non Operating Revenue</b>	<u>(65,054.66)</u>	<u>(333,548.00)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (276,242.18)	\$ (1,595,582.08)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>14,202.50</u>	<u>109,289.95</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>14,202.50</u>	<u>109,289.95</u>
<b>Change in Net Position</b>	<u>(262,039.68)</u>	<u>(1,486,292.13)</u>
<b>Net Position, beginning of period</b>	<u>66,969,337.90</u>	<u>68,193,590.35</u>
<b>Net Position, end of period</b>	<u>\$ 66,707,298.22</u>	<u>\$ 66,707,298.22</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 9 Months Ended September 30, 2021**

	<b>1 Month Ended September 30, 2021</b>	<b>9 Months Ended September 30, 2021</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (276,242.18)	\$ (1,595,582.08)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	3,011,600.80
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(21,658.65)	77,873.75
Other Current Assets	(78,393.77)	118,943.79
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(48,641.56)	(23,679.65)
Accrued Interest	31,716.00	78,226.47
Advances for Construction	245,003.85	1,219,114.10
Accrued Liabilities	12,222.09	89,600.85
Tap on Fees	14,202.50	109,289.95
Customer Deposits	19,741.60	73,682.71
Clearing Accounts	8,538.01	(26,650.44)
Total Adjustments	<u>518,726.67</u>	<u>4,728,002.33</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>242,484.49</u>	<u>3,132,420.25</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(29,283.00)	(376,506.20)
Construction in Progress	(263,111.92)	(2,008,566.45)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(292,394.92)</u>	<u>(2,385,072.65)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	0.00	113,926.09
Notes Payable Repayments	(41,302.41)	(893,490.56)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(41,302.41)</u>	<u>(779,564.47)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>(91,212.84)</u>	<u>(32,216.87)</u>
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>454,847.72</u>	<u>392,242.99</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 364,434.88</u>	<u>\$ 364,434.88</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of September 30, 2021 and 2020**

**ASSETS:**

	<b>2021</b>	<b>2020</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 350,111.26	\$ 290,829.69
CTB-MWD Payroll Account	14,003.44	5,069.70
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>364,434.88</b>	<b>296,219.57</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	748,876.95	983,587.40
RECEIVABLE - RETURNED CHECKS	20,132.84	12,952.71
RECEIVABLE - OTHER FEES, ETC..	(20,590.75)	(43,489.25)
A/R - CIP - SEWER	0.00	15,386.40
RECEIVABLE - SEWER REVENUE	302,366.60	312,481.11
PROVISION FOR UNCOLLECTIBLES	(1,824.32)	25,155.90
<b>Total Accounts Receivable:</b>	<b>1,048,961.32</b>	<b>1,306,074.27</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	83,399.96	5,520.58
<b>Total Clearing Accounts:</b>	<b>83,399.96</b>	<b>5,520.58</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	278,711.96
BB & T - Sinking Fund	316,195.96	381,487.92
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	217.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	351,940.90
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	41,854.73	31,308.74
CTB - O & M RESERVES	397,360.03	317,805.18
Community Trust Bank - Misc Line Extension	4,899.25	4,894.35
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	22,978.96	6,773.20
CTB - R & M RESERVE	870,525.51	869,655.53
CTB - Dist Wide WW Tap Fees	36,677.80	26,989.61

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of September 30, 2021 and 2020**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,914.01	100.00
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	25,109.96	37,839.00
MWD DEPRECIATION RESERVE ACCOUNT	861,729.72	860,776.69
CTB. PCFC Projects	81,457.55	104,066.64
CTB - R & M REIMBURSEMENT ACCT.	2,299.61	5,523.99
CTB-MWD Escrow Account	100.00	0.00
MWD INSURANCE SWEEP ACCOUNT	824.51	896.26
MWD Meter Replacement Project	0.00	276,386.43
New Customer Deposit Acct.	458,589.78	0.00
Prepaid Expense-WC	0.00	45,485.57
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,372,784.56</b>	<b>3,623,022.15</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of September 30, 2021 and 2020**

**LIABILITIES:**

	<b>2021</b>	<b>2020</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	(767.04)
FEDERAL INCOME TAX WITHHELD	2,883.44	19,983.51
KY INCOME TAX WITHHELD	13,856.75	(325.49)
ACCRUED FUTA	2,538.89	2,380.95
Accrued CERS	99,518.30	141,753.92
Accrued County Withheld	5,972.78	5,817.09
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	37,842.86	38,438.43
<b>Total Employee Related Payables</b>	176,025.27	208,830.70

**Other Current Liabilities:**

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,261,470.20	3,565,701.43
US Bank Big Creek Water Loan	28,551.85	69,780.16
#154 fORD f250 2017	(740.14)	6,708.69
# 155 CTB	4,797.63	2,336.81
CTB V# 156	3,709.09	10,216.20
CTB V # 157 2018 GMC Sierra	3,897.16	10,656.84
CTB LOC - COAL SEV 2005	0.00	939.39
CTB 158 & 159	15,617.77	32,580.80
WELLS FARGO MINI EXCAVATOR	1,964.37	6,301.62
CTB # 161	3,151.93	12,419.99
CTB- 160	0.00	36,596.51
CTB -162	17,483.94	(1,919.85)
CTB- #163 2019 Ford 350	38,839.55	0.00
#165 Ford F-250 2021	26,642.34	0.00
#164 2021 Ford F-250	27,304.12	0.00
#166	26,632.34	0.00
CTB-# 167 Chevrolet Silverado 2500	36,251.48	0.00
CTB-LN OF COMMITMENT - FEMA REC	322,012.48	0.00
COMMUNITY TRUST V#148	0.00	10.68
US Bank V#149	0.00	1.51
CTB-V# 150 FORD F-150	0.00	487.77
LOAN PAYMENT CTB 60100508207-3	0.00	(1,975.84)
CTB. V# 151 FORD F-150	0.00	3.76
CTB-Boom Truck # CTO-02	0.00	4,050.77
CTB AEP Line of credit	98,664.85	125,078.35
Kobelco mini excavator	0.00	21,391.96
2017 Takeuchi Skid Steer	19,500.56	0.00
<b>Total Notes Payable</b>	3,936,095.31	3,901,367.55

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	620,160.88	855,993.30
KIA LOAN B291-01 INDIAN CREEK	41,020.35	56,592.27
KIA LOAN F01-07 WATER PLANT	208,013.69	274,903.42
KIA LOAN A03-06 SO WMSN III	35,036.98	44,825.81

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of September 30, 2021 and 2020**

KIA Shelby III Phase II	192,738.41	210,975.85
KIA-A16-079 Grinder St	250,186.64	264,379.10
KIA-Douglas WWTP	3,019,594.38	3,181,904.06
<b>Total Notes Payable - Ky Infrastructure Authority</b>	<b>4,366,751.33</b>	<b>4,889,573.81</b>

**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	553,000.00	564,000.00
RD Bond91-45 Radio Read	3,091,900.00	3,150,000.00
RD Belfry WW	3,653,000.00	0.00
RD Bond 91-33	1,325,000.00	1,355,000.00
RD Bond - Shelby Sewer Project	580,000.00	594,500.00
RD Bond - 91-01 Phelps Sewer	325,000.00	333,500.00
RD BOND 91-24 RUSSELL FK WTP	556,000.00	574,000.00
<b>Total Notes Payable - Rural Development</b>	<b>10,083,900.00</b>	<b>6,571,000.00</b>

**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	73,839,898.00
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,589,684.41
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	<b>113,094,523.90</b>	<b>112,734,780.55</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of September 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	228,471.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,508,958.55</u>	<u>4,476,654.61</u>
Total Cost of Water Supply Plant	4,841,727.68	4,802,205.74
Less: Accumulated Depreciation	<u>(2,854,061.54)</u>	<u>(2,594,051.78)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,987,666.14</b>	<b>\$ 2,208,153.96</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>9,756,756.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	9,876,152.70
Less: Accumulated Depreciation	<u>(3,677,843.66)</u>	<u>(3,384,425.95)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,529,811.04</b>	<b>\$ 6,491,726.75</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,528,131.08
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,833,079.07
WATER SERVICES	6,945,764.56	6,873,187.09
WATER METERS & INSTALLATIONS	7,660,645.05	6,543,235.09
HYDRANTS	<u>1,254,797.39</u>	<u>1,249,034.14</u>
Total Cost of Water Transmission & Distribution Plant	97,813,412.07	96,407,860.34
Less: Accumulated Depreciation	<u>(48,801,618.28)</u>	<u>(46,454,569.63)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 49,011,793.79</b>	<b>\$ 49,953,290.71</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 146,118.68
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,518,327.49	1,278,760.29
TOOLS, SHOP & GARAGE EQUIPMENT	335,470.41	315,496.99
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	315,598.37	311,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	4,754,444.83	4,480,655.35
Less: Accumulated Depreciation	<u>(3,996,385.08)</u>	<u>(3,601,073.48)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 758,059.75</b>	<b>\$ 879,581.87</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,131,344.66
SEWER SERVICES	487,403.65	432,199.02
SEWER METERS & INSTALLATIONS	854,592.79	640,995.04
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,409,632.94	37,038,457.03
Less: Accumulated Depreciation	<u>(13,831,050.22)</u>	<u>(12,928,241.35)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,578,582.72</b>	<b>\$ 24,110,215.68</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of September 30, 2021 and 2020**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 1,557,249.96	\$ 2,387,189.23
CIP-MATERIALS & SUPPLIES	114,223.72	295,627.13
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>8,868,446.97</u>	<u>5,356,606.75</u>
Total Construction in Progress	10,711,942.14	8,211,444.60
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 10,539,920.65</b>	<b>\$ 8,039,423.11</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,405,834.09</u></b>	<b><u>\$ 91,682,392.08</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>September 30, 2021</b>	<b>9 Months Ended</b> <b>September 30, 2021</b>
<b>Water Supply Expense:</b>		
PUMPING LABOR - OPERATIONS	288.00	321.22
WATER TREATMENT LABOR - OPERATIONS	11,376.48	105,383.96
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	21,034.49
DENTAL INSURANCE - WTP OPERATIONS	85.01	533.37
VISION INSURANCE - PUMPING OPER.	0.00	12.14
VISION INSURANCE - WTP OPER.	(4.55)	(64.13)
LIFE INSURANCE - WTP OPER.	71.69	644.16
SHORT TERM DISAB. - PUMPING OPER.	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	11.69	87.67
<b>Total Water Supply Expenses</b>	<b>14,191.44</b>	<b>127,989.76</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	43,903.72	362,209.91
WATER PURCHASED -PIKEVILLE	56,235.62	534,634.36
<b>Total Water Purchases Expenses</b>	<b>100,139.34</b>	<b>896,844.27</b>
<b>Electricity Expense:</b>		
Electrical Expense	110,929.48	1,060,420.15
<b>Total Electricity Expenses</b>	<b>110,929.48</b>	<b>1,060,420.15</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	0.00	2,636.97
Hand Tools R & M Sewer	697.76	2,698.33
PS/LS R & M Sewer	43,804.98	91,308.97
Vehicle R & M Sewer	5.75	827.20
General R & M Sewer	4,738.65	26,771.44
R & M Leak Det.	567.23	567.23
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>49,814.37</b>	<b>124,810.14</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	2,604.35	32,021.58
Hand Tools R & M	1,711.42	9,258.97
PS/LS R & M	10,433.59	86,336.29
Vehicle R & M	5,112.54	47,649.89
General R & M	51,727.10	228,213.03
General R & M -Telemetry	6,610.92	14,497.54
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>78,199.92</b>	<b>417,977.30</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	63,205.45	641,570.57
T & D LABOR - MAINTENANCE	2,825.78	37,353.69
HEALTH INSURANCE - T & D OPERATIONS	15,562.05	145,595.99
DENTAL INSURANCE - T & D OPERATIONS	454.04	4,293.72
DENTAL INSURANCE - T & D MAINT	0.00	(37.59)
VISION INSURANCE - T & D OPER.	2.19	345.60
LIFE INSURANCE - T & D OPER.	(185.40)	(1,326.41)

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>9 Months Ended</b>
	<b>September 30, 2021</b>	<b>September 30, 2021</b>
LIFE INSURANCE - T & D MAINT.	573.98	5,516.07
SHORT TERM DISAB. - T & D OPER.	(113.83)	(1,435.78)
SHORT TERM DISAB. - T & D MAINT.	93.25	1,665.48
UNIFORM EXPENSE (WATER)	2,049.90	15,722.97
<b>Total Transmission &amp; Distribution Expenses</b>	84,467.41	849,264.31
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,859.73	226,228.45
ADMIN. & GENERAL LABOR	9,885.70	98,827.49
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,097.26	31,507.64
DENTAL INSURANCE - CUST. ACCOUNTS	144.20	1,964.45
VISION INSURANCE - CUST. ACCOUNTS	26.87	4,941.75
LIFE INSURANCE - CUSTOMER ACCTS	242.42	1,764.06
SHORT TERM DISAB. - CUSTOMER ACCTS	29.53	264.32
<b>Total Customer Service Expenses</b>	36,285.71	365,498.16
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	3,774.70	5,168.47
SHORT TERM DISAB. - ADMIN. & GENERAL	(9.04)	(209.18)
<b>Total Administrator Expenses</b>	3,765.66	4,959.29
<b>Sewer Expense:</b>		
SEWER LABOR	28,812.31	284,359.17
HEALTH INSURANCE - SEWER	3,280.38	40,776.12
DENTAL INSURANCE - SEWER	162.68	1,687.62
VISION INSURANCE - SEWER	(5.63)	(179.16)
LIFE INSURANCE - SEWER	210.07	1,682.02
SHORT TERM DISAB. - SEWER	41.33	208.39
UNIFORM EXPENSE (WW)	515.93	3,706.70
Sewage Fees	4,727.05	61,472.50
Chemicals-WW	11,644.16	48,949.27
SAFETY SUPPLIES-WW	0.00	6,895.29
<b>Total Sewer Expenses</b>	49,388.28	449,557.92
<b>General &amp; Administrative Expense:</b>		
Undistributed	2,176.97	6,749.09
PAYROLL TAXES - FICA & U.C.	12,785.35	130,815.56
COMP COMMISSIONERS - AUTO DIST	2,100.00	19,700.00
COMPENSATION - ADMINISTRATOR	31,602.64	316,066.14
HEALTH INSURANCE - ADMIN. & GENERAL	(376.44)	24,899.92
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(329.02)
LIFE INSURANCE - ADMIN. & GENERAL	180.81	1,099.13
Employee Expense	681.80	5,436.72
Insurance expense	19,826.14	118,585.98
UTILITY EXPENSE	881.22	6,659.17
LABORATORY SUPPLIES	0.00	8,602.46
LABORATORY EXPENSE	0.00	5,894.64
Laboratory Testing Expenses	5,040.65	32,480.02
Laboratory Testing Expense	2,064.55	39,229.88
CHEMICALS	9,692.12	96,546.87
SAFETY SUPPLIES	731.81	11,653.83

No assurance is provided with respect to the financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>September 30, 2021</b>	<b>9 Months Ended</b> <b>September 30, 2021</b>
CONTRACT SERVICE - ACCOUNTING	23,157.00	64,801.00
CONTRACT SERVICE - LEGAL	0.00	2,722.50
CONTRACT SERVICE-GENERAL	1,000.00	18,612.49
CONTRACT SERVICES - MANPOWER	30,515.37	132,651.84
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	15,080.97	115,166.41
ADVERTISING	0.00	3,393.88
OTHER LEGAL PSC EXPENSE	0.00	24,138.30
MOBILE PHONE EXPENSE	2,591.22	17,554.49
TELEPHONE/INTERNET	2,813.11	23,479.25
TELEPHONE/INTERNET	200.58	2,509.64
EDUCATION, DUES, MEETINGS, INSURANCE	6,385.55	27,093.82
Office Expense	18,942.49	168,802.25
Easements	0.00	2,970.88
SETTLEMENT EXPENSES	0.00	1,065.52
SERVICE FEE EXPENSE	3,076.84	9,760.57
BANK SERVICE FEES EXP	148.50	4,281.43
PSC TAX ASSESSMENT	0.00	20,724.79
Retirement Expense	53,778.99	457,067.97
MISCELLANEOUS SUPPLIES	96.94	327.30
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	9,225.00
<b>Total General &amp; Administrative Expenses</b>	<b>247,275.52</b>	<b>1,939,439.72</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b>	<b>9 Months Ended</b>
	<b>September 30, 2021</b>	<b>September 30, 2021</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 569,672.49	\$ 5,163,823.16
METERED SALES - COMMERCIAL	52,540.10	410,683.67
METERED SALES - INDUSTRIAL	5,627.26	41,959.26
METERED SALES - PUBLIC AUTH.	35,311.68	291,611.26
METERED SALES - MULTI FAMILY	24,675.69	229,492.62
FIRE PROTECTION REVENUE	150.00	1,150.00
CUSTOMER LATE PAYMENT CHARGES	16,020.84	109,475.90
OTHER WATER SERVICE REVENUE	520.42	52,755.46
SERVICE CONNECTION FEES	14,202.17	136,441.17
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	120.00
SEWER REVENUE -RESIDENTIAL	144,836.04	1,214,766.32
SEWER REVENUE - COMMERCIAL	<u>35,709.52</u>	<u>334,048.92</u>
<b>Total Operating Revenue</b>	<u>899,266.21</u>	<u>7,986,327.74</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 581,368.82	\$ 546,014.49	\$ 550,084.71	\$ 590,459.79	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 6,841,291.18
METERED SALES - COMMERCIAL	36,066.46	54,298.52	68,951.44	40,356.63	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	570,000.09
METERED SALES - INDUSTRIAL	4,503.80	5,039.14	4,858.18	5,144.70	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	56,360.38
METERED SALES - PUBLIC AUTH.	31,180.20	29,534.79	27,518.62	30,584.98	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	379,844.87
METERED SALES - MULTI FAMILY	24,240.92	24,030.66	23,409.65	26,871.55	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	301,173.85
FIRE PROTECTION REVENUE	125.00	125.00	0.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	150.00	1,400.00
CUSTOMER LATE PAYMENT CHARGES	0.00	(21.13)	0.00	0.00	0.00	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	109,454.77
OTHER WATER SERVICE REVENUE	3,124.31	1,021.25	8,275.64	(142.00)	(143.14)	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	65,176.66
MISC. REVENUES	0.00	0.00	105,895.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105,895.20
SERVICE CONNECTION FEES	2,715.00	3,165.00	2,415.00	10,635.00	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	144,736.17
WASTE WATER	0.00	103.00	0.00	0.00	0.00	0.00	0.00	30.00	60.00	0.00	30.00	0.00	223.00
SEWER REVENUE - RESIDENTIAL	124,554.95	116,705.50	49,099.05	132,431.59	123,315.57	119,119.00	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	1,505,125.82
SEWER REVENUE - COMMERCIAL	41,391.70	37,154.36	33,663.33	33,655.58	32,038.61	33,400.94	36,641.66	39,515.77	41,558.56	42,950.06	38,577.82	35,709.52	446,258.31
<b>Total Sales</b>	<b>849,271.16</b>	<b>817,170.58</b>	<b>874,170.82</b>	<b>870,122.82</b>	<b>803,744.24</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>10,526,940.30</b>

<b>Gross Profit</b>	<b>849,271.16</b>	<b>817,170.58</b>	<b>874,170.82</b>	<b>870,122.82</b>	<b>803,744.24</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>10,526,940.30</b>
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<b>Operating Expenses</b>													
Undistributed	0.00	(14.46)	204.21	2,151.66	0.00	0.00	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	6,938.84
DEPRECIATION EXPENSE	230,453.58	230,453.58	552,763.23	230,453.58	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,274,911.33
AMORTIZATION EXPENSE	0.00	0.00	3,440.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	93,174.42	93,174.42	(33,899.83)	93,174.42	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	902,808.87
PAYROLL TAXES - FICA & U.C.	12,305.64	12,054.79	13,581.01	20,445.55	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,785.35	168,757.00
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	0.00	33.22	0.00	0.00	0.00	0.00	0.00	0.00	288.00	321.22
WATER TREATMENT LABOR - OPERATIONS	6,079.00	5,812.00	6,748.00	9,749.63	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	124,022.96
T & D LABOR - OPERATIONS	64,314.09	61,816.96	67,625.69	98,246.24	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	835,327.31
T & D LABOR - MAINTENANCE	3,384.00	3,598.20	4,741.40	6,259.76	6,342.65	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	49,077.29
CUSTOMER ACCOUNTS LABOR	23,586.64	23,496.07	25,160.36	36,114.32	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	298,471.52
ADMIN. & GENERAL LABOR	9,904.06	9,720.50	10,192.89	14,750.93	9,799.31	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	128,644.94
SEWER LABOR	24,429.27	24,418.73	27,207.02	40,490.99	28,990.59	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	360,414.19
COMP COMMISSIONERS - AUTO DIST	1,500.00	1,500.00	2,500.00	2,000.00	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	25,200.00
COMPENSATION - ADMINISTRATOR	32,212.00	32,212.00	31,962.00	47,308.64	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	412,452.14
HEALTH INSURANCE - WTP	1,379.58	2,363.12	2,363.12	2,254.78	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	27,140.31
OPERATIONS	14,289.22	16,063.09	21,532.38	14,555.92	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	197,480.68
HEALTH INSURANCE - T & D	0.00	41.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.34
MAINTENANCE													
HEALTH INSURANCE - T & D	5,382.94	4,087.26	5,791.87	3,787.15	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	46,769.71
ACCOUNTS													

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	Total
HEALTH INSURANCE - ADMIN. & GENERAL	2,068.02	3,206.60	3,463.16	3,018.38	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	33,637.70
HEALTH INSURANCE - SEWER	4,857.35	3,222.66	3,979.44	3,046.91	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	52,835.57
DENTAL INSURANCE - WTP OPERATIONS	74.34	115.50	115.50	(21.15)	85.01	25.73	85.01	25.78	85.01	77.96	85.01	85.01	838.71
DENTAL INSURANCE - T & D OPERATIONS	481.96	458.51	500.34	488.16	531.33	590.61	531.33	412.92	516.70	290.92	477.71	454.04	5,734.53
DENTAL INSURANCE - T & D MAINT	0.00	(5.37)	(10.74)	(16.11)	(10.74)	(10.74)	0.00	0.00	0.00	0.00	0.00	0.00	(53.70)
DENTAL INSURANCE - CUST. ACCOUNTS	159.92	335.23	225.39	154.87	245.14	245.14	245.14	245.14	245.14	154.86	284.82	144.20	2,684.99
DENTAL INSURANCE - ADMIN. & GENERAL	191.67	191.67	191.67	121.88	191.66	191.66	191.66	191.66	191.66	121.93	191.66	3,774.70	5,743.48
DENTAL INSURANCE - SEWER	156.74	176.42	176.42	64.99	172.80	196.23	196.23	176.47	196.23	134.97	387.02	162.68	2,197.20
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	12.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.14
VISION INSURANCE - WTP OPER.	1.87	7.97	7.97	(19.62)	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(46.32)
VISION INSURANCE - T & D OPER.	72.71	78.07	86.48	4.86	67.97	54.34	80.72	42.76	73.69	(25.31)	44.38	2.19	582.86
VISION INSURANCE - CUST. ACCOUNTS	61.24	11.05	11.05	(37.71)	4,708.45	74.15	26.87	26.87	112.49	(23.11)	26.87	26.87	5,025.09
VISION INSURANCE - ADMIN. & GENERAL	(18.19)	(26.05)	(26.05)	(48.49)	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(399.31)
VISION INSURANCE - SEWER	0.92	21.34	16.18	(57.88)	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	(140.72)
LIFE INSURANCE - WTP OPER.	64.90	60.95	60.95	59.10	60.95	89.22	82.94	71.69	156.38	(19.50)	71.69	71.69	830.96
LIFE INSURANCE - T & D OPER.	(158.51)	(139.66)	(139.66)	(215.69)	(36.89)	(185.40)	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(1,764.24)
LIFE INSURANCE - T & D MAINT.	610.73	763.44	583.13	617.56	570.75	947.82	698.96	(15.39)	1,476.65	0.00	645.74	573.98	7,473.37
LIFE INSURANCE - CUSTOMER ACCTS	234.75	331.66	174.59	(394.31)	243.42	365.61	281.13	269.70	645.42	(192.98)	303.65	242.42	2,505.06
LIFE INSURANCE - ADMIN. & GENERAL	157.07	296.82	188.73	73.85	148.48	252.94	(216.92)	179.81	478.16	(187.14)	189.14	180.81	1,741.75
LIFE INSURANCE - SEWER	140.29	195.83	135.12	106.79	137.72	240.29	214.68	192.26	506.17	(146.40)	220.44	210.07	2,153.26
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	19.52	0.00	0.00	0.00	36.88	0.00	0.00	0.00	0.00	0.00	56.40
SHORT TERM DISAB. - WTP OPER.	21.83	2.51	2.51	(12.76)	2.51	8.77	45.97	11.69	53.92	(45.81)	11.69	11.69	114.52
SHORT TERM DISAB. - T & D OPER.	(140.05)	(131.30)	(137.00)	(260.25)	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(1,844.13)
SHORT TERM DISAB. - T & D MAINT.	185.67	182.01	272.55	202.61	208.31	198.50	209.77	209.77	363.06	(10.50)	190.71	93.25	2,305.71
SHORT TERM DISAB. - CUSTOMER ACCTS	(0.33)	15.25	15.26	(26.96)	41.05	17.96	73.64	40.40	189.33	(160.39)	59.76	29.53	294.50
SHORT TERM DISAB. - ADMIN. & GENERAL	(11.32)	(11.22)	(48.00)	(99.72)	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	(279.72)
SHORT TERM DISAB. - SEWER	7.41	(9.65)	(15.35)	(54.57)	2.03	8.02	99.16	41.33	191.16	(161.40)	41.33	41.33	190.80
UNIFORM EXPENSE (WATER)	4,045.87	2,654.77	1,679.12	1,270.91	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	24,102.73
UNIFORM EXPENSE (ADMIN)	0.00	20.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.88
UNIFORM EXPENSE (VWV)	295.28	386.78	270.70	219.67	217.02	375.71	442.85	316.08	482.93	760.84	375.67	515.93	4,659.46
Employee Expense	417.50	4,123.69	1,130.29	1,641.14	249.50	621.70	150.00	428.00	255.99	660.20	748.39	681.80	11,108.20
Insurance expense	5,761.90	0.00	(22,913.39)	134.00	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	101,434.49
Water Purchased - Williamson	41,796.47	41,000.42	36,131.52	36,201.25	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	481,138.32
WATER PURCHASED - PIKEVILLE	43,779.31	44,456.99	62,584.34	60,892.70	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	685,455.00
Sewage Fees	12,939.92	15,794.47	13,997.43	10,838.95	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	104,204.32
UTILITY EXPENSE	791.64	522.90	657.27	911.43	1,568.70	454.16	1,081.22	881.22	881.22	0.00	0.00	881.22	8,630.98

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	Total
LABORATORY SUPPLIES	800.30	350.71	38.69	1,389.34	71.55	1,294.21	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	9,792.16
LABORATORY EXPENSE	403.94	106.00	299.15	1,442.42	289.81	1,283.94	661.80	0.00	0.00	1,021.56	1,195.11	0.00	6,703.73
Laboratory Testing Expenses	3,276.75	3,037.25	4,566.50	7,095.75	599.00	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	43,360.52
Laboratory Testing Expense	0.00	2,113.00	1,440.00	8,562.00	7,545.50	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	42,782.88
CHEMICALS	10,910.80	14,897.74	18,432.12	2,519.22	0.00	16,183.78	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	140,787.53
Chemicals-WW	0.00	11,850.60	0.00	0.00	5,406.00	11,263.17	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	60,799.87
SAFETY SUPPLIES	1,388.22	935.88	736.19	1,856.78	295.57	2,159.89	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	14,714.12
SAFETY SUPPLIES-WW	49.99	36.76	118.95	73.52	1,873.51	309.40	0.00	176.54	779.27	2,665.89	1,017.16	0.00	7,100.99
Electrical Expense	106,754.88	91,717.97	115,970.15	120,136.14	146,245.49	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	1,374,863.15
CONTRACT SERVICE - ACCOUNTING	3,454.00	3,221.00	4,796.00	4,224.00	3,024.00	2,438.00	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	76,272.00
CONTRACT SERVICE - LEGAL	0.00	928.20	4,125.00	0.00	0.00	2,722.50	0.00	0.00	0.00	0.00	0.00	0.00	7,775.70
ENGINEERING	0.00	0.00	232.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	232.00
CONTRACT SERVICE-GENERAL	11,627.64	17,966.48	13,945.00	1,596.63	3,573.37	7,732.49	850.00	800.00	1,440.00	800.00	820.00	1,000.00	62,151.61
CONTRACT SERVICES - MANPOWER	0.00	0.00	0.00	0.00	3,909.68	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.57	132,651.84
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	(4,012.26)	9,140.85	7,649.97	11,335.07	9,494.08	23,022.07	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	127,944.97
ADVERTISING	0.00	0.00	100.80	0.00	453.60	1,024.38	355.32	630.08	0.00	466.20	464.30	0.00	3,494.68
OTHER LEGAL PSC EXPENSE	537.00	537.00	0.00	537.00	537.00	17,074.50	537.00	3,841.80	537.00	537.00	537.00	537.00	25,212.30
MOBILE PHONE EXPENSE	2,534.79	1,872.07	2,054.28	1,827.31	1,980.64	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	24,015.63
TELEPHONE/INTERNET	2,947.08	2,013.14	2,695.35	2,782.78	2,547.32	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	31,134.82
TELEPHONE/INTERNET	541.32	139.85	270.66	272.81	272.81	107.95	273.55	878.30	0.00	240.82	262.82	200.58	3,461.47
EDUCATION, DUES, MEETINGS, INSURANCE	3,148.06	2,975.38	1,426.49	2,926.77	1,646.55	1,278.41	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	34,643.75
Office Expense	13,262.08	16,512.54	45,816.40	22,192.49	17,478.17	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	244,393.27
Easements	0.00	1,500.00	0.00	0.00	545.88	25.00	0.00	0.00	0.00	0.00	2,400.00	0.00	4,470.88
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,065.52	0.00	0.00	0.00	1,065.52
SERVICE FEE EXPENSE	20.63	143.30	10,575.10	0.00	20.63	1.10	0.00	22.00	6,505.53	56.00	78.47	3,076.84	20,499.60
BANK SERVICE FEES EXP	142.96	158.05	9,398.39	160.63	630.45	2,641.27	141.36	129.23	132.59	134.90	162.50	148.50	13,980.83
Worker's Compensation Insurance	10,016.00	10,016.00	78,414.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98,446.96
PSC TAX ASSESSMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79	0.00	0.00	0.00	20,724.79
Retirement Expense	47,725.26	48,706.73	(68,924.88)	37,104.35	62,671.44	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	484,575.08
MISCELLANEOUS SUPPLIES	163.65	26.58	240.09	26.58	35.44	26.58	35.44	8.86	26.58	44.30	26.58	96.94	757.62
Major Equipment R & M	8,531.17	4,923.65	89.17	1,597.15	1,587.67	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	45,565.57
Major Equipment R & M Sewer	0.00	0.00	0.00	126.85	190.00	959.42	79.35	373.76	533.30	0.00	374.29	0.00	2,636.97
Hand Tools R & M	448.54	826.52	1,168.65	1,447.88	69.97	349.22	1,742.29	1,283.41	776.48	460.91	1,417.39	1,711.42	11,702.68
Hand Tools R & M Sewer	230.75	54.88	105.92	355.97	820.12	99.98	98.94	57.87	221.20	346.49	0.00	697.76	3,089.88
PS/LS R & M	5,125.31	20,073.81	9,316.47	15,122.73	1,743.63	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.39	120,851.88
PS/LS R & M Sewer	8,904.61	6,643.44	5,784.73	2,164.83	0.00	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	112,641.75
Vehicle R & M	2,950.47	4,498.00	3,773.58	4,267.22	3,622.91	11,378.96	2,471.38	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	58,871.94
Vehicle R & M Sewer	114.99	0.00	0.00	0.00	153.74	205.43	8.95	15.39	0.00	437.94	0.00	5.75	942.19
General R & M	67,821.89	28,508.27	159,494.30	5,508.59	22,161.23	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,727.10	484,037.49
General R & M Sewer	5,779.57	144.00	3,529.71	1,752.72	662.80	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	36,224.72

General R & M - Information provided on these financial statements is management's best estimate of the actual amounts. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	10/31/20	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	Total
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	567.23	567.23
SUPPLIES & EXPENSES TREATMENT (MMV)	1,125.00	1,125.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	12,600.00
INTEREST EXPENSE - TERM DEBT	30,464.11	30,558.73	(33,192.58)	29,887.86	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	296,047.06
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	90,556.97	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	166,905.72
<b>Total Operating Expenses</b>	<u>992,667.82</u>	<u>981,403.12</u>	<u>1,341,469.42</u>	<u>1,037,213.89</u>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,176,008.81</u>	<u>12,900,397.43</u>
<b>Operating Income (Loss)</b>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,742.60)</u>	<u>(2,373,457.43)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>						
<b>Net Income (Loss) Before Taxes</b>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,742.60)</u>	<u>(2,373,457.43)</u>
<b>Net Income (Loss)</b>	<u>(143,396.66)</u>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,742.60)</u>	<u>(2,373,457.43)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	9 Months Ended September 30, 2021 Actual	9 Months Ended September 30, 2021 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 5,163,823.16	\$ 5,179,102.48	\$ (15,279.32)
METERED SALES - COMMERCIAL	410,683.67	452,202.75	(41,519.08)
METERED SALES - INDUSTRIAL	41,959.26	44,717.99	(2,758.73)
METERED SALES - PUBLIC AUTH.	291,611.26	283,487.23	8,124.03
METERED SALES - MULTI FAMILY	229,492.62	219,303.00	10,189.62
FIRE PROTECTION REVENUE	1,150.00	843.75	306.25
CUSTOMER LATE PAYMENT CHARGES	109,475.90	171,608.23	(62,132.33)
OTHER WATER SERVICE REVENUE	52,755.46	27,446.99	25,308.47
SERVICE CONNECTION FEES	136,441.17	109,222.48	27,218.69
SERVICE CONNECTION FEES FOR WASTE WATER	120.00	114.75	5.25
SEWER REVENUE -RESIDENTIAL	1,214,766.32	1,289,639.25	(74,872.93)
SEWER REVENUE - COMMERCIAL	334,048.92	362,171.98	(28,123.06)
	<hr/>	<hr/>	<hr/>
<b>Total Sales</b>	7,986,327.74	8,139,860.88	(153,533.14)
	<hr/>	<hr/>	<hr/>
<b>Gross Profit</b>	7,986,327.74	8,139,860.88	(153,533.14)
<b>Operating Expenses</b>			
Undistributed	6,749.09	0.00	6,749.09
DEPRECIATION EXPENSE	2,261,240.94	2,284,635.77	(23,394.83)
DEPRECIATION EXPENSE - SEWER	750,359.86	888,819.75	(138,459.89)
PAYROLL TAXES - FICA & U.C.	130,815.56	134,895.77	(4,080.21)
PUMPING LABOR - OPERATIONS	321.22	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	105,383.96	50,910.75	54,473.21
T & D LABOR - OPERATIONS	641,570.57	695,572.51	(54,001.94)
T & D LABOR - MAINTENANCE	37,353.69	59,750.27	(22,396.58)
CUSTOMER ACCOUNTS LABOR	226,228.45	235,915.51	(9,687.06)
ADMIN. & GENERAL LABOR	98,827.49	97,740.00	1,087.49
SEWER LABOR	284,359.17	286,708.50	(2,349.33)
COMP COMMISSIONERS - AUTO DIST	19,700.00	22,500.00	(2,800.00)
COMPENSATION - ADMINISTRATOR	316,066.14	314,244.76	1,821.38
HEALTH INSURANCE - WTP OPERATIONS	21,034.49	20,823.75	210.74
HEALTH INSURANCE - T & D OPERATIONS	145,595.99	124,477.51	21,118.48
HEALTH INSURANCE - CUSTOMER ACCOUNTS	31,507.64	51,994.52	(20,486.88)
HEALTH INSURANCE - ADMIN. & GENERAL	24,899.92	18,137.25	6,762.67
HEALTH INSURANCE - SEWER	40,776.12	53,647.51	(12,871.39)
DENTAL INSURANCE - WTP OPERATIONS	533.37	602.27	(68.90)
DENTAL INSURANCE - T & D OPERATIONS	4,293.72	3,596.26	697.46
DENTAL INSURANCE - T & D MAINT	(37.59)	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	1,964.45	1,733.26	231.19
DENTAL INSURANCE - ADMIN. & GENERAL	5,168.47	1,489.50	3,678.97
DENTAL INSURANCE - SEWER	1,687.62	1,518.02	169.60
VISION INSURANCE - PUMPING OPER.	12.14	0.00	12.14
VISION INSURANCE - WTP OPER.	(64.13)	22.50	(86.63)
VISION INSURANCE - T & D OPER.	345.60	813.77	(468.17)
VISION INSURANCE - CUST. ACCOUNTS	4,941.75	247.50	4,694.25
VISION INSURANCE - ADMIN. & GENERAL	(329.02)	(81.00)	(248.02)
VISION INSURANCE - SEWER	(179.16)	225.00	(404.16)
LIFE INSURANCE - WTP OPER.	644.16	587.25	56.91
LIFE INSURANCE - T & D OPER.	(1,326.41)	(1,444.50)	118.09
LIFE INSURANCE - T & D MAINT.	5,516.07	5,350.50	165.57
LIFE INSURANCE - CUSTOMER ACCTS	1,764.06	1,953.00	(188.94)
LIFE INSURANCE - ADMIN. & GENERAL	1,099.13	1,383.75	(284.62)
LIFE INSURANCE - SEWER	1,682.02	1,470.01	212.01
SHORT TERM DISAB. - PUMPING OPER.	36.88	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	87.67	65.25	22.42

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	9 Months Ended September 30, 2021 Actual	9 Months Ended September 30, 2021 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D OPER.	(1,435.78)	(1,672.48)	236.70
SHORT TERM DISAB. - T & D MAINT.	1,665.48	1,780.51	(115.03)
SHORT TERM DISAB. - CUSTOMER ACCTS	264.32	360.76	(96.44)
SHORT TERM DISAB. - ADMIN. & GENERAL	(209.18)	(72.73)	(136.45)
SHORT TERM DISAB. - SEWER	208.39	(99.73)	308.12
UNIFORM EXPENSE (PLANT)	0.00	57.77	(57.77)
UNIFORM EXPENSE (WATER)	15,722.97	14,807.25	915.72
UNIFORM EXPENSE (ADMIN)	0.00	110.25	(110.25)
UNIFORM EXPENSE (WW)	3,706.70	2,532.01	1,174.69
Employee Expense	5,436.72	10,791.00	(5,354.28)
Insurance expense	118,585.98	131,097.77	(12,511.79)
Water Purchased -Williamson	362,209.91	367,738.51	(5,528.60)
WATER PURCHASED -PIKEVILLE	534,634.36	545,433.02	(10,798.66)
Sewage Fees	61,472.50	53,175.77	8,296.73
UTILITY EXPENSE	6,659.17	5,330.25	1,328.92
LABORATORY SUPPLIES	8,602.46	5,862.77	2,739.69
LABORATORY EXPENSE	5,894.64	3,100.50	2,794.14
Laboratory Testing Expenses	32,480.02	33,471.76	(991.74)
Laboratory Testing Expense	39,229.88	14,631.02	24,598.86
CHEMICALS	96,546.87	121,687.51	(25,140.64)
Chemicals-WW	48,949.27	43,586.27	5,363.00
SAFETY SUPPLIES	11,653.83	30,020.26	(18,366.43)
SAFETY SUPPLIES-WW	6,895.29	6,612.75	282.54
Electrical Expense	1,060,420.15	1,082,141.27	(21,721.12)
CONTRACT SERVICE - ACCOUNTING	64,801.00	55,139.26	9,661.74
CONTRACT SERVICE - LEGAL	2,722.50	30,592.52	(27,870.02)
ENGINEERING	0.00	5,883.02	(5,883.02)
CONTRACT SERVICE-GENERAL	18,612.49	11,736.76	6,875.73
CONTRACT SERVICES - MANPOWER	132,651.84	50,106.77	82,545.07
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	115,166.41	92,425.50	22,740.91
ADVERTISING	3,393.88	2,165.26	1,228.62
Bad Debts Charged to Expense	0.00	37,500.02	(37,500.02)
OTHER LEGAL PSC EXPENSE	24,138.30	112,500.00	(88,361.70)
MOBILE PHONE EXPENSE	17,554.49	19,408.50	(1,854.01)
TELEPHONE/INTERNET	23,479.25	22,413.77	1,065.48
TELEPHONE/INTERNET	2,509.64	2,172.01	337.63
EDUCATION, DUES, MEETINGS, INSURANCE	27,093.82	36,337.50	(9,243.68)
EMPLOYEE BENIFIT EXPENSE	0.00	2.25	(2.25)
Office Expense	168,802.25	135,348.02	33,454.23
Easements	2,970.88	75.01	2,895.87
SETTLEMENT EXPENSES	1,065.52	450.00	615.52
SERVICE FEE EXPENSE	9,760.57	17,268.75	(7,508.18)
BANK SERVICE FEES EXP	4,281.43	0.00	4,281.43
Worker's Compensation Insurance	0.00	17,871.75	(17,871.75)
PSC TAX ASSESSMENT	20,724.79	15,798.77	4,926.02
Retirement Expense	457,067.97	449,740.52	7,327.45
MISCELLANEOUS SUPPLIES	327.30	324.76	2.54
Major Equipment R & M	32,021.58	67,701.77	(35,680.19)
Major Equipment R & M Sewer	2,636.97	2,444.26	192.71
Hand Tools R & M	9,258.97	31,810.50	(22,551.53)
Hnad Tools R & M Sewer	2,698.33	1,325.25	1,373.08
PS/LS R & M	86,336.29	127,067.26	(40,730.97)
PS/LS R & M Sewer	91,308.97	124,850.25	(33,541.28)
Vehicle R & M	47,649.89	64,580.26	(16,930.37)
Vehicle R & M Sewer	827.20	713.25	113.95
General R & M	228,213.03	447,483.01	(219,269.98)
General R & M Sewer	26,771.44	23,633.27	3,138.17

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	<b>9 Months Ended September 30, 2021 Actual</b>	<b>9 Months Ended September 30, 2021 Budget</b>	<b>Over/(Under) Budget</b>
General R & M -Telemetry	14,497.54	7,185.01	7,312.53
R & M Leak Det.	567.23	1,206.00	(638.77)
SUPPLIES & EXPENSES TREATMENT (WW)	<u>9,225.00</u>	<u>10,517.26</u>	<u>(1,292.26)</u>
<b>Total Operating Expenses</b>	<u>9,248,361.82</u>	<u>9,858,568.58</u>	<u>(610,206.76)</u>
<b>Operating Income (Loss)</b>	<u>(1,262,034.08)</u>	<u>(1,718,707.70)</u>	<u>456,673.62</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	2,947.55	4,649.99	(1,702.44)
INTEREST EXPENSE - TERM DEBT	(268,216.80)	(281,700.00)	13,483.20
INTEREST EXPENSE - TERM DEBT	<u>(68,278.75)</u>	<u>(36,315.00)</u>	<u>(31,963.75)</u>
<b>Total Other Income (Expenses)</b>	<u>(333,548.00)</u>	<u>(313,365.01)</u>	<u>(20,182.99)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,595,582.08)</u>	<u>(2,032,072.71)</u>	<u>436,490.63</u>
<b>Net Income (Loss)</b>	<u>\$ (1,595,582.08)</u>	<u>\$ (2,032,072.71)</u>	<u>\$ 436,490.63</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended September 30, 2021 Actual	1 Month Ended September 30, 2021 Budget	9 Months Ended September 30, 2021 Actual	9 Months Ended September 30, 2021 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 569,672.49	\$ 575,455.84	\$ 5,163,823.16	\$ 5,179,102.48
METERED SALES - COMMERCIAL	52,540.10	50,244.75	410,683.67	452,202.75
METERED SALES - INDUSTRIAL	5,627.26	4,968.67	41,959.26	44,717.99
METERED SALES - PUBLIC AUTH.	35,311.68	31,498.59	291,611.26	283,487.23
METERED SALES - MULTI FAMILY	24,675.69	24,367.00	229,492.62	219,303.00
FIRE PROTECTION REVENUE	150.00	93.75	1,150.00	843.75
CUSTOMER LATE PAYMENT CHARGES	16,020.84	19,067.59	109,475.90	171,608.23
OTHER WATER SERVICE REVENUE	520.42	3,049.67	52,755.46	27,446.99
SERVICE CONNECTION FEES	14,202.17	12,135.84	136,441.17	109,222.48
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	12.75	120.00	114.75
SEWER REVENUE -RESIDENTIAL	144,836.04	143,293.25	1,214,766.32	1,289,639.25
SEWER REVENUE - COMMERCIAL	35,709.52	40,241.34	334,048.92	362,171.98
<b>Total Sales</b>	<u>899,266.21</u>	<u>904,429.04</u>	<u>7,986,327.74</u>	<u>8,139,860.88</u>
<b>Gross Profit</b>	<u>899,266.21</u>	<u>904,429.04</u>	<u>7,986,327.74</u>	<u>8,139,860.88</u>
<b>Operating Expenses</b>				
Undistributed	2,176.97	0.00	6,749.09	0.00
DEPRECIATION EXPENSE	253,848.42	253,848.41	2,261,240.94	2,284,635.77
DEPRECIATION EXPENSE - SEWER	82,148.18	98,757.75	750,359.86	888,819.75
PAYROLL TAXES - FICA & U.C.	12,785.35	14,988.41	130,815.56	134,895.77
PUMPING LABOR - OPERATIONS	288.00	0.00	321.22	0.00
WATER TREATMENT LABOR - OPERATIONS	11,376.48	5,656.75	105,383.96	50,910.75
T & D LABOR - OPERATIONS	63,205.45	77,285.83	641,570.57	695,572.51
T & D LABOR - MAINTENANCE	2,825.78	6,638.91	37,353.69	59,750.27
CUSTOMER ACCOUNTS LABOR	21,859.73	26,212.83	226,228.45	235,915.51
ADMIN. & GENERAL LABOR	9,885.70	10,860.00	98,827.49	97,740.00
SEWER LABOR	28,812.31	31,856.50	284,359.17	286,708.50
COMP COMMISSIONERS - AUTO DIST	2,100.00	2,500.00	19,700.00	22,500.00
COMPENSATION - ADMINISTRATOR	31,602.64	34,916.08	316,066.14	314,244.76
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	2,313.75	21,034.49	20,823.75
HEALTH INSURANCE - T & D OPERATIONS	15,562.05	13,830.83	145,595.99	124,477.51
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,097.26	5,777.16	31,507.64	51,994.52
HEALTH INSURANCE - ADMIN. & GENERAL	(376.44)	2,015.25	24,899.92	18,137.25
HEALTH INSURANCE - SEWER	3,280.38	5,960.83	40,776.12	53,647.51
DENTAL INSURANCE - WTP OPERATIONS	85.01	66.91	533.37	602.27
DENTAL INSURANCE - T & D OPERATIONS	454.04	399.58	4,293.72	3,596.26
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(37.59)	0.00
DENTAL INSURANCE - CUST. ACCOUNTS	144.20	192.58	1,964.45	1,733.26
DENTAL INSURANCE - ADMIN. & GENERAL	3,774.70	165.50	5,168.47	1,489.50
DENTAL INSURANCE - SEWER	162.68	168.66	1,687.62	1,518.02
VISION INSURANCE - PUMPING OPER.	0.00	0.00	12.14	0.00
VISION INSURANCE - WTP OPER.	(4.55)	2.50	(64.13)	22.50
VISION INSURANCE - T & D OPER.	2.19	90.41	345.60	813.77
VISION INSURANCE - CUST. ACCOUNTS	26.87	27.50	4,941.75	247.50
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(9.00)	(329.02)	(81.00)
VISION INSURANCE - SEWER	(5.63)	25.00	(179.16)	225.00
LIFE INSURANCE - WTP OPER.	71.69	65.25	644.16	587.25
LIFE INSURANCE - T & D OPER.	(185.40)	(160.50)	(1,326.41)	(1,444.50)
LIFE INSURANCE - T & D MAINT.	573.98	594.50	5,516.07	5,350.50
LIFE INSURANCE - CUSTOMER ACCTS	242.42	217.00	1,764.06	1,953.00
LIFE INSURANCE - ADMIN. & GENERAL	180.81	153.75	1,099.13	1,383.75
LIFE INSURANCE - SEWER	210.07	163.33	1,682.02	1,470.01

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended September 30, 2021 Actual</b>	<b>1 Month Ended September 30, 2021 Budget</b>	<b>9 Months Ended September 30, 2021 Actual</b>	<b>9 Months Ended September 30, 2021 Budget</b>
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	36.88	0.00
SHORT TERM DISAB. - WTP OPER.	11.69	7.25	87.67	65.25
SHORT TERM DISAB. - T & D OPER.	(113.83)	(185.84)	(1,435.78)	(1,672.48)
SHORT TERM DISAB. - T & D MAINT.	93.25	197.83	1,665.48	1,780.51
SHORT TERM DISAB. - CUSTOMER ACCTS	29.53	40.08	264.32	360.76
SHORT TERM DISAB. - ADMIN. & GENERAL	(9.04)	(8.09)	(209.18)	(72.73)
SHORT TERM DISAB. - SEWER	41.33	(11.09)	208.39	(99.73)
UNIFORM EXPENSE (PLANT)	0.00	6.41	0.00	57.77
UNIFORM EXPENSE (WATER)	2,049.90	1,645.25	15,722.97	14,807.25
UNIFORM EXPENSE (ADMIN)	0.00	12.25	0.00	110.25
UNIFORM EXPENSE (WW)	515.93	281.33	3,706.70	2,532.01
Employee Expense	681.80	1,199.00	5,436.72	10,791.00
Insurance expense	19,826.14	14,566.41	118,585.98	131,097.77
Water Purchased -Williamson	43,903.72	40,859.83	362,209.91	367,738.51
WATER PURCHASED -PIKEVILLE	56,235.62	60,603.66	534,634.36	545,433.02
Sewage Fees	4,727.05	5,908.41	61,472.50	53,175.77
UTILITY EXPENSE	881.22	592.25	6,659.17	5,330.25
LABORATORY SUPPLIES	0.00	651.41	8,602.46	5,862.77
LABORATORY EXPENSE	0.00	344.50	5,894.64	3,100.50
Laboratory Testing Expenses	5,040.65	3,719.08	32,480.02	33,471.76
Laboratory Testing Expense	2,064.55	1,625.66	39,229.88	14,631.02
CHEMICALS	9,692.12	13,520.83	96,546.87	121,687.51
Chemicals-WW	11,644.16	4,842.91	48,949.27	43,586.27
SAFETY SUPPLIES	1,731.81	3,335.58	11,653.83	30,020.26
SAFETY SUPPLIES-WW	0.00	734.75	6,895.29	6,612.75
Electrical Expense	110,929.48	120,237.91	1,060,420.15	1,082,141.27
CONTRACT SERVICE - ACCOUNTING	23,157.00	6,126.58	64,801.00	55,139.26
CONTRACT SERVICE - LEGAL	0.00	3,399.16	2,722.50	30,592.52
ENGINEERING	0.00	653.66	0.00	5,883.02
CONTRACT SERVICE-GENERAL	1,000.00	1,304.08	18,612.49	11,736.76
CONTRACT SERVICES - MANPOWER	30,515.37	5,567.41	132,651.84	50,106.77
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00
AUTO & TRANSPORTATION EXPENSE	15,080.97	10,269.50	115,166.41	92,425.50
ADVERTISING	0.00	240.58	3,393.88	2,165.26
Bad Debts Charged to Expense	0.00	4,166.66	0.00	37,500.02
OTHER LEGAL PSC EXPENSE	0.00	12,500.00	24,138.30	112,500.00
MOBILE PHONE EXPENSE	2,591.22	2,156.50	17,554.49	19,408.50
TELEPHONE/INTERNET	2,813.11	2,490.41	23,479.25	22,413.77
TELEPHONE/INTERNET	200.58	241.33	2,509.64	2,172.01
EDUCATION, DUES, MEETINGS, INSURANCE	6,385.55	4,037.50	27,093.82	36,337.50
EMPLOYEE BENIFIT EXPENSE	0.00	0.25	0.00	2.25
Office Expense	18,942.49	15,038.66	168,802.25	135,348.02
Easements	0.00	8.33	2,970.88	75.01
SETTLEMENT EXPENSES	0.00	50.00	1,065.52	450.00
SERVICE FEE EXPENSE	3,076.84	1,918.75	9,760.57	17,268.75
BANK SERVICE FEES EXP	148.50	0.00	4,281.43	0.00
Worker's Compensation Insurance	0.00	1,985.75	0.00	17,871.75
PSC TAX ASSESSMENT	0.00	1,755.41	20,724.79	15,798.77
Retirement Expense	53,778.99	49,971.16	457,067.97	449,740.52
MISCELLANEOUS SUPPLIES	96.94	36.08	327.30	324.76
Major Equipment R & M	2,604.35	7,522.41	32,021.58	67,701.77
Major Equipment R & M Sewer	0.00	271.58	2,636.97	2,444.26
Hand Tools R & M	1,711.42	3,534.50	9,258.97	31,810.50
Hnad Tools R & M Sewer	697.76	147.25	2,698.33	1,325.25
PS/LS R & M	10,433.59	14,118.58	86,336.29	127,067.26
PS/LS R & M Sewer	43,804.98	13,872.25	91,308.97	124,850.25

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended September 30, 2021 Actual</b>	<b>1 Month Ended September 30, 2021 Budget</b>	<b>9 Months Ended September 30, 2021 Actual</b>	<b>9 Months Ended September 30, 2021 Budget</b>
Vehicle R & M	5,112.54	7,175.58	47,649.89	64,580.26
Vehicle R & M Sewer	5.75	79.25	827.20	713.25
General R & M	51,727.10	49,720.33	228,213.03	447,483.01
General R & M Sewer	4,738.65	2,625.91	26,771.44	23,633.27
General R & M -Telemetry	6,610.92	798.33	14,497.54	7,185.01
R & M Leak Det.	567.23	134.00	567.23	1,206.00
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,168.58	9,225.00	10,517.26
INTEREST EXPENSE - TERM DEBT	29,556.33	31,300.00	268,216.80	281,700.00
INTEREST EXPENSE - TERM DEBT	35,998.75	4,035.00	68,278.75	36,315.00
<b>Total Operating Expenses</b>	<u>1,176,008.81</u>	<u>1,130,731.14</u>	<u>9,584,857.37</u>	<u>10,176,583.58</u>
<b>Operating Income (Loss)</b>	<u>(276,742.60)</u>	<u>(226,302.10)</u>	<u>(1,598,529.63)</u>	<u>(2,036,722.70)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>500.42</u>	<u>516.67</u>	<u>2,947.55</u>	<u>4,649.99</u>
<b>Total Other Income (Expenses)</b>	<u>500.42</u>	<u>516.67</u>	<u>2,947.55</u>	<u>4,649.99</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(276,242.18)</u>	<u>(225,785.43)</u>	<u>(1,595,582.08)</u>	<u>(2,032,072.71)</u>
<b>Net Income (Loss)</b>	<u>\$ (276,242.18)</u>	<u>\$ (225,785.43)</u>	<u>\$ (1,595,582.08)</u>	<u>\$ (2,032,072.71)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
SEPTEMBER, 2021**

- 260** Field maintenance work orders issued during the month of SEPTEMBER.  
**200** Field maintenance work orders completed during the month of SEPTEMBER.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	48	44	52	32	<b>176</b>
FEBRUARY	47	38	45	24	<b>154</b>
MARCH	49	58	65	45	<b>217</b>
APRIL	38	39	42	66	<b>185</b>
MAY	38	44	66	46	<b>194</b>
JUNE	41	32	51	40	<b>164</b>
JULY	39	51	62	56	<b>208</b>
AUGUST	43	40	45	45	<b>173</b>
SEPTEMBER	46	53	63	38	<b>200</b>
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>389</b>	<b>399</b>	<b>491</b>	<b>392</b>	<b>1671</b>

- 9** New PAID service tap work orders issued during the month of SEPTEMBER.  
**9** New PAID service tap work orders completed during the month of SEPTEMBER.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	2	1	0	8	<b>11</b>
FEBRUARY	3	0	0	2	<b>5</b>
MARCH	6	2	1	2	<b>11</b>
APRIL	11	4	1	5	<b>21</b>
MAY	2	2	1	2	<b>7</b>
JUNE	0	3	0	4	<b>7</b>
JULY	2	3	3	3	<b>11</b>
AUGUST	0	1	0	4	<b>5</b>
SEPTEMBER	1	2	2	4	<b>9</b>
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>27</b>	<b>18</b>	<b>8</b>	<b>34</b>	<b>87</b>

**WATER**

- 99** Water Customer Work Orders completed during the month of SEPTEMBER.  
**2,930** Delinquent Notices Mailed during the month of SEPTEMBER.  
**364** Delinquent Work Orders Written Up during the month of SEPTEMBER.  
**196** Delinquent Accounts Disconnected during the month of SEPTEMBER.

**SEWER**

- 49 Sewer Customer Work Orders completed during the month of SEPTEMBER.
- 8 Delinquent Work Orders Written Up during the month of SEPTEMBER.
- 0 Delinquent Work Orders Disconnected during the month of SEPTEMBER.
  
- 1 Water Delinquent Work Orders Written Up – City of Pikeville Agreement
- 1 Water Delinquent Accounts Disconnected – City of Pikeville Agreement
- 1 Water Delinquent Accounts Reconnected – City of Pikeville Agreement

- 22 Vehicle & equipment maintenance work orders issued during the month of SEPTEMBER.
- 22 Vehicle & equipment maintenance work orders completed during the month of SEPTEMBER.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,499 (16,712 + 787 Multi-Users)
FEBRUARY	17,484 (16,665 + 819 Multi-Users)
MARCH	17,412 (16,601 + 811 Multi-Users)
APRIL	17,446 (16,635 + 811 Multi-Users)
MAY	17,470 (16,655 + 815 Multi-Users)
JUNE	17,494 (16,675 + 819 Multi-Users)
JULY	17,474 (16,655 + 819 Multi-Users)
AUGUST	17,465 (16,652 + 813 Multi-Users)
SEPTEMBER	17,477 (16,663 + 814 Multi-Users)
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,234
FEBRUARY	2,221
MARCH	2,251
APRIL	2,287
MAY	2,345
JUNE	2,344
JULY	2,352
AUGUST	2,341
SEPTEMBER	2,342
OCTOBER	
NOVEMBER	
DECEMBER	

**SEPTEMBER 2021**

**WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,477	65,080,630	\$697,022.16	-1.39%
<b>SEWER</b>	2,342	9,047,595	\$185,076.49	1.90%
<b>TOTAL BILLED</b>			<b>\$882,098.65</b>	<b>-0.72%</b>

0 Sewer taps were completed during the month of SEPTEMBER.

5 Hydrant work orders were completed during the month of SEPTEMBER.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **SEPTEMBER** was **30,610,000** gallons.

**WATERLOSS** due to leaks and breaks was **11,453,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **12,277,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,097,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **2,783,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **SEPTEMBER** was **22,418,000** gallons for an unaccounted-for loss of **18.98%**.

**Water loss percentage utilizing the PSC form was 28.8%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

33 Work Orders completed for Booster Pump Stations during the month of SEPTEMBER.

**WATER STORAGE TANK MAINTENANCE:**

5 Work Orders completed for Water Storage Tanks during the month of SEPTEMBER.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of SEPTEMBER.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

5 Work Orders completed for Pressure Regulator Stations during the month of SEPTEMBER.

**TELEMETRY MAINTENANCE:**

6 Work Orders completed for Telemetry during the month of SEPTEMBER.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

6 Work Orders completed for the Russell Fork Water Plant during the month of SEPTEMBER.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of SEPTEMBER.

- **34**- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**4** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of SEPTEMBER.

**LIFT STATION MAINTENANCE:**

**7** Work Orders completed for Lift Stations excluding regular maintenance during the month of SEPTEMBER.

**COLLECTION SYSTEM MAINTENANCE:**

**67** Work Orders completed for Collection Systems during the month of SEPTEMBER.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of October 31, 2021 and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>Current Assets</b>		
Cash In Bank	\$ 272,966.28	\$ 279,213.97
Accounts Receivable	1,066,181.26	1,278,623.65
Clearing Accounts	(594.76)	32,858.42
Inventory	279,476.25	322,594.50
Other Current Assets	<u>3,636,331.58</u>	<u>3,722,860.83</u>
<b>Total Current Assets</b>	<u>5,254,360.61</u>	<u>5,636,151.37</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,841,727.68	4,802,205.74
Water Treatment Plant	10,207,654.70	9,876,152.70
Transmission & Distribution Plant	97,819,930.95	96,413,964.92
Water General Plant	4,754,444.83	4,559,957.35
Sewer General Plant	37,409,632.94	37,066,761.03
Construction in Progress	<u>11,162,705.56</u>	<u>8,920,619.27</u>
Total Plant In Service	166,196,096.66	161,639,661.01
Less Accumulated Depreciation	<u>(73,665,381.87)</u>	<u>(69,458,011.68)</u>
<b>Net Capital Assets</b>	<u>92,530,714.79</u>	<u>92,181,649.33</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(24,956.64)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>67,359.53</u>
<b>Total Non Current Assets</b>	<u>92,594,633.97</u>	<u>92,249,008.86</u>
<b>Total Net Assets</b>	<u>\$ 97,848,994.58</u>	<u>\$ 97,885,160.23</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,493,870.59</u>	<u>\$ 2,493,870.59</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of October 31, 2021 and 2020**

**Liabilities and Net Assets**

	<b>2021</b>	<b>2020</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 137,597.50	\$ 246,351.32
Current Portion Due - Notes Payable	1,363,902.00	1,140,214.00
Customer Deposits	449,870.20	387,533.61
Accrued Payroll and Related Expenses	183,456.32	216,306.06
Accrued Interest - Long Term Debt	<u>327,779.47</u>	<u>282,663.07</u>
<b>Total Current Liabilities</b>	<u>2,462,605.49</u>	<u>2,273,068.06</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	7,358,331.00	7,358,331.00
Notes Payable	3,894,453.01	3,938,191.07
Notes Payable - Ky Infrastructure Authority	4,366,751.33	4,889,573.81
Notes Payable - Rural Development	10,083,900.00	6,571,000.00
Advances for Construction	6,255,486.19	7,296,343.07
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,140,214.00)</u>
<b>Total Long-Term Liabilities</b>	<u>30,595,019.53</u>	<u>28,913,224.95</u>
<b>Total Liabilities</b>	<u>33,057,625.02</u>	<u>31,186,293.01</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	740,485.00	740,485.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,762,250.15)	(1,479,828.00)
Contributions in aid of Construction	60,818,297.69	62,567,914.15
Tap-On-Fees	<u>7,488,707.61</u>	<u>7,364,166.66</u>
<b>Total Net Position</b>	<u>66,544,755.15</u>	<u>68,452,252.81</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended October 31, 2021</b>	<b>10 Months Ended October 31, 2021</b>
<b>Operating Revenue</b>		
	\$ 874,988.30	\$ 8,861,316.04
<b>Total Operating Revenue</b>	<u>874,988.30</u>	<u>8,861,316.04</u>
<b>Operating Expenses</b>		
Water Supply Expense	13,275.30	141,265.06
Water Purchases	96,963.18	993,807.45
Electricity Expense	113,271.59	1,173,691.74
Repairs & Maintenance - Sewer	19,111.79	143,921.93
Repairs & Maintenance - Water	60,715.95	478,243.25
Transmission & Distribution Expense	85,334.00	934,598.31
Customer Service Expense	36,934.61	402,432.77
Administrator Expense	239.02	5,198.31
Sewer Expense	43,504.00	493,061.92
General & Administrative	<u>202,620.06</u>	<u>2,142,059.78</u>
<b>Total Operating Expenses</b>	671,969.50	6,908,280.52
Depreciation Expense	<u>335,996.60</u>	<u>3,347,597.40</u>
<b>Utility Operating Expense</b>	<u>1,007,966.10</u>	<u>10,255,877.92</u>
<b>Utility Operating Income (Loss)</b>	<u>(132,977.80)</u>	<u>(1,394,561.88)</u>
<b>Non Operating Revenue</b>		
Interest Income	202.14	3,149.69
Interest Expense	<u>(34,342.41)</u>	<u>(370,837.96)</u>
<b>Total Non Operating Revenue</b>	<u>(34,140.27)</u>	<u>(367,688.27)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (167,118.07)	\$ (1,762,250.15)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>4,125.00</u>	<u>113,414.95</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>4,125.00</u>	<u>113,414.95</u>
<b>Change in Net Position</b>	<u>(162,993.07)</u>	<u>(1,648,835.20)</u>
<b>Net Position, beginning of period</b>	<u>66,707,748.22</u>	<u>68,193,590.35</u>
<b>Net Position, end of period</b>	<u>\$ 66,544,755.15</u>	<u>\$ 66,544,755.15</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 10 Months Ended October 31, 2021**

	<b>1 Month Ended October 31, 2021</b>	<b>10 Months Ended October 31, 2021</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (167,118.07)	\$ (1,762,250.15)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	3,347,597.40
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(17,219.94)	60,653.81
Other Current Assets	(263,547.02)	(144,603.23)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(99,660.71)	(123,790.36)
Accrued Interest	31,716.00	109,942.47
Advances for Construction	487,281.99	1,706,396.09
Accrued Liabilities	7,431.05	97,031.90
Tap on Fees	4,125.00	113,414.95
Customer Deposits	8,051.38	81,734.09
Clearing Accounts	83,994.72	57,344.28
Total Adjustments	<u>578,169.07</u>	<u>5,305,721.40</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>411,051.00</u>	<u>3,543,471.25</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(6,518.88)	(383,025.08)
Construction in Progress	(450,763.42)	(2,459,329.87)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(457,282.30)</u>	<u>(2,842,354.95)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	740.14	114,666.23
Notes Payable Repayments	(42,382.44)	(935,873.00)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(41,642.30)</u>	<u>(821,206.77)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	(87,873.60)	(120,090.47)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>364,434.88</u>	<u>392,242.99</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 272,966.28</u>	<u>\$ 272,966.28</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of October 31, 2021 and 2020**

**ASSETS:**

	<b>2021</b>	<b>2020</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 265,524.56	\$ 278,410.15
CTB-MWD Payroll Account	7,121.54	483.64
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>272,966.28</b>	<b>279,213.97</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	766,011.02	975,900.09
RECEIVABLE - RETURNED CHECKS	21,880.58	14,072.98
RECEIVABLE - OTHER FEES, ETC..	(21,196.88)	(58,894.27)
A/R - CIP - SEWER	0.00	15,386.40
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	302,990.63	307,002.55
PROVISION FOR UNCOLLECTIBLES	(1,824.32)	25,155.90
<b>Total Accounts Receivable:</b>	<b>1,066,181.26</b>	<b>1,278,623.65</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	(594.76)	32,858.42
<b>Total Clearing Accounts:</b>	<b>(594.76)</b>	<b>32,858.42</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	278,711.96
BB & T - Sinking Fund	483,195.96	449,987.92
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	198.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	367,166.67
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	41,656.87	32,630.16
CTB - O & M RESERVES	403,960.03	324,405.18
Community Trust Bank - Misc Line Extension	4,899.66	4,894.77
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	10,963.61	23,211.97
CTB - R & M RESERVE	870,525.51	869,655.53

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of October 31, 2021 and 2020**

CTB - Dist Wide WW Tap Fees	36,677.80	32,021.61
MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,908.73	100.00
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	23,131.46	37,839.00
MWD DEPRECIATION RESERVE ACCOUNT	861,808.63	860,871.47
CTB. PCFC Projects	81,457.55	91,475.34
CTB - R & M REIMBURSEMENT ACCT.	2,665.39	4,918.06
CTB-MWD Escrow Account	100.00	0.00
MWD INSURANCE SWEEP ACCOUNT	824.51	738.01
MWD Meter Replacement Project	104,301.94	276,386.43
New Customer Deposit Acct.	457,986.75	0.00
Prepaid Expense-WC	0.00	45,485.57
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,636,331.58</b>	<b>3,722,860.83</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of October 31, 2021 and 2020**

**LIABILITIES:**

	<b>2021</b>	<b>2020</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	(767.04)
FEDERAL INCOME TAX WITHHELD	2,883.44	19,983.51
KY INCOME TAX WITHHELD	13,924.39	(374.11)
ACCRUED FUTA	2,599.59	2,424.31
Accrued CERS	109,953.76	152,399.96
Accrued County Withheld	1,697.42	1,651.13
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	38,985.47	39,438.97
<b>Total Employee Related Payables</b>	<b>183,456.32</b>	<b>216,306.06</b>

**Other Current Liabilities:**

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,233,744.68	3,535,659.24
US Bank Big Creek Water Loan	25,014.55	66,342.91
#154 fORD f250 2017	0.00	5,944.97
# 155 CTB	4,287.94	1,846.91
CTB V# 156	3,151.42	9,679.88
CTB V # 157 2018 GMC Sierra	3,320.66	10,101.98
CTB LOC - COAL SEV 2005	0.00	939.39
CTB 158 & 159	14,432.22	32,580.80
WELLS FARGO MINI EXCAVATOR	1,964.37	6,301.62
CTB # 161	3,151.93	11,927.72
CTB- 160	0.00	35,621.02
CTB -162	16,419.38	22,441.25
CTB- #163 2019 Ford 350	37,755.95	52,387.63
#165 Ford F-250 2021	25,974.57	0.00
#164 2021 Ford F-250	26,636.35	0.00
#166	25,964.57	0.00
CTB-# 167 Chevrolet Silverado 2500	35,470.12	0.00
CTB-LN OF COMMITMENT - FEMA REC	322,012.48	0.00
COMMUNITY TRUST V#148	0.00	10.68
US Bank V#149	0.00	1.51
CTB-V# 150 FORD F-150	0.00	487.77
CTB. V# 151 FORD F-150	0.00	3.76
CTB-Boom Truck # CTO-02	0.00	3,383.06
CTB AEP Line of credit	96,619.91	121,137.01
Kobelco mini excavator	0.00	21,391.96
2017 Takeunchi Skid Steer	18,188.12	0.00
<b>Total Notes Payable</b>	<b>3,894,453.01</b>	<b>3,938,191.07</b>

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	620,160.88	855,993.30
KIA LOAN B291-01 INDIAN CREEK	41,020.35	56,592.27
KIA LOAN F01-07 WATER PLANT	208,013.69	274,903.42
KIA LOAN A03-06 SO WMSN III	35,036.98	44,825.81
KIA Shelby III Phase II	192,738.41	210,975.85

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of October 31, 2021 and 2020**

KIA-A16-079 Grinder St	250,186.64	264,379.10
KIA-Douglas WWTP	3,019,594.38	3,181,904.06
	4,366,751.33	4,889,573.81

**Total Notes Payable - Ky Infrastructure Authority**

**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	553,000.00	564,000.00
RD Bond91-45 Radio Read	3,091,900.00	3,150,000.00
RD Belfry WW	3,653,000.00	0.00
RD Bond 91-33	1,325,000.00	1,355,000.00
RD Bond - Shelby Sewer Project	580,000.00	594,500.00
RD Bond - 91-01 Phelps Sewer	325,000.00	333,500.00
RD BOND 91-24 RUSSELL FK WTP	556,000.00	574,000.00
	10,083,900.00	6,571,000.00

**Total Notes Payable - Rural Development**

**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	73,839,898.00
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,589,684.41
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
	113,094,523.90	112,734,780.55

**Total Contributions in Aid of Construction**

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of October 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	228,471.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,508,958.55</u>	<u>4,476,654.61</u>
Total Cost of Water Supply Plant	4,841,727.68	4,802,205.74
Less: Accumulated Depreciation	<u>(2,884,529.46)</u>	<u>(2,599,933.54)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,957,198.22</b>	<b>\$ 2,202,272.20</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>9,756,756.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	9,876,152.70
Less: Accumulated Depreciation	<u>(3,700,568.52)</u>	<u>(3,406,095.36)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,507,086.18</b>	<b>\$ 6,470,057.34</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,528,131.08
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,833,079.07
WATER SERVICES	6,950,110.48	6,877,256.81
WATER METERS & INSTALLATIONS	7,662,818.01	6,545,269.95
HYDRANTS	<u>1,254,797.39</u>	<u>1,249,034.14</u>
Total Cost of Water Transmission & Distribution Plant	97,819,930.95	96,413,964.92
Less: Accumulated Depreciation	<u>(48,976,789.30)</u>	<u>(46,639,724.33)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 48,843,141.65</b>	<b>\$ 49,774,240.59</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 146,118.68
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,518,327.49	1,358,062.29
TOOLS, SHOP & GARAGE EQUIPMENT	335,470.41	315,496.99
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	315,598.37	311,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	4,754,444.83	4,559,957.35
Less: Accumulated Depreciation	<u>(4,018,274.70)</u>	<u>(3,618,821.19)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 736,170.13</b>	<b>\$ 941,136.16</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,131,344.66
SEWER SERVICES	487,403.65	432,199.02
SEWER METERS & INSTALLATIONS	854,592.79	669,299.04
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,409,632.94	37,066,761.03
Less: Accumulated Depreciation	<u>(13,913,198.40)</u>	<u>(13,021,415.77)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,496,434.54</b>	<b>\$ 24,045,345.26</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of October 31, 2021 and 2020**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 1,818,070.07	\$ 2,419,731.63
CIP-MATERIALS & SUPPLIES	134,998.58	305,877.09
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>9,037,615.42</u>	<u>6,022,989.06</u>
Total Construction in Progress	11,162,705.56	8,920,619.27
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 10,990,684.07</b>	<b>\$ 8,748,597.78</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,530,714.79</u></b>	<b><u>\$ 92,181,649.33</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended October 31, 2021</b>	<b>10 Months Ended October 31, 2021</b>
<b>Water Supply Expense:</b>		
PUMPING LABOR - OPERATIONS	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	10,748.34	116,132.30
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	23,397.61
DENTAL INSURANCE - WTP OPERATIONS	85.01	618.38
VISION INSURANCE - PUMPING OPER.	0.00	12.14
VISION INSURANCE - WTP OPER.	(4.55)	(68.68)
LIFE INSURANCE - WTP OPER.	71.69	715.85
SHORT TERM DISAB. - PUMPING OPER.	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	11.69	99.36
<b>Total Water Supply Expenses</b>	<b>13,275.30</b>	<b>141,265.06</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	40,761.05	402,970.96
WATER PURCHASED -PIKEVILLE	56,202.13	590,836.49
<b>Total Water Purchases Expenses</b>	<b>96,963.18</b>	<b>993,807.45</b>
<b>Electricity Expense:</b>		
Electrical Expense	113,271.59	1,173,691.74
<b>Total Electricity Expenses</b>	<b>113,271.59</b>	<b>1,173,691.74</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	31.48	2,668.45
Hand Tools R & M Sewer	591.12	3,289.45
PS/LS R & M Sewer	10,688.91	101,997.88
Vehicle R & M Sewer	24.29	851.49
General R & M Sewer	7,775.99	34,547.43
R & M Leak Det.	0.00	567.23
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>19,111.79</b>	<b>143,921.93</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	4,539.22	36,560.80
Hand Tools R & M	1,587.91	10,846.88
PS/LS R & M	8,448.40	94,784.69
Vehicle R & M	5,441.86	53,091.75
General R & M	38,677.36	266,440.39
General R & M -Telemetry	2,021.20	16,518.74
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>60,715.95</b>	<b>478,243.25</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	64,287.43	705,858.00
T & D LABOR - MAINTENANCE	0.00	37,353.69
HEALTH INSURANCE - T & D OPERATIONS	16,744.63	162,340.62
DENTAL INSURANCE - T & D OPERATIONS	482.86	4,776.58
DENTAL INSURANCE - T & D MAINT	0.00	(37.59)
VISION INSURANCE - T & D OPER.	39.92	385.52
LIFE INSURANCE - T & D OPER.	(173.00)	(1,499.41)

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended October 31, 2021</b>	<b>10 Months Ended October 31, 2021</b>
LIFE INSURANCE - T & D MAINT.	664.21	6,180.28
SHORT TERM DISAB. - T & D OPER.	(4.60)	(1,440.38)
SHORT TERM DISAB. - T & D MAINT.	173.11	1,838.59
UNIFORM EXPENSE (WATER)	3,119.44	18,842.41
<b>Total Transmission &amp; Distribution Expenses</b>	<b>85,334.00</b>	<b>934,598.31</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	22,080.03	248,308.48
ADMIN. & GENERAL LABOR	9,967.76	108,795.25
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,259.02	35,766.66
DENTAL INSURANCE - CUST. ACCOUNTS	226.19	2,190.64
VISION INSURANCE - CUST. ACCOUNTS	35.12	4,976.87
LIFE INSURANCE - CUSTOMER ACCTS	311.64	2,075.70
SHORT TERM DISAB. - CUSTOMER ACCTS	54.85	319.17
<b>Total Customer Service Expenses</b>	<b>36,934.61</b>	<b>402,432.77</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	5,360.13
SHORT TERM DISAB. - ADMIN. & GENERAL	47.36	(161.82)
<b>Total Administrator Expenses</b>	<b>239.02</b>	<b>5,198.31</b>
<b>Sewer Expense:</b>		
SEWER LABOR	28,712.74	313,071.91
HEALTH INSURANCE - SEWER	4,647.83	45,423.95
DENTAL INSURANCE - SEWER	221.96	1,909.58
VISION INSURANCE - SEWER	6.09	(173.07)
LIFE INSURANCE - SEWER	201.52	1,883.54
SHORT TERM DISAB. - SEWER	41.11	249.50
UNIFORM EXPENSE (WW)	318.99	4,025.69
Sewage Fees	7,001.76	68,474.26
Chemicals-WW	2,352.00	51,301.27
SAFETY SUPPLIES-WW	0.00	6,895.29
<b>Total Sewer Expenses</b>	<b>43,504.00</b>	<b>493,061.92</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	103.85	6,852.94
PAYROLL TAXES - FICA & U.C.	12,638.93	143,454.49
COMP COMMISSIONERS - AUTO DIST	2,300.00	22,000.00
COMPENSATION - ADMINISTRATOR	31,647.66	347,713.80
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	28,106.52
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(353.68)
LIFE INSURANCE - ADMIN. & GENERAL	198.47	1,297.60
Employee Expense	3,643.50	9,080.22
Insurance expense	8,248.40	126,834.38
UTILITY EXPENSE	1,859.07	8,518.24
LABORATORY SUPPLIES	1,907.34	10,509.80
LABORATORY EXPENSE	493.29	6,387.93
Laboratory Testing Expenses	4,705.75	37,185.77
Laboratory Testing Expense	2,870.50	42,100.38
CHEMICALS	14,962.10	111,508.97
SAFETY SUPPLIES	626.87	12,280.70

No assurance is provided with respect to the financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>October 31, 2021</b>	<b>10 Months Ended</b> <b>October 31, 2021</b>
CONTRACT SERVICE - ACCOUNTING	2,731.00	67,532.00
CONTRACT SERVICE - LEGAL	7,558.68	10,281.18
ENGINEERING	5.83	5.83
CONTRACT SERVICE-GENERAL	1,742.50	20,354.99
CONTRACT SERVICES - MANPOWER	10,999.50	143,651.34
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	14,628.12	129,794.53
ADVERTISING	207.90	3,601.78
OTHER LEGAL PSC EXPENSE	0.00	24,138.30
MOBILE PHONE EXPENSE	2,209.74	19,764.23
TELEPHONE/INTERNET	1,757.27	25,236.52
TELEPHONE/INTERNET	425.03	2,934.67
EDUCATION, DUES, MEETINGS, INSURANCE	1,078.42	28,172.24
Office Expense	2,743.91	171,546.16
Easements	0.00	2,970.88
SETTLEMENT EXPENSES	0.00	1,065.52
SERVICE FEE EXPENSE	28.00	9,788.57
BANK SERVICE FEES EXP	116.86	4,398.29
Worker's Compensation Insurance	11,931.00	11,931.00
PSC TAX ASSESSMENT	0.00	20,724.79
Retirement Expense	53,795.69	510,863.66
MISCELLANEOUS SUPPLIES	35.44	362.74
SUPPLIES & EXPENSES TREATMENT (WW)	1,237.50	10,462.50
<b>Total General &amp; Administrative Expenses</b>	<b>202,620.06</b>	<b>2,142,059.78</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended October 31, 2021</b>	<b>10 Months Ended October 31, 2021</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 558,318.50	\$ 5,722,141.66
METERED SALES - COMMERCIAL	49,622.19	460,305.86
METERED SALES - INDUSTRIAL	6,886.44	48,845.70
METERED SALES - PUBLIC AUTH.	32,751.71	324,362.97
METERED SALES - MULTI FAMILY	25,526.99	255,019.61
FIRE PROTECTION REVENUE	125.00	1,275.00
CUSTOMER LATE PAYMENT CHARGES	16,413.45	125,889.35
OTHER WATER SERVICE REVENUE	815.52	53,570.98
SERVICE CONNECTION FEES	15,425.00	151,866.17
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	120.00
SEWER REVENUE -RESIDENTIAL	132,685.40	1,347,451.72
SEWER REVENUE - COMMERCIAL	36,418.10	370,467.02
	874,988.30	8,861,316.04
<b>Total Operating Revenue</b>	<b>874,988.30</b>	<b>8,861,316.04</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 546,014.49	\$ 550,084.71	\$ 590,459.79	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$6,818,240.86
METERED SALES - COMMERCIAL	54,298.52	68,951.44	40,356.63	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	583,555.82
METERED SALES - INDUSTRIAL	5,039.14	4,858.18	5,144.70	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	58,743.02
METERED SALES - PUBLIC AUTH.	29,534.79	27,518.62	30,584.98	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	381,416.38
METERED SALES - MULTI FAMILY	24,030.66	23,409.65	26,871.55	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	302,459.92
FIRE PROTECTION REVENUE	125.00	0.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	150.00	125.00	1,400.00
CUSTOMER LATE PAYMENT CHARGES	(21.13)	0.00	0.00	0.00	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	125,868.22
OTHER WATER SERVICE REVENUE	1,021.25	8,275.64	(142.00)	(143.14)	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	62,867.87
MISC. REVENUES	0.00	105,895.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105,895.20
SERVICE CONNECTION FEES	3,165.00	2,415.00	10,635.00	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	157,446.17
WASTE WATER	103.00	0.00	0.00	0.00	0.00	0.00	30.00	60.00	0.00	30.00	0.00	0.00	223.00
SEWER REVENUE - RESIDENTIAL	116,705.50	49,099.05	132,431.59	123,315.57	119,119.00	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	1,513,256.27
SEWER REVENUE - COMMERCIAL	37,154.36	33,663.33	33,655.58	32,038.61	33,400.94	36,641.66	39,515.77	41,558.56	42,950.06	38,577.82	35,709.52	36,418.10	441,284.71
<b>Total Sales</b>	<u>817,170.58</u>	<u>874,170.82</u>	<u>870,122.82</u>	<u>803,744.24</u>	<u>870,054.12</u>	<u>859,927.63</u>	<u>893,022.61</u>	<u>938,388.78</u>	<u>944,929.18</u>	<u>906,872.15</u>	<u>899,266.21</u>	<u>874,988.30</u>	<u>10,552,657.44</u>

**Gross Profit** 817,170.58 874,170.82 870,122.82 803,744.24 870,054.12 859,927.63 893,022.61 938,388.78 944,929.18 906,872.15 899,266.21 874,988.30 10,552,657.44

	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	Total
<b>Operating Expenses</b>													
Undistributed	(14.46)	204.21	2,151.66	0.00	0.00	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	7,042.69
DEPRECIATION EXPENSE	230,453.58	552,763.23	230,453.58	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,296,306.17
AMORTIZATION EXPENSE	0.00	3,440.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	93,174.42	(33,899.83)	93,174.42	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	891,782.63
PAYROLL TAXES - FICA & U.C.	12,054.79	13,581.01	20,445.55	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,785.55	12,638.93	169,090.29
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	33.22	0.00	0.00	0.00	0.00	0.00	0.00	288.00	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	5,812.00	6,748.00	9,749.63	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	128,692.30
T & D LABOR - OPERATIONS	61,816.96	67,625.69	98,246.24	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	835,300.65
T & D LABOR - MAINTENANCE	3,598.20	4,741.40	6,259.76	6,342.65	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	45,693.29
CUSTOMER ACCOUNTS LABOR	23,496.07	25,160.36	36,114.32	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	296,964.91
ADMIN. & GENERAL LABOR	9,720.50	10,192.89	14,750.93	9,799.31	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	128,708.64
SEWER LABOR	24,418.73	27,207.02	40,490.99	28,990.59	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	364,697.66
COMP COMMISSIONERS - AUTO DIST	1,500.00	2,500.00	2,000.00	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	26,000.00
COMPENSATION - ADMINISTRATOR	32,212.00	31,962.00	47,308.64	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	411,887.80
HEALTH INSURANCE - WTP	2,363.12	2,363.12	2,254.78	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	28,123.85
OPERATIONS													
HEALTH INSURANCE - T & D	16,063.09	21,532.38	14,555.92	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	199,936.09
OPERATIONS													
HEALTH INSURANCE - T & D MAINTENANCE	41.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.34
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	5,791.87	3,787.15	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	4,087.15	4,087.26	4,097.26	4,259.02	45,645.79

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	3,463.16	3,018.38	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	34,776.28
DENTAL INSURANCE - SEWER	3,222.66	3,979.44	3,046.91	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	52,626.05
DENTAL INSURANCE - WTP OPERATIONS	115.50	115.50	(21.15)	85.01	25.73	85.01	25.78	85.01	77.96	85.01	85.01	85.01	849.38
DENTAL INSURANCE - T & D OPERATIONS	458.51	500.34	488.16	531.33	590.61	531.33	412.92	516.70	290.92	477.71	454.04	482.86	5,735.43
DENTAL INSURANCE - T & D MAINT	(5.37)	(10.74)	(16.11)	(10.74)	(10.74)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(53.70)
DENTAL INSURANCE - CUST. ACCOUNTS	335.23	225.39	154.87	245.14	245.14	245.14	245.14	245.14	154.86	284.82	144.20	226.19	2,751.26
DENTAL INSURANCE - ADMIN. & GENERAL	191.67	191.67	121.88	191.66	191.66	191.66	191.66	191.66	121.93	191.66	3,774.70	191.66	5,743.47
DENTAL INSURANCE - SEWER	176.42	176.42	64.99	172.80	196.23	196.23	176.47	196.23	134.97	387.02	162.68	221.96	2,262.42
VISION INSURANCE - PUMPING OPER.	0.00	0.00	12.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.14
VISION INSURANCE - WTP OPER.	7.97	7.97	(19.62)	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	(52.74)
VISION INSURANCE - T & D OPER.	78.07	86.48	4.86	67.97	54.34	80.72	42.76	73.69	(25.31)	44.38	2.19	39.92	550.07
VISION INSURANCE - CUST. ACCOUNTS	11.05	11.05	(37.71)	4,708.45	74.15	26.87	26.87	112.49	(23.11)	26.87	26.87	35.12	4,998.97
VISION INSURANCE - ADMIN. & GENERAL	(26.05)	(26.05)	(48.49)	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(405.78)
VISION INSURANCE - SEWER	21.34	16.18	(57.88)	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(135.55)
LIFE INSURANCE - WTP OPER.	60.95	60.95	59.10	60.95	89.22	82.94	71.69	156.38	(19.50)	71.69	71.69	71.69	837.75
LIFE INSURANCE - T & D OPER.	(139.66)	(139.66)	(215.69)	(36.89)	(185.40)	(131.27)	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	(1,778.73)
LIFE INSURANCE - T & D MAINT.	763.44	583.13	617.56	570.75	947.82	698.96	(15.39)	1,476.65	0.00	645.74	573.98	664.21	7,526.85
LIFE INSURANCE - CUSTOMER ACCTS	331.66	174.59	(394.31)	243.42	365.61	281.13	269.70	645.42	(192.98)	303.65	242.42	311.64	2,581.95
LIFE INSURANCE - ADMIN. & GENERAL	296.82	188.73	73.85	148.48	252.94	(216.92)	179.81	478.16	(187.14)	189.14	180.81	198.47	1,783.15
LIFE INSURANCE - SEWER	195.83	135.12	106.79	137.72	240.29	214.68	192.26	506.17	(146.40)	220.44	210.07	201.52	2,214.49
SHORT TERM DISAB. - PUMPING OPER.	0.00	19.52	0.00	0.00	0.00	36.88	0.00	0.00	0.00	0.00	0.00	0.00	56.40
SHORT TERM DISAB. - WTP OPER.	2.51	2.51	(12.76)	2.51	8.77	45.97	11.69	53.92	(45.81)	11.69	11.69	11.69	104.38
SHORT TERM DISAB. - T & D OPER.	(131.30)	(137.00)	(260.25)	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	(1,708.68)
SHORT TERM DISAB. - T & D MAINT.	182.01	272.55	202.61	208.31	198.50	209.77	209.77	363.06	(10.50)	190.71	93.25	173.11	2,293.15
SHORT TERM DISAB. - CUSTOMER ACCTS	15.25	15.26	(26.96)	41.05	17.96	73.64	40.40	189.33	(160.39)	59.76	29.53	54.85	349.68
SHORT TERM DISAB. - ADMIN. & GENERAL	(11.22)	(48.00)	(99.72)	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(221.04)
SHORT TERM DISAB. - SEWER	(9.65)	(15.35)	(54.57)	2.03	8.02	99.16	41.33	191.16	(161.40)	41.33	41.33	41.11	224.50
UNIFORM EXPENSE (WATER)	2,654.77	1,679.12	1,270.91	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	23,176.30
UNIFORM EXPENSE (ADMIN)	20.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.88
UNIFORM EXPENSE (WWW)	386.78	270.70	219.67	217.02	375.71	442.85	316.08	482.93	760.84	375.67	515.93	318.99	4,683.17
Employee Expense	4,123.69	1,130.29	1,641.14	249.50	621.70	150.00	428.00	255.99	660.20	748.39	681.80	3,643.50	14,334.20
Insurance expense	0.00	(22,913.39)	134.00	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	103,920.99
Water Purchased - Williamson	41,000.42	36,131.52	36,201.25	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	480,102.90
WATER PURCHASED - PIKEVILLE	44,456.99	62,584.34	60,892.70	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	697,877.82
Sewage Fees	15,794.47	13,997.43	10,838.95	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	98,266.16
UTILITY EXPENSE	522.90	657.27	911.43	1,568.70	454.16	1,081.22	881.22	881.22	0.00	0.00	881.22	1,859.07	9,698.41

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	Total
LABORATORY SUPPLIES	350.71	38.69	1,389.34	71.55	1,294.21	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	10,899.20
LABORATORY EXPENSE	106.00	299.15	1,442.42	289.81	1,283.94	661.80	0.00	0.00	1,021.56	1,195.11	0.00	493.29	6,793.08
Laboratory Testing Expenses	3,037.25	4,566.50	7,095.75	599.00	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	44,789.52
Laboratory Testing Expense	2,113.00	1,440.00	8,562.00	7,545.50	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	45,653.38
CHEMICALS	14,897.74	18,432.12	2,519.22	0.00	16,183.78	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	144,838.83
Chemicals-WW	11,850.60	0.00	0.00	5,406.00	11,263.17	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	2,352.00	63,151.87
SAFETY SUPPLIES	935.88	736.19	1,856.78	295.57	2,159.89	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	13,952.77
SAFETY SUPPLIES-WW	36.76	118.95	73.52	1,873.51	309.40	0.00	176.54	779.27	2,665.89	1,017.16	0.00	0.00	7,051.00
Electrical Expense	91,717.97	115,970.15	120,136.14	146,245.49	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	1,381,379.86
CONTRACT SERVICE - ACCOUNTING	3,221.00	4,796.00	4,224.00	3,024.00	2,438.00	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	75,549.00
CONTRACT SERVICE - LEGAL	928.20	4,125.00	0.00	0.00	2,722.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,334.38
ENGINEERING	0.00	232.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83	237.83
CONTRACT SERVICE-GENERAL	17,966.48	13,945.00	1,596.63	3,573.37	7,732.49	850.00	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	52,266.47
CONTRACT SERVICES - MANPOWER	0.00	0.00	0.00	3,909.68	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.57	10,999.50	143,651.34
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	9,140.85	7,649.97	11,335.07	9,494.08	23,022.07	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	146,585.35
ADVERTISING	0.00	100.80	0.00	453.60	1,024.38	355.32	630.08	0.00	466.20	464.30	0.00	207.90	3,702.58
OTHER LEGAL PSC EXPENSE	537.00	0.00	537.00	537.00	17,074.50	537.00	3,841.80	537.00	537.00	537.00	0.00	0.00	24,675.30
MOBILE PHONE EXPENSE	1,872.07	2,054.28	1,827.31	1,980.64	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	23,690.58
TELEPHONE/INTERNET	2,013.14	2,695.35	2,782.78	2,547.32	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	29,945.01
TELEPHONE/INTERNET	139.85	270.66	272.81	272.81	107.95	273.55	878.30	0.00	240.82	262.82	200.58	425.03	3,345.18
EDUCATION, DUES, MEETINGS, INSURANCE	2,975.38	1,426.49	2,926.77	1,646.55	1,278.41	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	32,574.11
Office Expense	16,512.54	45,816.40	22,192.49	17,478.17	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	2,743.91	233,875.10
Easements	1,500.00	0.00	0.00	545.88	25.00	0.00	0.00	0.00	0.00	2,400.00	0.00	0.00	4,470.88
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,065.52	0.00	0.00	0.00	0.00	1,065.52
SERVICE FEE EXPENSE	143.30	10,575.10	0.00	20.63	1.10	0.00	22.00	6,505.53	56.00	78.47	3,076.84	28.00	20,506.97
BANK SERVICE FEES EXP	158.05	9,398.39	160.63	630.45	2,641.27	141.36	129.23	132.59	134.90	162.50	148.50	116.86	13,954.73
Worker's Compensation Insurance	10,016.00	78,414.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100,361.96
PSC TAX ASSESSMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	48,706.73	(68,924.88)	37,104.35	62,671.44	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	490,645.51
MISCELLANEOUS SUPPLIES	26.58	240.09	26.58	35.44	26.58	35.44	8.86	26.58	44.30	26.58	96.94	35.44	629.41
Major Equipment R & M	4,923.65	89.17	1,597.15	1,587.67	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	41,573.62
Major Equipment R & M Sewer	0.00	0.00	126.85	190.00	959.42	79.35	373.76	533.30	0.00	374.29	0.00	31.48	2,668.45
Hand Tools R & M	826.52	1,168.65	1,447.88	69.97	349.22	1,742.29	1,283.41	776.48	460.91	1,417.39	1,711.42	1,587.91	12,842.05
Hnad Tools R & M Sewer	54.88	105.92	355.97	820.12	99.98	98.94	57.87	221.20	346.49	0.00	697.76	591.12	3,450.25
PS/LS R & M	20,073.81	9,316.47	15,122.73	1,743.63	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	124,174.97
PS/LS R & M Sewer	6,643.44	5,784.73	2,164.83	0.00	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	114,426.05
Vehicle R & M	4,498.00	3,773.58	4,267.22	3,622.91	11,378.96	2,471.38	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	61,363.33
Vehicle R & M Sewer	0.00	0.00	0.00	153.74	205.43	8.95	15.39	0.00	437.94	0.00	5.75	24.29	851.49
General R & M	28,508.27	159,494.30	5,508.59	22,161.23	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	454,442.96
General R & M Sewer	144.00	3,529.71	1,752.72	662.80	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	38,221.14

General R & M - Information provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	11/30/20	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	Total
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	567.23	0.00	567.23
SUPPLIES & EXPENSES TREATMENT (MMV)	1,125.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	12,712.50
INTEREST EXPENSE - TERM DEBT	30,558.73	(33,192.58)	29,887.86	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	295,890.36
INTEREST EXPENSE - TERM DEBT	4,035.00	90,556.97	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	166,905.72
<b>Total Operating Expenses</b>	<u>981,403.12</u>	<u>1,341,469.42</u>	<u>1,037,213.89</u>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,042,308.51</u>	<u>12,949,588.98</u>
<b>Operating Income (Loss)</b>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(167,320.21)</u>	<u>(2,396,930.98)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(167,320.21)</u>	<u>(2,396,930.98)</u>
<b>Net Income (Loss)</b>	<u>(164,232.54)</u>	<u>(467,298.60)</u>	<u>(167,091.07)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(167,320.21)</u>	<u>(2,396,930.98)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	10 Months Ended October 31, 2021 Actual	10 Months Ended October 31, 2021 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 5,722,141.66	\$ 5,754,558.32	\$ (32,416.66)
METERED SALES - COMMERCIAL	460,305.86	502,447.50	(42,141.64)
METERED SALES - INDUSTRIAL	48,845.70	49,686.66	(840.96)
METERED SALES - PUBLIC AUTH.	324,362.97	314,985.82	9,377.15
METERED SALES - MULTI FAMILY	255,019.61	243,670.00	11,349.61
FIRE PROTECTION REVENUE	1,275.00	937.50	337.50
CUSTOMER LATE PAYMENT CHARGES	125,889.35	190,675.82	(64,786.47)
OTHER WATER SERVICE REVENUE	53,570.98	30,496.66	23,074.32
SERVICE CONNECTION FEES	151,866.17	121,358.32	30,507.85
SERVICE CONNECTION FEES FOR WASTE WATER	120.00	127.50	(7.50)
SEWER REVENUE -RESIDENTIAL	1,347,451.72	1,432,932.50	(85,480.78)
SEWER REVENUE - COMMERCIAL	370,467.02	402,413.32	(31,946.30)
<b>Total Sales</b>	<u>8,861,316.04</u>	<u>9,044,289.92</u>	<u>(182,973.88)</u>
<b>Gross Profit</b>	<u>8,861,316.04</u>	<u>9,044,289.92</u>	<u>(182,973.88)</u>
<b>Operating Expenses</b>			
Undistributed	6,852.94	0.00	6,852.94
DEPRECIATION EXPENSE	2,515,089.36	2,538,484.18	(23,394.82)
DEPRECIATION EXPENSE - SEWER	832,508.04	987,577.50	(155,069.46)
PAYROLL TAXES - FICA & U.C.	143,454.49	149,884.18	(6,429.69)
PUMPING LABOR - OPERATIONS	321.22	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	116,132.30	56,567.50	59,564.80
T & D LABOR - OPERATIONS	705,858.00	772,858.34	(67,000.34)
T & D LABOR - MAINTENANCE	37,353.69	66,389.18	(29,035.49)
CUSTOMER ACCOUNTS LABOR	248,308.48	262,128.34	(13,819.86)
ADMIN. & GENERAL LABOR	108,795.25	108,600.00	195.25
SEWER LABOR	313,071.91	318,565.00	(5,493.09)
COMP COMMISSIONERS - AUTO DIST	22,000.00	25,000.00	(3,000.00)
COMPENSATION - ADMINISTRATOR	347,713.80	349,160.84	(1,447.04)
HEALTH INSURANCE - WTP OPERATIONS	23,397.61	23,137.50	260.11
HEALTH INSURANCE - T & D OPERATIONS	162,340.62	138,308.34	24,032.28
HEALTH INSURANCE - CUSTOMER ACCOUNTS	35,766.66	57,771.68	(22,005.02)
HEALTH INSURANCE - ADMIN. & GENERAL	28,106.52	20,152.50	7,954.02
HEALTH INSURANCE - SEWER	45,423.95	59,608.34	(14,184.39)
DENTAL INSURANCE - WTP OPERATIONS	618.38	669.18	(50.80)
DENTAL INSURANCE - T & D OPERATIONS	4,776.58	3,995.84	780.74
DENTAL INSURANCE - T & D MAINT	(37.59)	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	2,190.64	1,925.84	264.80
DENTAL INSURANCE - ADMIN. & GENERAL	5,360.13	1,655.00	3,705.13
DENTAL INSURANCE - SEWER	1,909.58	1,686.68	222.90
VISION INSURANCE - PUMPING OPER.	12.14	0.00	12.14
VISION INSURANCE - WTP OPER.	(68.68)	25.00	(93.68)
VISION INSURANCE - T & D OPER.	385.52	904.18	(518.66)
VISION INSURANCE - CUST. ACCOUNTS	4,976.87	275.00	4,701.87
VISION INSURANCE - ADMIN. & GENERAL	(353.68)	(90.00)	(263.68)
VISION INSURANCE - SEWER	(173.07)	250.00	(423.07)
LIFE INSURANCE - WTP OPER.	715.85	652.50	63.35
LIFE INSURANCE - T & D OPER.	(1,499.41)	(1,605.00)	105.59
LIFE INSURANCE - T & D MAINT.	6,180.28	5,945.00	235.28
LIFE INSURANCE - CUSTOMER ACCTS	2,075.70	2,170.00	(94.30)
LIFE INSURANCE - ADMIN. & GENERAL	1,297.60	1,537.50	(239.90)
LIFE INSURANCE - SEWER	1,883.54	1,633.34	250.20
SHORT TERM DISAB. - PUMPING OPER.	36.88	0.00	36.88
SHORT TERM DISAB. - WTP OPER.	99.36	72.50	26.86

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	10 Months Ended October 31, 2021 Actual	10 Months Ended October 31, 2021 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D OPER.	(1,440.38)	(1,858.32)	417.94
SHORT TERM DISAB. - T & D MAINT.	1,838.59	1,978.34	(139.75)
SHORT TERM DISAB. - CUSTOMER ACCTS	319.17	400.84	(81.67)
SHORT TERM DISAB. - ADMIN. & GENERAL	(161.82)	(80.82)	(81.00)
SHORT TERM DISAB. - SEWER	249.50	(110.82)	360.32
UNIFORM EXPENSE (PLANT)	0.00	64.18	(64.18)
UNIFORM EXPENSE (WATER)	18,842.41	16,452.50	2,389.91
UNIFORM EXPENSE (ADMIN)	0.00	122.50	(122.50)
UNIFORM EXPENSE (WW)	4,025.69	2,813.34	1,212.35
Employee Expense	9,080.22	11,990.00	(2,909.78)
Insurance expense	126,834.38	145,664.18	(18,829.80)
Water Purchased -Williamson	402,970.96	408,598.34	(5,627.38)
WATER PURCHASED -PIKEVILLE	590,836.49	606,036.68	(15,200.19)
Sewage Fees	68,474.26	59,084.18	9,390.08
UTILITY EXPENSE	8,518.24	5,922.50	2,595.74
LABORATORY SUPPLIES	10,509.80	6,514.18	3,995.62
LABORATORY EXPENSE	6,387.93	3,445.00	2,942.93
Laboratory Testing Expenses	37,185.77	37,190.84	(5.07)
Laboratory Testing Expense	42,100.38	16,256.68	25,843.70
CHEMICALS	111,508.97	135,208.34	(23,699.37)
Chemicals-WW	51,301.27	48,429.18	2,872.09
SAFETY SUPPLIES	12,280.70	33,355.84	(21,075.14)
SAFETY SUPPLIES-WW	6,895.29	7,347.50	(452.21)
Electrical Expense	1,173,691.74	1,202,379.18	(28,687.44)
CONTRACT SERVICE - ACCOUNTING	67,532.00	61,265.84	6,266.16
CONTRACT SERVICE - LEGAL	10,281.18	33,991.68	(23,710.50)
ENGINEERING	5.83	6,536.68	(6,530.85)
CONTRACT SERVICE-GENERAL	20,354.99	13,040.84	7,314.15
CONTRACT SERVICES - MANPOWER	143,651.34	55,674.18	87,977.16
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	129,794.53	102,695.00	27,099.53
ADVERTISING	3,601.78	2,405.84	1,195.94
Bad Debts Charged to Expense	0.00	41,666.68	(41,666.68)
OTHER LEGAL PSC EXPENSE	24,138.30	125,000.00	(100,861.70)
MOBILE PHONE EXPENSE	19,764.23	21,565.00	(1,800.77)
TELEPHONE/INTERNET	25,236.52	24,904.18	332.34
TELEPHONE/INTERNET	2,934.67	2,413.34	521.33
EDUCATION, DUES, MEETINGS, INSURANCE	28,172.24	40,375.00	(12,202.76)
EMPLOYEE BENIFIT EXPENSE	0.00	2.50	(2.50)
Office Expense	171,546.16	150,386.68	21,159.48
Easements	2,970.88	83.34	2,887.54
SETTLEMENT EXPENSES	1,065.52	500.00	565.52
SERVICE FEE EXPENSE	9,788.57	19,187.50	(9,398.93)
BANK SERVICE FEES EXP	4,398.29	0.00	4,398.29
Worker's Compensation Insurance	11,931.00	19,857.50	(7,926.50)
PSC TAX ASSESSMENT	20,724.79	17,554.18	3,170.61
Retirement Expense	510,863.66	499,711.68	11,151.98
MISCELLANEOUS SUPPLIES	362.74	360.84	1.90
Major Equipment R & M	36,560.80	75,224.18	(38,663.38)
Major Equipment R & M Sewer	2,668.45	2,715.84	(47.39)
Hand Tools R & M	10,846.88	35,345.00	(24,498.12)
Hnad Tools R & M Sewer	3,289.45	1,472.50	1,816.95
PS/LS R & M	94,784.69	141,185.84	(46,401.15)
PS/LS R & M Sewer	101,997.88	138,722.50	(36,724.62)
Vehicle R & M	53,091.75	71,755.84	(18,664.09)
Vehicle R & M Sewer	851.49	792.50	58.99
General R & M	266,440.39	497,203.34	(230,762.95)
General R & M Sewer	34,547.43	26,259.18	8,288.25

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	<b>10 Months Ended October 31, 2021 Actual</b>	<b>10 Months Ended October 31, 2021 Budget</b>	<b>Over/(Under) Budget</b>
General R & M -Telemetry	16,518.74	7,983.34	8,535.40
R & M Leak Det.	567.23	1,340.00	(772.77)
SUPPLIES & EXPENSES TREATMENT (WW)	<u>10,462.50</u>	<u>11,685.84</u>	<u>(1,223.34)</u>
<b>Total Operating Expenses</b>	<u>10,255,877.92</u>	<u>10,953,964.72</u>	<u>(698,086.80)</u>
<b>Operating Income (Loss)</b>	<u>(1,394,561.88)</u>	<u>(1,909,674.80)</u>	<u>515,112.92</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	3,149.69	5,166.66	(2,016.97)
INTEREST EXPENSE - TERM DEBT	(298,524.21)	(313,000.00)	14,475.79
INTEREST EXPENSE - TERM DEBT	<u>(72,313.75)</u>	<u>(40,350.00)</u>	<u>(31,963.75)</u>
<b>Total Other Income (Expenses)</b>	<u>(367,688.27)</u>	<u>(348,183.34)</u>	<u>(19,504.93)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,762,250.15)</u>	<u>(2,257,858.14)</u>	<u>495,607.99</u>
<b>Net Income (Loss)</b>	<u>\$ (1,762,250.15)</u>	<u>\$ (2,257,858.14)</u>	<u>\$ 495,607.99</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended October 31, 2021 Actual	1 Month Ended October 31, 2021 Budget	10 Months Ended October 31, 2021 Actual	10 Months Ended October 31, 2021 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 558,318.50	\$ 575,455.84	\$ 5,722,141.66	\$ 5,754,558.32
METERED SALES - COMMERCIAL	49,622.19	50,244.75	460,305.86	502,447.50
METERED SALES - INDUSTRIAL	6,886.44	4,968.67	48,845.70	49,686.66
METERED SALES - PUBLIC AUTH.	32,751.71	31,498.59	324,362.97	314,985.82
METERED SALES - MULTI FAMILY	25,526.99	24,367.00	255,019.61	243,670.00
FIRE PROTECTION REVENUE	125.00	93.75	1,275.00	937.50
CUSTOMER LATE PAYMENT CHARGES	16,413.45	19,067.59	125,889.35	190,675.82
OTHER WATER SERVICE REVENUE	815.52	3,049.67	53,570.98	30,496.66
SERVICE CONNECTION FEES	15,425.00	12,135.84	151,866.17	121,358.32
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	12.75	120.00	127.50
SEWER REVENUE -RESIDENTIAL	132,685.40	143,293.25	1,347,451.72	1,432,932.50
SEWER REVENUE - COMMERCIAL	36,418.10	40,241.34	370,467.02	402,413.32
<b>Total Sales</b>	<u>874,988.30</u>	<u>904,429.04</u>	<u>8,861,316.04</u>	<u>9,044,289.92</u>
<b>Gross Profit</b>	<u>874,988.30</u>	<u>904,429.04</u>	<u>8,861,316.04</u>	<u>9,044,289.92</u>
<b>Operating Expenses</b>				
Undistributed	103.85	0.00	6,852.94	0.00
DEPRECIATION EXPENSE	253,848.42	253,848.41	2,515,089.36	2,538,484.18
DEPRECIATION EXPENSE - SEWER	82,148.18	98,757.75	832,508.04	987,577.50
PAYROLL TAXES - FICA & U.C.	12,638.93	14,988.41	143,454.49	149,884.18
PUMPING LABOR - OPERATIONS	0.00	0.00	321.22	0.00
WATER TREATMENT LABOR - OPERATIONS	10,748.34	5,656.75	116,132.30	56,567.50
T & D LABOR - OPERATIONS	64,287.43	77,285.83	705,858.00	772,858.34
T & D LABOR - MAINTENANCE	0.00	6,638.91	37,353.69	66,389.18
CUSTOMER ACCOUNTS LABOR	22,080.03	26,212.83	248,308.48	262,128.34
ADMIN. & GENERAL LABOR	9,967.76	10,860.00	108,795.25	108,600.00
SEWER LABOR	28,712.74	31,856.50	313,071.91	318,565.00
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,500.00	22,000.00	25,000.00
COMPENSATION - ADMINISTRATOR	31,647.66	34,916.08	347,713.80	349,160.84
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	2,313.75	23,397.61	23,137.50
HEALTH INSURANCE - T & D OPERATIONS	16,744.63	13,830.83	162,340.62	138,308.34
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,259.02	5,777.16	35,766.66	57,771.68
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	2,015.25	28,106.52	20,152.50
HEALTH INSURANCE - SEWER	4,647.83	5,960.83	45,423.95	59,608.34
DENTAL INSURANCE - WTP OPERATIONS	85.01	66.91	618.38	669.18
DENTAL INSURANCE - T & D OPERATIONS	482.86	399.58	4,776.58	3,995.84
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(37.59)	0.00
DENTAL INSURANCE - CUST. ACCOUNTS	226.19	192.58	2,190.64	1,925.84
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	165.50	5,360.13	1,655.00
DENTAL INSURANCE - SEWER	221.96	168.66	1,909.58	1,686.68
VISION INSURANCE - PUMPING OPER.	0.00	0.00	12.14	0.00
VISION INSURANCE - WTP OPER.	(4.55)	2.50	(68.68)	25.00
VISION INSURANCE - T & D OPER.	39.92	90.41	385.52	904.18
VISION INSURANCE - CUST. ACCOUNTS	35.12	27.50	4,976.87	275.00
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(9.00)	(353.68)	(90.00)
VISION INSURANCE - SEWER	6.09	25.00	(173.07)	250.00
LIFE INSURANCE - WTP OPER.	71.69	65.25	715.85	652.50
LIFE INSURANCE - T & D OPER.	(173.00)	(160.50)	(1,499.41)	(1,605.00)
LIFE INSURANCE - T & D MAINT.	664.21	594.50	6,180.28	5,945.00
LIFE INSURANCE - CUSTOMER ACCTS	311.64	217.00	2,075.70	2,170.00
LIFE INSURANCE - ADMIN. & GENERAL	198.47	153.75	1,297.60	1,537.50
LIFE INSURANCE - SEWER	201.52	163.33	1,883.54	1,633.34

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended October 31, 2021 Actual</b>	<b>1 Month Ended October 31, 2021 Budget</b>	<b>10 Months Ended October 31, 2021 Actual</b>	<b>10 Months Ended October 31, 2021 Budget</b>
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	36.88	0.00
SHORT TERM DISAB. - WTP OPER.	11.69	7.25	99.36	72.50
SHORT TERM DISAB. - T & D OPER.	(4.60)	(185.84)	(1,440.38)	(1,858.32)
SHORT TERM DISAB. - T & D MAINT.	173.11	197.83	1,838.59	1,978.34
SHORT TERM DISAB. - CUSTOMER ACCTS	54.85	40.08	319.17	400.84
SHORT TERM DISAB. - ADMIN. & GENERAL	47.36	(8.09)	(161.82)	(80.82)
SHORT TERM DISAB. - SEWER	41.11	(11.09)	249.50	(110.82)
UNIFORM EXPENSE (PLANT)	0.00	6.41	0.00	64.18
UNIFORM EXPENSE (WATER)	3,119.44	1,645.25	18,842.41	16,452.50
UNIFORM EXPENSE (ADMIN)	0.00	12.25	0.00	122.50
UNIFORM EXPENSE (WW)	318.99	281.33	4,025.69	2,813.34
Employee Expense	3,643.50	1,199.00	9,080.22	11,990.00
Insurance expense	8,248.40	14,566.41	126,834.38	145,664.18
Water Purchased -Williamson	40,761.05	40,859.83	402,970.96	408,598.34
WATER PURCHASED -PIKEVILLE	56,202.13	60,603.66	590,836.49	606,036.68
Sewage Fees	7,001.76	5,908.41	68,474.26	59,084.18
UTILITY EXPENSE	1,859.07	592.25	8,518.24	5,922.50
LABORATORY SUPPLIES	1,907.34	651.41	10,509.80	6,514.18
LABORATORY EXPENSE	493.29	344.50	6,387.93	3,445.00
Laboratory Testing Expenses	4,705.75	3,719.08	37,185.77	37,190.84
Laboratory Testing Expense	2,870.50	1,625.66	42,100.38	16,256.68
CHEMICALS	14,962.10	13,520.83	111,508.97	135,208.34
Chemicals-WW	2,352.00	4,842.91	51,301.27	48,429.18
SAFETY SUPPLIES	626.87	3,335.58	12,280.70	33,355.84
SAFETY SUPPLIES-WW	0.00	734.75	6,895.29	7,347.50
Electrical Expense	113,271.59	120,237.91	1,173,691.74	1,202,379.18
CONTRACT SERVICE - ACCOUNTING	2,731.00	6,126.58	67,532.00	61,265.84
CONTRACT SERVICE - LEGAL	7,558.68	3,399.16	10,281.18	33,991.68
ENGINEERING	5.83	653.66	5.83	6,536.68
CONTRACT SERVICE-GENERAL	1,742.50	1,304.08	20,354.99	13,040.84
CONTRACT SERVICES - MANPOWER	10,999.50	5,567.41	143,651.34	55,674.18
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00
AUTO & TRANSPORTATION EXPENSE	14,628.12	10,269.50	129,794.53	102,695.00
ADVERTISING	207.90	240.58	3,601.78	2,405.84
Bad Debts Charged to Expense	0.00	4,166.66	0.00	41,666.68
OTHER LEGAL PSC EXPENSE	0.00	12,500.00	24,138.30	125,000.00
MOBILE PHONE EXPENSE	2,209.74	2,156.50	19,764.23	21,565.00
TELEPHONE/INTERNET	1,757.27	2,490.41	25,236.52	24,904.18
TELEPHONE/INTERNET	425.03	241.33	2,934.67	2,413.34
EDUCATION, DUES, MEETINGS, INSURANCE	1,078.42	4,037.50	28,172.24	40,375.00
EMPLOYEE BENIFIT EXPENSE	0.00	0.25	0.00	2.50
Office Expense	2,743.91	15,038.66	171,546.16	150,386.68
Easements	0.00	8.33	2,970.88	83.34
SETTLEMENT EXPENSES	0.00	50.00	1,065.52	500.00
SERVICE FEE EXPENSE	28.00	1,918.75	9,788.57	19,187.50
BANK SERVICE FEES EXP	116.86	0.00	4,398.29	0.00
Worker's Compensation Insurance	11,931.00	1,985.75	11,931.00	19,857.50
PSC TAX ASSESSMENT	0.00	1,755.41	20,724.79	17,554.18
Retirement Expense	53,795.69	49,971.16	510,863.66	499,711.68
MISCELLANEOUS SUPPLIES	35.44	36.08	362.74	360.84
Major Equipment R & M	4,539.22	7,522.41	36,560.80	75,224.18
Major Equipment R & M Sewer	31.48	271.58	2,668.45	2,715.84
Hand Tools R & M	1,587.91	3,534.50	10,846.88	35,345.00
Hnad Tools R & M Sewer	591.12	147.25	3,289.45	1,472.50
PS/LS R & M	8,448.40	14,118.58	94,784.69	141,185.84
PS/LS R & M Sewer	10,688.91	13,872.25	101,997.88	138,722.50

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended October 31, 2021 Actual</b>	<b>1 Month Ended October 31, 2021 Budget</b>	<b>10 Months Ended October 31, 2021 Actual</b>	<b>10 Months Ended October 31, 2021 Budget</b>
Vehicle R & M	5,441.86	7,175.58	53,091.75	71,755.84
Vehicle R & M Sewer	24.29	79.25	851.49	792.50
General R & M	38,677.36	49,720.33	266,440.39	497,203.34
General R & M Sewer	7,775.99	2,625.91	34,547.43	26,259.18
General R & M -Telemetry	2,021.20	798.33	16,518.74	7,983.34
R & M Leak Det.	0.00	134.00	567.23	1,340.00
SUPPLIES & EXPENSES TREATMENT (WW)	1,237.50	1,168.58	10,462.50	11,685.84
INTEREST EXPENSE - TERM DEBT	30,307.41	31,300.00	298,524.21	313,000.00
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	72,313.75	40,350.00
<b>Total Operating Expenses</b>	<u>1,042,308.51</u>	<u>1,130,731.14</u>	<u>10,626,715.88</u>	<u>11,307,314.72</u>
<b>Operating Income (Loss)</b>	<u>(167,320.21)</u>	<u>(226,302.10)</u>	<u>(1,765,399.84)</u>	<u>(2,263,024.80)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>202.14</u>	<u>516.67</u>	<u>3,149.69</u>	<u>5,166.66</u>
<b>Total Other Income (Expenses)</b>	<u>202.14</u>	<u>516.67</u>	<u>3,149.69</u>	<u>5,166.66</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(167,118.07)</u>	<u>(225,785.43)</u>	<u>(1,762,250.15)</u>	<u>(2,257,858.14)</u>
<b>Net Income (Loss)</b>	<u>\$ (167,118.07)</u>	<u>\$ (225,785.43)</u>	<u>\$ (1,762,250.15)</u>	<u>\$ (2,257,858.14)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
OCTOBER, 2021**

**183** Field maintenance work orders issued during the month of OCTOBER.  
**200** Field maintenance work orders completed during the month of OCTOBER.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	48	44	52	32	<b>176</b>
FEBRUARY	47	38	45	24	<b>154</b>
MARCH	49	58	65	45	<b>217</b>
APRIL	38	39	42	66	<b>185</b>
MAY	38	44	66	46	<b>194</b>
JUNE	41	32	51	40	<b>164</b>
JULY	39	51	62	56	<b>208</b>
AUGUST	43	40	45	45	<b>173</b>
SEPTEMBER	46	53	63	38	<b>200</b>
OCTOBER	37	77	46	40	<b>200</b>
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>426</b>	<b>476</b>	<b>537</b>	<b>432</b>	<b>1871</b>

**8** New PAID service tap work orders issued during the month of OCTOBER.  
**7** New PAID service tap work orders completed during the month of OCTOBER.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	2	1	0	8	<b>11</b>
FEBRUARY	3	0	0	2	<b>5</b>
MARCH	6	2	1	2	<b>11</b>
APRIL	11	4	1	5	<b>21</b>
MAY	2	2	1	2	<b>7</b>
JUNE	0	3	0	4	<b>7</b>
JULY	2	3	3	3	<b>11</b>
AUGUST	0	1	0	4	<b>5</b>
SEPTEMBER	1	2	2	4	<b>9</b>
OCTOBER	3	0	2	2	<b>7</b>
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>30</b>	<b>18</b>	<b>10</b>	<b>36</b>	<b>94</b>

**WATER**

**94** Water Customer Work Orders completed during the month of OCTOBER.  
**3,030** Delinquent Notices Mailed during the month of OCTOBER.  
**322** Delinquent Work Orders Written Up during the month of OCTOBER.  
**218** Delinquent Accounts Disconnected during the month of OCTOBER.

## **SEWER**

- 39 Sewer Customer Work Orders completed during the month of OCTOBER.
- 8 Delinquent Work Orders Written Up during the month of OCTOBER.
- 2 Delinquent Work Orders Disconnected during the month of OCTOBER.
  
- 11 Water Delinquent Work Orders Written Up – City of Pikeville Agreement
- 10 Water Delinquent Accounts Disconnected – City of Pikeville Agreement
- 6 Water Delinquent Accounts Reconnected – City of Pikeville Agreement
  
- 20 Vehicle & equipment maintenance work orders issued during the month of OCTOBER.
- 21 Vehicle & equipment maintenance work orders completed during the month of OCTOBER.

### **TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

#### **WATER CUSTOMERS**

JANUARY	17,499 (16,712 + 787 Multi-Users)
FEBRUARY	17,484 (16,665 + 819 Multi-Users)
MARCH	17,412 (16,601 + 811 Multi-Users)
APRIL	17,446 (16,635 + 811 Multi-Users)
MAY	17,470 (16,655 + 815 Multi-Users)
JUNE	17,494 (16,675 + 819 Multi-Users)
JULY	17,474 (16,655 + 819 Multi-Users)
AUGUST	17,465 (16,652 + 813 Multi-Users)
SEPTEMBER	17,477 (16,663 + 814 Multi-Users)
OCTOBER	17,626 (16,646 + 814 Multi-Users)
NOVEMBER	
DECEMBER	

#### **SEWER CUSTOMERS**

JANUARY	2,234
FEBRUARY	2,221
MARCH	2,251
APRIL	2,287
MAY	2,345
JUNE	2,344
JULY	2,352
AUGUST	2,341
SEPTEMBER	2,342
OCTOBER	2,332
NOVEMBER	
DECEMBER	

#### **OCTOBER 2021**

#### **WATER & SEWER TRENDS**

	<b># CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>\$ BILLED</b>	<b>\$ TREND/CHANGE %</b>
<b>WATER</b>	17,626	63,463,300	\$684,615.41	-1.78%
<b>SEWER</b>	2,332	8,653,915	\$178,116.23	-3.76%
<b>TOTAL BILLED</b>			<b>\$862,731.64</b>	<b>-2.20%</b>

0 Sewer taps were completed during the month of OCTOBER.

5 Hydrant work orders were completed during the month of OCTOBER.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **OCTOBER** was **27,676,000** gallons.

**WATERLOSS** due to leaks and breaks was **10,117,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **9,448,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,191,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **3,920,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **OCTOBER** was **16,719,000** gallons for an unaccounted-for loss of **15.50%**.

**Water loss percentage utilizing the PSC form was 25.0%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

33 Work Orders completed for Booster Pump Stations during the month of OCTOBER.

**WATER STORAGE TANK MAINTENANCE:**

8 Work Orders completed for Water Storage Tanks during the month of OCTOBER.

**MASTER METER MAINTENANCE:**

1 Work Orders completed for Master Meters during the month of OCTOBER.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

6 Work Orders completed for Pressure Regulator Stations during the month of OCTOBER.

**TELEMETRY MAINTENANCE:**

1 Work Orders completed for Telemetry during the month of OCTOBER.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

0 Work Orders completed for the Russell Fork Water Plant during the month of OCTOBER.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of OCTOBER.

- **12**- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**4** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of OCTOBER.

**LIFT STATION MAINTENANCE:**

**6** Work Orders completed for Lift Stations excluding regular maintenance during the month of OCTOBER.

**COLLECTION SYSTEM MAINTENANCE:**

**62** Work Orders completed for Collection Systems during the month of OCTOBER.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of November 30, 2021 and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>Current Assets</b>		
Cash In Bank	\$ 342,061.44	\$ 332,127.04
Accounts Receivable	1,036,244.00	1,274,872.97
Clearing Accounts	(10,622.07)	(2,281.78)
Inventory	279,476.25	322,594.50
Other Current Assets	<u>3,732,524.91</u>	<u>3,811,642.01</u>
<b>Total Current Assets</b>	<u>5,379,684.53</u>	<u>5,738,954.74</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,841,727.68	4,802,205.74
Water Treatment Plant	10,207,654.70	9,876,152.70
Transmission & Distribution Plant	97,825,344.08	96,420,533.01
Water General Plant	4,878,599.17	4,559,957.35
Sewer General Plant	37,437,936.94	37,097,262.53
Construction in Progress	<u>11,215,946.84</u>	<u>9,135,763.98</u>
Total Plant In Service	166,407,209.41	161,891,875.31
Less Accumulated Depreciation	<u>(74,001,378.47)</u>	<u>(69,781,639.68)</u>
<b>Net Capital Assets</b>	<u>92,405,830.94</u>	<u>92,110,235.63</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(24,956.64)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>67,359.53</u>
<b>Total Non Current Assets</b>	<u>92,469,750.12</u>	<u>92,177,595.16</u>
<b>Total Net Assets</b>	<u>\$ 97,849,434.65</u>	<u>\$ 97,916,549.90</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,493,870.59</u>	<u>\$ 2,493,870.59</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of November 30, 2021 and 2020**

**Liabilities and Net Assets**

	2021	2020
<b>Current Liabilities</b>		
Accounts Payable	\$ 208,155.51	\$ 248,526.95
Current Portion Due - Notes Payable	1,363,902.00	1,140,214.00
Customer Deposits	442,517.36	394,851.61
Accrued Payroll and Related Expenses	197,774.72	228,900.97
Accrued Interest - Long Term Debt	<u>359,495.47</u>	<u>314,379.07</u>
<b>Total Current Liabilities</b>	<u>2,571,845.06</u>	<u>2,326,872.60</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	7,358,331.00	7,358,331.00
Notes Payable	3,826,462.85	3,811,812.40
Notes Payable - Ky Infrastructure Authority	4,366,751.33	4,889,573.81
Notes Payable - Rural Development	10,083,900.00	6,571,000.00
Advances for Construction	6,436,939.85	7,553,547.94
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,140,214.00)</u>
<b>Total Long-Term Liabilities</b>	<u>30,708,483.03</u>	<u>29,044,051.15</u>
<b>Total Liabilities</b>	<u>33,280,328.09</u>	<u>31,370,923.75</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	740,485.00	740,485.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,987,813.15)	(1,643,819.07)
Contributions in aid of Construction	60,818,297.69	62,567,914.15
Tap-On-Fees	<u>7,492,007.61</u>	<u>7,374,916.66</u>
<b>Total Net Position</b>	<u>66,322,492.15</u>	<u>68,299,011.74</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended November 30, 2021</b>	<b>11 Months Ended November 30, 2021</b>
<b>Operating Revenue</b>	\$ 846,119.92	\$ 9,707,435.96
<b>Total Operating Revenue</b>	<u>846,119.92</u>	<u>9,707,435.96</u>
<b>Operating Expenses</b>		
Water Supply Expense	14,114.56	155,379.62
Water Purchases	82,822.83	1,076,630.28
Electricity Expense	124,411.23	1,298,102.97
Repairs & Maintenance - Sewer	11,188.29	155,110.22
Repairs & Maintenance - Water	90,553.70	568,898.55
Transmission & Distribution Expense	81,935.60	1,016,533.91
Customer Service Expense	37,122.99	439,555.76
Administrator Expense	9.17	5,207.48
Sewer Expense	38,932.87	533,031.59
General & Administrative	210,718.61	2,365,069.86
<b>Total Operating Expenses</b>	<u>691,809.85</u>	<u>7,613,520.24</u>
Depreciation Expense	<u>335,996.60</u>	<u>3,683,594.00</u>
<b>Utility Operating Expense</b>	<u>1,027,806.45</u>	<u>11,297,114.24</u>
<b>Utility Operating Income (Loss)</b>	<u>(181,686.53)</u>	<u>(1,589,678.28)</u>
<b>Non Operating Revenue</b>		
Interest Income	189.30	3,338.99
Interest Expense	(30,635.90)	(401,473.86)
<b>Total Non Operating Revenue</b>	<u>(30,446.60)</u>	<u>(398,134.87)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (212,133.13)	\$ (1,987,813.15)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>3,300.00</u>	<u>116,714.95</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>3,300.00</u>	<u>116,714.95</u>
<b>Change in Net Position</b>	<u>(208,833.13)</u>	<u>(1,871,098.20)</u>
<b>Net Position, beginning of period</b>	<u>66,531,426.88</u>	<u>68,193,590.35</u>
<b>Net Position, end of period</b>	<u>\$ 66,322,593.75</u>	<u>\$ 66,322,492.15</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 11 Months Ended November 30, 2021**

	<b>1 Month Ended November 30, 2021</b>	<b>11 Months Ended November 30, 2021</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (212,133.13)	\$ (1,987,813.15)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	3,683,594.00
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	29,937.26	90,591.07
Other Current Assets	(96,193.33)	(240,796.56)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	57,128.14	(53,232.35)
Accrued Interest	31,716.00	141,658.47
Advances for Construction	70,475.57	1,887,849.75
Accrued Liabilities	14,318.40	111,350.30
Tap on Fees	3,300.00	116,714.95
Customer Deposits	(7,352.84)	74,381.25
Clearing Accounts	10,027.31	67,371.59
Total Adjustments	<u>449,353.11</u>	<u>5,879,482.47</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>237,219.98</u>	<u>3,891,669.32</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(157,871.47)	(540,896.55)
Construction in Progress	<u>(53,241.28)</u>	<u>(2,512,571.15)</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(211,112.75)</u>	<u>(3,053,467.70)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	89,731.00	252,186.23
Notes Payable Repayments	<u>(46,743.07)</u>	<u>(1,141,383.16)</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>42,987.93</u>	<u>(889,196.93)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	69,095.16	(50,995.31)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>272,966.28</u>	<u>392,242.99</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 342,061.44</u>	<u>\$ 342,061.44</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of November 30, 2021 and 2020**

**ASSETS:**

	<b>2021</b>	<b>2020</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 328,660.18	\$ 328,848.85
CTB-MWD Payroll Account	13,081.08	2,958.01
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>342,061.44</b>	<b>332,127.04</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	733,324.14	975,230.22
RECEIVABLE - RETURNED CHECKS	22,917.45	16,662.65
RECEIVABLE - OTHER FEES, ETC..	(44,902.08)	(64,022.26)
A/R - CIP - SEWER	0.00	15,386.40
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	303,223.38	306,460.06
PROVISION FOR UNCOLLECTIBLES	23,360.88	25,155.90
<b>Total Accounts Receivable:</b>	<b>1,036,244.00</b>	<b>1,274,872.97</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	(10,622.07)	(2,281.78)
<b>Total Clearing Accounts:</b>	<b>(10,622.07)</b>	<b>(2,281.78)</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	278,711.96
BB & T - Sinking Fund	566,695.96	518,487.92
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	179.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	372,640.65
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	41,735.39	33,364.53
CTB - O & M RESERVES	410,560.03	331,005.18
Community Trust Bank - Misc Line Extension	4,900.07	4,895.17
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	10,713.67	28,161.97
CTB - R & M RESERVE	870,525.51	869,655.53

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of November 30, 2021 and 2020**

CTB - Dist Wide WW Tap Fees	36,677.80	34,621.61
MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	30,784.72	100.00
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	109.96	38,414.90
MWD DEPRECIATION RESERVE ACCOUNT	861,886.13	860,963.20
CTB. PCFC Projects	81,457.55	91,475.34
CTB - R & M REIMBURSEMENT ACCT.	2,665.39	4,898.06
CTB-MWD Escrow Account	100.00	0.00
MWD INSURANCE SWEEP ACCOUNT	824.51	31.81
MWD Meter Replacement Project	104,301.94	276,386.43
New Customer Deposit Acct.	459,319.10	0.00
Prepaid Expense-WC	0.00	45,485.57
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,732,524.91</b>	<b>3,811,642.01</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of November 30, 2021 and 2020**

**LIABILITIES:**

	2021	2020
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	(767.04)
FEDERAL INCOME TAX WITHHELD	2,883.44	19,983.51
KY INCOME TAX WITHHELD	17,479.13	(356.02)
ACCRUED FUTA	2,657.95	2,448.93
Accrued CERS	120,385.14	163,104.49
Accrued County Withheld	3,397.43	3,276.91
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	37,559.38	39,660.86
<b>Total Employee Related Payables</b>	197,774.72	228,900.97

**Other Current Liabilities:**

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,206,019.16	3,505,617.05
US Bank Big Creek Water Loan	21,467.84	62,902.30
#154 FORD F250 2017	0.00	5,179.98
# 155 CTB	3,776.84	1,356.50
CTB V# 156	2,592.37	9,143.10
CTB V # 157 2018 GMC Sierra	2,742.30	9,546.65
CTB LOC - COAL SEV 2005	0.00	939.39
CTB 158 & 159	13,243.15	31,445.72
WELLS FARGO MINI EXCAVATOR	1,964.37	(1,615.64)
CTB # 161	0.00	11,435.73
CTB- 160	0.00	34,646.09
CTB -162	15,912.46	21,954.15
CTB- #163 2019 Ford 350	36,672.98	51,344.83
#165 Ford F-250 2021	25,307.39	0.00
#164 2021 Ford F-250	25,969.17	0.00
#166	25,297.39	0.00
CTB-# 167 Chevrolet Silverado 2500	34,689.89	0.00
CTB- #169 2019 Toyota Tacoma	29,433.48	0.00
CTB- 2016 F150	29,129.55	0.00
CTB- 168 2017 Toyota	29,411.48	0.00
CTB-LN OF COMMITMENT - FEMA REC	211,034.39	(72,036.00)
COMMUNITY TRUST V#148	0.00	10.68
US Bank V#149	0.00	1.51
CTB-V# 150 FORD F-150	0.00	487.77
CTB. V# 151 FORD F-150	0.00	3.76
CTB-Boom Truck # CTO-02	0.00	2,713.41
CTB AEP Line of credit	94,579.17	119,179.28
Kobelco mini excavator	0.00	17,556.14
2017 Takeuchi Skid Steer	16,875.68	0.00
<b>Total Notes Payable</b>	3,826,462.85	3,811,812.40

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	620,160.88	855,993.30
KIA LOAN B291-01 INDIAN CREEK	41,020.35	56,592.27

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of November 30, 2021 and 2020**

KIA LOAN F01-07 WATER PLANT	208,013.69	274,903.42
KIA LOAN A03-06 SO WMSN III	35,036.98	44,825.81
KIA Shelby III Phase II	192,738.41	210,975.85
KIA-A16-079 Grinder St	250,186.64	264,379.10
KIA-Douglas WWTP	3,019,594.38	3,181,904.06
<b>Total Notes Payable - Ky Infrastructure Authority</b>	<b>4,366,751.33</b>	<b>4,889,573.81</b>
<b>Notes Payable - Rural Development:</b>		
RD Loan -91-40 WTP	553,000.00	564,000.00
RD Bond91-45 Radio Read	3,091,900.00	3,150,000.00
RD Belfry WW	3,653,000.00	0.00
RD Bond 91-33	1,325,000.00	1,355,000.00
RD Bond - Shelby Sewer Project	580,000.00	594,500.00
RD Bond - 91-01 Phelps Sewer	325,000.00	333,500.00
RD BOND 91-24 RUSSELL FK WTP	556,000.00	574,000.00
<b>Total Notes Payable - Rural Development</b>	<b>10,083,900.00</b>	<b>6,571,000.00</b>
<b>Contributions in Aid of Construction:</b>		
CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	73,839,898.00
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,589,684.41
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	<b>113,094,523.90</b>	<b>112,734,780.55</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of November 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	228,471.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,508,958.55</u>	<u>4,476,654.61</u>
Total Cost of Water Supply Plant	4,841,727.68	4,802,205.74
Less: Accumulated Depreciation	<u>(2,914,997.38)</u>	<u>(2,605,815.30)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,926,730.30</b>	<b>\$ 2,196,390.44</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>9,756,756.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	9,876,152.70
Less: Accumulated Depreciation	<u>(3,723,293.38)</u>	<u>(3,427,764.77)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,484,361.32</b>	<b>\$ 6,448,387.93</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,528,131.08
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,833,079.07
WATER SERVICES	6,953,719.23	6,881,635.54
WATER METERS & INSTALLATIONS	7,664,622.39	6,547,459.31
HYDRANTS	<u>1,254,797.39</u>	<u>1,249,034.14</u>
Total Cost of Water Transmission & Distribution Plant	97,825,344.08	96,420,533.01
Less: Accumulated Depreciation	<u>(49,151,960.32)</u>	<u>(46,824,879.03)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 48,673,383.76</b>	<b>\$ 49,595,653.98</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 146,118.68
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,642,481.83	1,358,062.29
TOOLS, SHOP & GARAGE EQUIPMENT	335,470.41	315,496.99
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	315,598.37	311,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	4,878,599.17	4,559,957.35
Less: Accumulated Depreciation	<u>(4,043,759.32)</u>	<u>(3,636,568.90)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 834,839.85</b>	<b>\$ 923,388.45</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,131,344.66
SEWER SERVICES	487,403.65	433,666.02
SEWER METERS & INSTALLATIONS	882,896.79	698,333.54
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,437,936.94	37,097,262.53
Less: Accumulated Depreciation	<u>(13,995,346.58)</u>	<u>(13,114,590.19)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,442,590.36</b>	<b>\$ 23,982,672.34</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of November 30, 2021 and 2020**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 1,821,620.01	\$ 2,446,141.71
CIP-MATERIALS & SUPPLIES	136,090.34	306,184.69
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>9,086,215.00</u>	<u>6,211,416.09</u>
Total Construction in Progress	11,215,946.84	9,135,763.98
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 11,043,925.35</b>	<b>\$ 8,963,742.49</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,405,830.94</u></b>	<b><u>\$ 92,110,235.63</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>November 30, 2021</b>	<b>11 Months Ended</b> <b>November 30, 2021</b>
<b>Water Supply Expense:</b>		
PUMPING LABOR - OPERATIONS	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	11,453.54	127,585.84
HEALTH INSURANCE - WTP OPERATIONS	2,736.50	26,134.11
DENTAL INSURANCE - WTP OPERATIONS	85.01	703.39
VISION INSURANCE - PUMPING OPER.	(2.95)	9.19
VISION INSURANCE - WTP OPER.	20.37	(48.31)
LIFE INSURANCE - PUMPING OPER.	(105.00)	(105.00)
LIFE INSURANCE - WTP OPER.	(12.10)	703.75
SHORT TERM DISAB. - PUMPING OPER.	(30.20)	6.68
SHORT TERM DISAB. - WTP OPER.	(30.61)	68.75
<b>Total Water Supply Expenses</b>	<b>14,114.56</b>	<b>155,379.62</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	27,662.83	430,633.79
WATER PURCHASED -PIKEVILLE	55,160.00	645,996.49
<b>Total Water Purchases Expenses</b>	<b>82,822.83</b>	<b>1,076,630.28</b>
<b>Electricity Expense:</b>		
Electrical Expense	124,411.23	1,298,102.97
<b>Total Electricity Expenses</b>	<b>124,411.23</b>	<b>1,298,102.97</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	0.00	2,668.45
Hand Tools R & M Sewer	266.69	3,556.14
PS/LS R & M Sewer	10,408.10	112,405.98
Vehicle R & M Sewer	99.30	950.79
General R & M Sewer	414.20	34,961.63
R & M Leak Det.	0.00	567.23
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>11,188.29</b>	<b>155,110.22</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	10,769.54	47,330.34
Hand Tools R & M	1,488.14	12,335.02
PS/LS R & M	14,077.51	108,862.20
Vehicle R & M	4,454.53	57,546.28
General R & M	59,763.98	326,305.97
General R & M -Telemetry	0.00	16,518.74
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>90,553.70</b>	<b>568,898.55</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	64,719.53	770,577.53
T & D LABOR - MAINTENANCE	0.00	37,353.69
HEALTH INSURANCE - T & D OPERATIONS	13,582.51	175,923.13
HEALTH INSURANCE - T & D MAINTENANCE	82.42	82.42
DENTAL INSURANCE - T & D OPERATIONS	388.88	5,165.46
DENTAL INSURANCE - T & D MAINT	0.00	(37.59)

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>11 Months Ended</b>
	<b>November 30, 2021</b>	<b>November 30, 2021</b>
VISION INSURANCE - T & D OPER.	31.68	417.20
LIFE INSURANCE - T & D OPER.	1,865.05	365.64
LIFE INSURANCE - T & D MAINT.	(41.20)	6,139.08
SHORT TERM DISAB. - T & D OPER.	460.84	(979.54)
SHORT TERM DISAB. - T & D MAINT.	(3.50)	1,835.09
UNIFORM EXPENSE (WATER)	849.39	19,691.80
<b>Total Transmission &amp; Distribution Expenses</b>	<b>81,935.60</b>	<b>1,016,533.91</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,683.40	269,991.88
ADMIN. & GENERAL LABOR	9,919.22	118,714.47
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,978.04	41,744.70
DENTAL INSURANCE - CUST. ACCOUNTS	(128.26)	2,062.38
VISION INSURANCE - CUST. ACCOUNTS	4.48	4,981.35
LIFE INSURANCE - CUSTOMER ACCTS	(212.88)	1,862.82
SHORT TERM DISAB. - CUSTOMER ACCTS	(121.01)	198.16
<b>Total Customer Service Expenses</b>	<b>37,122.99</b>	<b>439,555.76</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	5,551.79
SHORT TERM DISAB. - ADMIN. & GENERAL	(182.49)	(344.31)
<b>Total Administrator Expenses</b>	<b>9.17</b>	<b>5,207.48</b>
<b>Sewer Expense:</b>		
SEWER LABOR	28,239.84	341,311.75
HEALTH INSURANCE - SEWER	4,726.50	50,150.45
DENTAL INSURANCE - SEWER	241.72	2,151.30
VISION INSURANCE - SEWER	(0.39)	(173.46)
LIFE INSURANCE - SEWER	(125.03)	1,758.51
SHORT TERM DISAB. - SEWER	(112.87)	136.63
UNIFORM EXPENSE (WW)	366.87	4,392.56
Sewage Fees	3,897.33	72,371.59
Chemicals-WW	0.00	52,338.07
SAFETY SUPPLIES-WW	1,698.90	8,594.19
<b>Total Sewer Expenses</b>	<b>38,932.87</b>	<b>533,031.59</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	72.04	6,924.98
PAYROLL TAXES - FICA & U.C.	12,638.13	156,092.62
COMP COMMISSIONERS - AUTO DIST	2,300.00	24,300.00
COMPENSATION - ADMINISTRATOR	31,602.64	379,316.44
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	31,707.47
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(366.20)
LIFE INSURANCE - ADMIN. & GENERAL	(145.83)	1,151.77
Employee Expense	415.19	9,495.41
Insurance expense	8,248.40	135,082.78
UTILITY EXPENSE	1,081.22	9,599.46
LABORATORY SUPPLIES	2,039.78	12,549.58
LABORATORY EXPENSE	1,932.31	8,320.24
Laboratory Testing Expenses	4,202.45	41,388.22
<b>Total General &amp; Administrative Expenses</b>	<b>53,265.51</b>	<b>45,226.89</b>

*No assurance is provided by this financial statements. Management has elected to omit some daily all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	1 Month Ended November 30, 2021	11 Months Ended November 30, 2021
CHEMICALS	22,228.73	133,737.70
SAFETY SUPPLIES	1,771.06	14,051.76
CONTRACT SERVICE - ACCOUNTING	4,398.00	71,930.00
CONTRACT SERVICE - LEGAL	0.00	10,281.18
ENGINEERING	0.00	5.83
CONTRACT SERVICE-GENERAL	2,621.44	22,976.43
CONTRACT SERVICES - MANPOWER	11,155.59	154,806.93
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	14,474.18	144,268.71
ADVERTISING	151.20	3,752.98
OTHER LEGAL PSC EXPENSE	0.00	24,138.30
MOBILE PHONE EXPENSE	1,917.25	21,681.48
TELEPHONE/INTERNET	2,284.37	27,520.89
TELEPHONE/INTERNET	425.03	3,359.70
EDUCATION, DUES, MEETINGS, INSURANCE	6,552.18	34,724.42
Office Expense	13,118.74	196,956.37
Easements	0.00	2,970.88
SETTLEMENT EXPENSES	0.00	1,065.52
SERVICE FEE EXPENSE	24.50	9,813.07
BANK SERVICE FEES EXP	153.77	4,552.06
Worker's Compensation Insurance	5,965.00	17,896.00
PSC TAX ASSESSMENT	0.00	20,724.79
Retirement Expense	51,233.58	562,097.24
MISCELLANEOUS SUPPLIES	17.72	380.46
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	11,587.50
<b>Total General &amp; Administrative Expenses</b>	<b>210,718.61</b>	<b>2,365,069.86</b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>November 30, 2021</b>	<b>11 Months Ended</b> <b>November 30, 2021</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 543,350.57	\$ 6,265,492.23
METERED SALES - COMMERCIAL	43,955.73	504,261.59
METERED SALES - INDUSTRIAL	5,989.18	54,834.88
METERED SALES - PUBLIC AUTH.	32,445.79	356,808.76
METERED SALES - MULTI FAMILY	24,586.80	279,606.41
FIRE PROTECTION REVENUE	125.00	1,400.00
CUSTOMER LATE PAYMENT CHARGES	11,304.16	137,193.51
OTHER WATER SERVICE REVENUE	2,655.50	56,226.48
SERVICE CONNECTION FEES	14,820.00	166,686.17
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	120.00
SEWER REVENUE -RESIDENTIAL	130,722.17	1,478,173.89
SEWER REVENUE - COMMERCIAL	<u>36,165.02</u>	<u>406,632.04</u>
<b>Total Operating Revenue</b>	<u>846,119.92</u>	<u>9,707,435.96</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 550,084.71	\$ 590,459.79	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$6,815,576.94
METERED SALES - COMMERCIAL	68,951.44	40,356.63	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	573,213.03
METERED SALES - INDUSTRIAL	4,858.18	5,144.70	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	59,693.06
METERED SALES - PUBLIC AUTH.	27,518.62	30,584.98	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	384,327.38
METERED SALES - MULTI FAMILY	23,409.65	26,871.55	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	303,016.06
FIRE PROTECTION REVENUE	0.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	150.00	125.00	125.00	1,400.00
CUSTOMER LATE PAYMENT CHARGES	0.00	0.00	0.00	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	137,193.51
OTHER WATER SERVICE REVENUE	8,275.64	(142.00)	(143.14)	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	64,502.12
MISC. REVENUES	105,895.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105,895.20
SERVICE CONNECTION FEES	2,415.00	10,635.00	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	169,101.17
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	0.00	0.00	0.00	0.00	30.00	60.00	0.00	30.00	0.00	0.00	0.00	120.00
SEWER REVENUE - RESIDENTIAL	49,099.05	132,431.59	123,315.57	119,119.00	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	1,527,272.94
SEWER REVENUE - COMMERCIAL	33,663.33	33,655.58	32,038.61	33,400.94	36,641.66	39,515.77	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	440,295.37
<b>Total Sales</b>	<b>874,170.82</b>	<b>870,122.82</b>	<b>803,744.24</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>10,581,606.78</b>
<b>Gross Profit</b>	<b>874,170.82</b>	<b>870,122.82</b>	<b>803,744.24</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>10,581,606.78</b>
<b>Operating Expenses</b>													
Undistributed	204.21	2,151.66	0.00	0.00	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	7,129.19
DEPRECIATION EXPENSE	552,763.23	230,453.58	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,321,701.01
AMORTIZATION EXPENSE	3,440.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	(33,899.83)	93,174.42	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	880,756.39
PAYROLL TAXES - FICA & U.C.	13,581.01	20,445.55	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,785.35	12,638.93	12,638.13	169,673.63
PUMPING LABOR - OPERATIONS	0.00	0.00	33.22	0.00	0.00	0.00	0.00	0.00	0.00	288.00	0.00	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	6,748.00	9,749.63	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	134,333.84
T & D LABOR - OPERATIONS	67,625.69	98,246.24	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	838,203.22
T & D LABOR - MAINTENANCE	4,741.40	6,259.76	6,342.65	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	42,095.09
CUSTOMER ACCOUNTS LABOR	25,160.36	36,114.32	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	295,152.24
ADMIN. & GENERAL LABOR	10,192.89	14,750.93	9,799.31	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	128,907.36
SEWER LABOR	27,207.02	40,490.99	28,990.59	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	368,518.77
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,000.00	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	26,800.00
COMPENSATION - ADMINISTRATOR	31,962.00	47,308.64	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,602.64	31,647.66	411,278.44
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	2,254.78	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	28,497.23
HEALTH INSURANCE - T & D OPERATIONS	21,532.38	14,555.92	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	197,455.51
HEALTH INSURANCE - T & D MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82.42	82.42
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,791.87	3,787.15	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	47,536.57

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,463.16	3,018.38	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	35,170.63
HEALTH INSURANCE - SEWER	3,979.44	3,046.91	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	54,129.89
DENTAL INSURANCE - WTP OPERATIONS	115.50	(21.15)	85.01	25.73	85.01	25.78	85.01	77.96	85.01	85.01	85.01	85.01	818.89
DENTAL INSURANCE - T & D OPERATIONS	500.34	488.16	531.33	590.61	531.33	412.92	516.70	290.92	477.71	454.04	482.86	388.88	5,665.80
DENTAL INSURANCE - T & D MAINT	(10.74)	(16.11)	(10.74)	(10.74)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(48.33)
DENTAL INSURANCE - CUST. ACCOUNTS	225.39	154.87	245.14	245.14	245.14	245.14	245.14	154.86	284.82	144.20	226.19	(128.26)	2,287.77
DENTAL INSURANCE - ADMIN. & GENERAL	191.67	121.88	191.66	191.66	191.66	191.66	191.66	121.93	191.66	3,774.70	191.66	191.66	5,743.46
DENTAL INSURANCE - SEWER	176.42	64.99	172.80	196.23	196.23	176.47	196.23	134.97	387.02	162.68	221.96	241.72	2,327.72
VISION INSURANCE - PUMPING OPER.	0.00	12.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.95)	9.19
VISION INSURANCE - WTP OPER.	7.97	(19.62)	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	(40.34)
VISION INSURANCE - T & D OPER.	86.48	4.86	67.97	54.34	80.72	42.76	73.69	(25.31)	44.38	2.19	39.92	31.68	503.68
VISION INSURANCE - CUST. ACCOUNTS	11.05	(37.71)	4,708.45	74.15	26.87	26.87	112.49	(23.11)	26.87	26.87	35.12	4.48	4,992.40
VISION INSURANCE - ADMIN. & GENERAL	(26.05)	(48.49)	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(392.25)
VISION INSURANCE - SEWER	16.18	(57.88)	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(157.28)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(105.00)	(105.00)
LIFE INSURANCE - WTP OPER.	60.95	59.10	60.95	89.22	82.94	71.69	156.38	(19.50)	71.69	71.69	71.69	(12.10)	764.70
LIFE INSURANCE - T & D OPER.	(139.66)	(215.69)	(36.89)	(185.40)	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	225.98
LIFE INSURANCE - T & D MAINT.	583.13	617.56	570.75	947.82	698.96	(15.39)	1,476.65	0.00	645.74	573.98	664.21	(41.20)	6,722.21
LIFE INSURANCE - CUSTOMER ACCTS	174.59	(394.31)	243.42	365.61	281.13	269.70	645.42	(192.98)	303.65	242.42	311.64	(212.88)	2,037.41
LIFE INSURANCE - ADMIN. & GENERAL	188.73	73.85	148.48	252.94	(216.92)	179.81	478.16	(187.14)	189.14	180.81	198.47	(145.83)	1,340.50
LIFE INSURANCE - SEWER	135.12	106.79	137.72	240.29	214.68	192.26	506.17	(146.40)	220.44	210.07	201.52	(125.03)	1,893.63
SHORT TERM DISAB. - PUMPING OPER.	19.52	0.00	0.00	0.00	36.88	0.00	0.00	0.00	0.00	0.00	0.00	(30.20)	26.20
SHORT TERM DISAB. - WTP OPER.	2.51	(12.76)	2.51	8.77	45.97	11.69	53.92	(45.81)	11.69	11.69	11.69	(30.61)	71.26
SHORT TERM DISAB. - T & D OPER.	(137.00)	(260.25)	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(1,116.54)
SHORT TERM DISAB. - T & D MAINT.	272.55	202.61	208.31	198.50	209.77	209.77	363.06	(10.50)	190.71	93.25	173.11	(3.50)	2,107.64
SHORT TERM DISAB. - CUSTOMER ACCTS	15.26	(26.96)	41.05	17.96	73.64	40.40	189.33	(160.39)	59.76	29.53	54.85	(121.01)	213.42
SHORT TERM DISAB. - ADMIN. & GENERAL	(48.00)	(99.72)	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(392.31)
SHORT TERM DISAB. - SEWER	(15.35)	(54.57)	2.03	8.02	99.16	41.33	191.16	(161.40)	41.33	41.33	41.11	(112.87)	121.28
UNIFORM EXPENSE (WATER)	1,679.12	1,270.91	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	21,370.92
UNIFORM EXPENSE (WW)	270.70	219.67	217.02	375.71	442.85	316.08	482.93	760.84	375.67	515.93	318.99	366.87	4,663.26
Employee Expense	1,130.29	1,641.14	249.50	621.70	150.00	428.00	255.99	660.20	748.39	681.80	3,643.50	415.19	10,625.70
Insurance expense	(22,913.39)	134.00	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	112,169.39
Water Purchased -Williamson	36,131.52	36,201.25	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	466,765.31
WATER PURCHASED -PIKEVILLE	62,584.34	60,892.70	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	708,580.83
Sewage Fees	13,997.43	10,838.95	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	86,369.02
UTILITY EXPENSE	657.27	911.43	1,568.70	454.16	1,081.22	881.22	881.22	0.00	0.00	881.22	1,859.07	1,081.22	10,256.73

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	Total
LABORATORY SUPPLIES	38.69	1,389.34	71.55	1,294.21	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	12,588.27
LABORATORY EXPENSE	299.15	1,442.42	289.81	1,283.94	661.80	0.00	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	8,619.39
Laboratory Testing Expenses	4,566.50	7,095.75	599.00	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	45,954.72
Laboratory Testing Expense	1,440.00	8,562.00	7,545.30	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	46,666.89
CHEMICALS	18,432.12	2,519.22	0.00	16,183.78	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	152,169.82
Chemicals-WW	0.00	0.00	5,406.00	11,263.17	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	52,338.07
SAFETY SUPPLIES	736.19	1,856.78	295.57	2,159.89	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	14,787.95
SAFETY SUPPLIES-WW	118.95	73.52	1,873.51	309.40	0.00	176.54	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	8,713.14
Electrical Expense	115,970.15	120,136.14	146,245.49	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	1,414,073.12
CONTRACT SERVICE - ACCOUNTING	4,796.00	4,224.00	3,024.00	2,438.00	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	76,726.00
CONTRACT SERVICE - LEGAL	4,125.00	0.00	0.00	2,722.50	0.00	0.00	0.00	0.00	0.00	0.00	7,558.68	0.00	14,406.18
ENGINEERING	232.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83	0.00	237.83
CONTRACT SERVICE-GENERAL	13,945.00	1,596.63	3,573.37	7,732.49	850.00	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	36,921.43
CONTRACT SERVICES - MANPOWER	0.00	0.00	3,909.68	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	154,806.93
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	7,649.97	11,335.07	9,494.08	23,022.07	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	151,918.68
ADVERTISING	100.80	0.00	453.60	1,024.38	355.32	630.08	0.00	466.20	464.30	0.00	207.90	151.20	3,853.78
OTHER LEGAL PSC EXPENSE	0.00	537.00	537.00	17,074.50	537.00	3,841.80	537.00	537.00	537.00	0.00	0.00	0.00	24,138.30
MOBILE PHONE EXPENSE	2,054.28	1,827.31	1,980.64	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	23,735.76
TELEPHONE/INTERNET	2,695.35	2,782.78	2,547.32	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	30,216.24
TELEPHONE/INTERNET	270.66	272.81	272.81	107.95	273.55	878.30	0.00	240.82	262.82	200.58	425.03	425.03	3,630.36
EDUCATION, DUES, MEETINGS, INSURANCE	1,426.49	2,926.77	1,646.55	1,278.41	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	36,150.91
Office Expense	45,816.40	22,192.49	17,478.17	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	15,035.38	13,118.74	242,772.77
Easements	0.00	0.00	545.88	25.00	0.00	0.00	0.00	0.00	2,400.00	0.00	0.00	0.00	2,970.88
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	1,065.52	0.00	0.00	0.00	0.00	0.00	1,065.52
SERVICE FEE EXPENSE	10,575.10	0.00	20.63	1.10	0.00	22.00	6,505.53	56.00	78.47	3,076.84	28.00	24.50	20,388.17
BANK SERVICE FEES EXP	9,398.39	160.63	630.45	2,641.27	141.36	129.23	132.59	134.90	162.50	148.50	116.86	153.77	13,950.45
Worker's Compensation Insurance	78,414.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,931.00	5,965.00	96,310.96
PSC TAX ASSESSMENT	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	(68,924.88)	37,104.35	62,671.44	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	493,172.36
MISCELLANEOUS SUPPLIES	240.09	26.58	35.44	26.58	35.44	8.86	26.58	44.30	26.58	96.94	35.44	17.72	620.55
Major Equipment R & M	89.17	1,597.15	1,587.67	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	47,419.51
Major Equipment R & M Sewer	0.00	126.85	190.00	959.42	79.35	373.76	533.30	0.00	374.29	0.00	31.48	0.00	2,668.45
Hand Tools R & M	1,168.65	1,447.88	69.97	349.22	1,742.29	1,283.41	776.48	460.91	1,417.39	1,711.42	1,587.91	1,488.14	13,503.67
Hand Tools R & M Sewer	105.92	355.97	820.12	99.98	98.94	57.87	221.20	346.49	0.00	697.76	591.12	266.69	3,662.06
PS/LS R & M	9,316.47	15,122.73	1,743.63	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	118,178.67
PS/LS R & M Sewer	5,784.73	2,164.83	0.00	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	118,190.71
Vehicle R & M	3,773.58	4,267.22	3,622.91	11,378.96	2,471.38	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	61,319.86
Vehicle R & M Sewer	0.00	0.00	153.74	205.43	8.95	15.39	0.00	437.94	0.00	5.75	24.29	99.30	950.79
General R & M	159,494.30	5,610.19	22,161.23	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	485,800.27
General R & M Sewer	3,529.71	1,752.72	662.80	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	38,491.34
General R & M - Telemetry	0.00	1,200.00	0.00	0.00	40.68	1,287.00	2,199.91	1,500.00	1,659.03	6,610.92	2,021.20	0.00	16,518.74

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	12/31/20	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	Total
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	567.23	0.00	0.00	567.23
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	12,712.50
INTEREST EXPENSE - TERM DEBT	(33,192.58)	29,887.86	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	291,932.53
INTEREST EXPENSE - TERM DEBT	90,556.97	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	166,905.72
<b>Total Operating Expenses</b>	<u>1,341,469.42</u>	<u>1,037,315.49</u>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>13,040,057.74</u>
<b>Operating Income (Loss)</b>	<u>(467,298.60)</u>	<u>(167,192.67)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(2,458,450.74)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(467,298.60)</u>	<u>(167,192.67)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(2,458,450.74)</u>
<b>Net Income (Loss)</b>	<u><u>\$(467,298.60)</u></u>	<u><u>\$(167,192.67)</u></u>	<u><u>\$(200,703.71)</u></u>	<u><u>\$(246,643.04)</u></u>	<u><u>\$(164,917.98)</u></u>	<u><u>\$(89,157.60)</u></u>	<u><u>\$(111,760.56)</u></u>	<u><u>\$(187,482.39)</u></u>	<u><u>\$(154,030.68)</u></u>	<u><u>\$(276,292.60)</u></u>	<u><u>\$(180,648.48)</u></u>	<u><u>\$(212,322.43)</u></u>	<u><u>\$(2,458,450.74)</u></u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	11 Months Ended November 30, 2021 Actual	11 Months Ended November 30, 2021 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 6,265,492.23	\$ 6,330,014.16	\$ (64,521.93)
METERED SALES - COMMERCIAL	504,261.59	552,692.25	(48,430.66)
METERED SALES - INDUSTRIAL	54,834.88	54,655.33	179.55
METERED SALES - PUBLIC AUTH.	356,808.76	346,484.41	10,324.35
METERED SALES - MULTI FAMILY	279,606.41	268,037.00	11,569.41
FIRE PROTECTION REVENUE	1,400.00	1,031.25	368.75
CUSTOMER LATE PAYMENT CHARGES	137,193.51	209,743.41	(72,549.90)
OTHER WATER SERVICE REVENUE	56,226.48	33,546.33	22,680.15
SERVICE CONNECTION FEES	166,686.17	133,494.16	33,192.01
SERVICE CONNECTION FEES FOR WASTE WATER	120.00	140.25	(20.25)
SEWER REVENUE - RESIDENTIAL	1,478,173.89	1,576,225.75	(98,051.86)
SEWER REVENUE - COMMERCIAL	406,632.04	442,654.66	(36,022.62)
<b>Total Sales</b>	<u>9,707,435.96</u>	<u>9,948,718.96</u>	<u>(241,283.00)</u>
<b>Gross Profit</b>	<u>9,707,435.96</u>	<u>9,948,718.96</u>	<u>(241,283.00)</u>
<b>Operating Expenses</b>			
Undistributed	6,924.98	0.00	6,924.98
DEPRECIATION EXPENSE	2,768,937.78	2,792,332.59	(23,394.81)
DEPRECIATION EXPENSE - SEWER	914,656.22	1,086,335.25	(171,679.03)
PAYROLL TAXES - FICA & U.C.	156,092.62	164,872.59	(8,779.97)
PUMPING LABOR - OPERATIONS	321.22	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	127,585.84	62,224.25	65,361.59
T & D LABOR - OPERATIONS	770,577.53	850,144.17	(79,566.64)
T & D LABOR - MAINTENANCE	37,353.69	73,028.09	(35,674.40)
CUSTOMER ACCOUNTS LABOR	269,991.88	288,341.17	(18,349.29)
ADMIN. & GENERAL LABOR	118,714.47	119,460.00	(745.53)
SEWER LABOR	341,311.75	350,421.50	(9,109.75)
COMP COMMISSIONERS - AUTO DIST	24,300.00	27,500.00	(3,200.00)
COMPENSATION - ADMINISTRATOR	379,316.44	384,076.92	(4,760.48)
HEALTH INSURANCE - WTP OPERATIONS	26,134.11	25,451.25	682.86
HEALTH INSURANCE - T & D OPERATIONS	175,923.13	152,139.17	23,783.96
HEALTH INSURANCE - T & D MAINTENANCE	82.42	0.00	82.42
HEALTH INSURANCE - CUSTOMER ACCOUNTS	41,744.70	63,548.84	(21,804.14)
HEALTH INSURANCE - ADMIN. & GENERAL	31,707.47	22,167.75	9,539.72
HEALTH INSURANCE - SEWER	50,150.45	65,569.17	(15,418.72)
DENTAL INSURANCE - WTP OPERATIONS	703.39	736.09	(32.70)
DENTAL INSURANCE - T & D OPERATIONS	5,165.46	4,395.42	770.04
DENTAL INSURANCE - T & D MAINT	(37.59)	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	2,062.38	2,118.42	(56.04)
DENTAL INSURANCE - ADMIN. & GENERAL	5,551.79	1,820.50	3,731.29
DENTAL INSURANCE - SEWER	2,151.30	1,855.34	295.96
VISION INSURANCE - PUMPING OPER.	9.19	0.00	9.19
VISION INSURANCE - WTP OPER.	(48.31)	27.50	(75.81)
VISION INSURANCE - T & D OPER.	417.20	994.59	(577.39)
VISION INSURANCE - CUST. ACCOUNTS	4,981.35	302.50	4,678.85
VISION INSURANCE - ADMIN. & GENERAL	(366.20)	(99.00)	(267.20)
VISION INSURANCE - SEWER	(173.46)	275.00	(448.46)
LIFE INSURANCE - PUMPING OPER.	(105.00)	0.00	(105.00)
LIFE INSURANCE - WTP OPER.	703.75	717.75	(14.00)
LIFE INSURANCE - T & D OPER.	365.64	(1,765.50)	2,131.14
LIFE INSURANCE - T & D MAINT.	6,139.08	6,539.50	(400.42)
LIFE INSURANCE - CUSTOMER ACCTS	1,862.82	2,387.00	(524.18)
LIFE INSURANCE - ADMIN. & GENERAL	1,151.77	1,691.25	(539.48)
LIFE INSURANCE - SEWER	1,758.51	1,796.67	(38.16)

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	11 Months Ended November 30, 2021 Actual	11 Months Ended November 30, 2021 Budget	Over/(Under) Budget
SHORT TERM DISAB. - PUMPING OPER.	6.68	0.00	6.68
SHORT TERM DISAB. - WTP OPER.	68.75	79.75	(11.00)
SHORT TERM DISAB. - T & D OPER.	(979.54)	(2,044.16)	1,064.62
SHORT TERM DISAB. - T & D MAINT.	1,835.09	2,176.17	(341.08)
SHORT TERM DISAB. - CUSTOMER ACCTS	198.16	440.92	(242.76)
SHORT TERM DISAB. - ADMIN. & GENERAL	(344.31)	(88.91)	(255.40)
SHORT TERM DISAB. - SEWER	136.63	(121.91)	258.54
UNIFORM EXPENSE (PLANT)	0.00	70.59	(70.59)
UNIFORM EXPENSE (WATER)	19,691.80	18,097.75	1,594.05
UNIFORM EXPENSE (ADMIN)	0.00	134.75	(134.75)
UNIFORM EXPENSE (WW)	4,392.56	3,094.67	1,297.89
Employee Expense	9,495.41	13,189.00	(3,693.59)
Insurance expense	135,082.78	160,230.59	(25,147.81)
Water Purchased -Williamson	430,633.79	449,458.17	(18,824.38)
WATER PURCHASED -PIKEVILLE	645,996.49	666,640.34	(20,643.85)
Sewage Fees	72,371.59	64,992.59	7,379.00
UTILITY EXPENSE	9,599.46	6,514.75	3,084.71
LABORATORY SUPPLIES	12,549.58	7,165.59	5,383.99
LABORATORY EXPENSE	8,320.24	3,789.50	4,530.74
Laboratory Testing Expenses	41,388.22	40,909.92	478.30
Laboratory Testing Expense	45,226.89	17,882.34	27,344.55
CHEMICALS	133,737.70	148,729.17	(14,991.47)
Chemicals-WW	52,338.07	53,272.09	(934.02)
SAFETY SUPPLIES	14,051.76	36,691.42	(22,639.66)
SAFETY SUPPLIES-WW	8,594.19	8,082.25	511.94
Electrical Expense	1,298,102.97	1,322,617.09	(24,514.12)
CONTRACT SERVICE - ACCOUNTING	71,930.00	67,392.42	4,537.58
CONTRACT SERVICE - LEGAL	10,281.18	37,390.84	(27,109.66)
ENGINEERING	5.83	7,190.34	(7,184.51)
CONTRACT SERVICE-GENERAL	22,976.43	14,344.92	8,631.51
CONTRACT SERVICES - MANPOWER	154,806.93	61,241.59	93,565.34
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	144,268.71	112,964.50	31,304.21
ADVERTISING	3,752.98	2,646.42	1,106.56
Bad Debts Charged to Expense	0.00	45,833.34	(45,833.34)
OTHER LEGAL PSC EXPENSE	24,138.30	137,500.00	(113,361.70)
MOBILE PHONE EXPENSE	21,681.48	23,721.50	(2,040.02)
TELEPHONE/INTERNET	27,520.89	27,394.59	126.30
TELEPHONE/INTERNET	3,359.70	2,654.67	705.03
EDUCATION, DUES, MEETINGS, INSURANCE	34,724.42	44,412.50	(9,688.08)
EMPLOYEE BENEFIT EXPENSE	0.00	2.75	(2.75)
Office Expense	196,956.37	165,425.34	31,531.03
Easements	2,970.88	91.67	2,879.21
SETTLEMENT EXPENSES	1,065.52	550.00	515.52
SERVICE FEE EXPENSE	9,813.07	21,106.25	(11,293.18)
BANK SERVICE FEES EXP	4,552.06	0.00	4,552.06
Worker's Compensation Insurance	17,896.00	21,843.25	(3,947.25)
PSC TAX ASSESSMENT	20,724.79	19,309.59	1,415.20
Retirement Expense	562,097.24	549,682.84	12,414.40
MISCELLANEOUS SUPPLIES	380.46	396.92	(16.46)
Major Equipment R & M	47,330.34	82,746.59	(35,416.25)
Major Equipment R & M Sewer	2,668.45	2,987.42	(318.97)
Hand Tools R & M	12,335.02	38,879.50	(26,544.48)
Hand Tools R & M Sewer	3,556.14	1,619.75	1,936.39
PS/LS R & M	108,862.20	155,304.42	(46,442.22)
PS/LS R & M Sewer	112,405.98	152,594.75	(40,188.77)
Vehicle R & M	57,546.28	78,931.42	(21,385.14)
Vehicle R & M Sewer	950.79	871.75	79.04

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	<b>11 Months Ended November 30, 2021 Actual</b>	<b>11 Months Ended November 30, 2021 Budget</b>	<b>Over/(Under) Budget</b>
General R & M	326,305.97	546,923.67	(220,617.70)
General R & M Sewer	34,961.63	28,885.09	6,076.54
General R & M -Telemetry	16,518.74	8,781.67	7,737.07
R & M Leak Det.	567.23	1,474.00	(906.77)
SUPPLIES & EXPENSES TREATMENT (WW)	<u>11,587.50</u>	<u>12,854.42</u>	<u>(1,266.92)</u>
<b>Total Operating Expenses</b>	<u>11,297,114.24</u>	<u>12,049,360.86</u>	<u>(752,246.62)</u>
<b>Operating Income (Loss)</b>	<u>(1,589,678.28)</u>	<u>(2,100,641.90)</u>	<u>510,963.62</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	3,338.99	5,683.33	(2,344.34)
INTEREST EXPENSE - TERM DEBT	(325,125.11)	(344,300.00)	19,174.89
INTEREST EXPENSE - TERM DEBT	<u>(76,348.75)</u>	<u>(44,385.00)</u>	<u>(31,963.75)</u>
<b>Total Other Income (Expenses)</b>	<u>(398,134.87)</u>	<u>(383,001.67)</u>	<u>(15,133.20)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,987,813.15)</u>	<u>(2,483,643.57)</u>	<u>495,830.42</u>
<b>Net Income (Loss)</b>	<u>\$ (1,987,813.15)</u>	<u>\$ (2,483,643.57)</u>	<u>\$ 495,830.42</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended November 30, 2021 Actual	1 Month Ended November 30, 2021 Budget	11 Months Ended November 30, 2021 Actual	11 Months Ended November 30, 2021 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 543,350.57	\$ 575,455.84	\$ 6,265,492.23	\$ 6,330,014.16
METERED SALES - COMMERCIAL	43,955.73	50,244.75	504,261.59	552,692.25
METERED SALES - INDUSTRIAL	5,989.18	4,968.67	54,834.88	54,655.33
METERED SALES - PUBLIC AUTH.	32,445.79	31,498.59	356,808.76	346,484.41
METERED SALES - MULTI FAMILY	24,586.80	24,367.00	279,606.41	268,037.00
FIRE PROTECTION REVENUE	125.00	93.75	1,400.00	1,031.25
CUSTOMER LATE PAYMENT CHARGES	11,304.16	19,067.59	137,193.51	209,743.41
OTHER WATER SERVICE REVENUE	2,655.50	3,049.67	56,226.48	33,546.33
SERVICE CONNECTION FEES	14,820.00	12,135.84	166,686.17	133,494.16
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	12.75	120.00	140.25
SEWER REVENUE -RESIDENTIAL	130,722.17	143,293.25	1,478,173.89	1,576,225.75
SEWER REVENUE - COMMERCIAL	36,165.02	40,241.34	406,632.04	442,654.66
<b>Total Sales</b>	<u>846,119.92</u>	<u>904,429.04</u>	<u>9,707,435.96</u>	<u>9,948,718.96</u>
<b>Gross Profit</b>	<u>846,119.92</u>	<u>904,429.04</u>	<u>9,707,435.96</u>	<u>9,948,718.96</u>
<b>Operating Expenses</b>				
Undistributed	72.04	0.00	6,924.98	0.00
DEPRECIATION EXPENSE	253,848.42	253,848.41	2,768,937.78	2,792,332.59
DEPRECIATION EXPENSE - SEWER	82,148.18	98,757.75	914,656.22	1,086,335.25
PAYROLL TAXES - FICA & U.C.	12,638.13	14,988.41	156,092.62	164,872.59
PUMPING LABOR - OPERATIONS	0.00	0.00	321.22	0.00
WATER TREATMENT LABOR - OPERATIONS	11,453.54	5,656.75	127,585.84	62,224.25
T & D LABOR - OPERATIONS	64,719.53	77,285.83	770,577.53	850,144.17
T & D LABOR - MAINTENANCE	0.00	6,638.91	37,353.69	73,028.09
CUSTOMER ACCOUNTS LABOR	21,683.40	26,212.83	269,991.88	288,341.17
ADMIN. & GENERAL LABOR	9,919.22	10,860.00	118,714.47	119,460.00
SEWER LABOR	28,239.84	31,856.50	341,311.75	350,421.50
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,500.00	24,300.00	27,500.00
COMPENSATION - ADMINISTRATOR	31,602.64	34,916.08	379,316.44	384,076.92
HEALTH INSURANCE - WTP OPERATIONS	2,736.50	2,313.75	26,134.11	25,451.25
HEALTH INSURANCE - T & D OPERATIONS	13,582.51	13,830.83	175,923.13	152,139.17
HEALTH INSURANCE - T & D MAINTENANCE	82.42	0.00	82.42	0.00
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,978.04	5,777.16	41,744.70	63,548.84
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	2,015.25	31,707.47	22,167.75
HEALTH INSURANCE - SEWER	4,726.50	5,960.83	50,150.45	65,569.17
DENTAL INSURANCE - WTP OPERATIONS	85.01	66.91	703.39	736.09
DENTAL INSURANCE - T & D OPERATIONS	388.88	399.58	5,165.46	4,395.42
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(37.59)	0.00
DENTAL INSURANCE - CUST. ACCOUNTS	(128.26)	192.58	2,062.38	2,118.42
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	165.50	5,551.79	1,820.50
DENTAL INSURANCE - SEWER	241.72	168.66	2,151.30	1,855.34
VISION INSURANCE - PUMPING OPER.	(2.95)	0.00	9.19	0.00
VISION INSURANCE - WTP OPER.	20.37	2.50	(48.31)	27.50
VISION INSURANCE - T & D OPER.	31.68	90.41	417.20	994.59
VISION INSURANCE - CUST. ACCOUNTS	4.48	27.50	4,981.35	302.50
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(9.00)	(366.20)	(99.00)
VISION INSURANCE - SEWER	(0.39)	25.00	(173.46)	275.00
LIFE INSURANCE - PUMPING OPER.	(105.00)	0.00	(105.00)	0.00
LIFE INSURANCE - WTP OPER.	(12.10)	65.25	703.75	717.75
LIFE INSURANCE - T & D OPER.	1,865.05	(160.50)	365.64	(1,765.50)
LIFE INSURANCE - T & D MAINT.	(41.20)	594.50	6,139.08	6,539.50
LIFE INSURANCE - CUSTOMER ACCTS	(212.88)	217.00	1,862.82	2,387.00

# MOUNTAIN WATER DISTRICT

## Income Statement

### Actual vs. Budget

	1 Month Ended November 30, 2021 Actual	1 Month Ended November 30, 2021 Budget	11 Months Ended November 30, 2021 Actual	11 Months Ended November 30, 2021 Budget
LIFE INSURANCE - ADMIN. & GENERAL	(145.83)	153.75	1,151.77	1,691.25
LIFE INSURANCE - SEWER	(125.03)	163.33	1,758.51	1,796.67
SHORT TERM DISAB. - PUMPING OPER.	(30.20)	0.00	6.68	0.00
SHORT TERM DISAB. - WTP OPER.	(30.61)	7.25	68.75	79.75
SHORT TERM DISAB. - T & D OPER.	460.84	(185.84)	(979.54)	(2,044.16)
SHORT TERM DISAB. - T & D MAINT.	(3.50)	197.83	1,835.09	2,176.17
SHORT TERM DISAB. - CUSTOMER ACCTS	(121.01)	40.08	198.16	440.92
SHORT TERM DISAB. - ADMIN. & GENERAL	(182.49)	(8.09)	(344.31)	(88.91)
SHORT TERM DISAB. - SEWER	(112.87)	(11.09)	136.63	(121.91)
UNIFORM EXPENSE (PLANT)	0.00	6.41	0.00	70.59
UNIFORM EXPENSE (WATER)	849.39	1,645.25	19,691.80	18,097.75
UNIFORM EXPENSE (ADMIN)	0.00	12.25	0.00	134.75
UNIFORM EXPENSE (WW)	366.87	281.33	4,392.56	3,094.67
Employee Expense	415.19	1,199.00	9,495.41	13,189.00
Insurance expense	8,248.40	14,566.41	135,082.78	160,230.59
Water Purchased -Williamson	27,662.83	40,859.83	430,633.79	449,458.17
WATER PURCHASED -PIKEVILLE	55,160.00	60,603.66	645,996.49	666,640.34
Sewage Fees	3,897.33	5,908.41	72,371.59	64,992.59
UTILITY EXPENSE	1,081.22	592.25	9,599.46	6,514.75
LABORATORY SUPPLIES	2,039.78	651.41	12,549.58	7,165.59
LABORATORY EXPENSE	1,932.31	344.50	8,320.24	3,789.50
Laboratory Testing Expenses	4,202.45	3,719.08	41,388.22	40,909.92
Laboratory Testing Expense	3,126.51	1,625.66	45,226.89	17,882.34
CHEMICALS	22,228.73	13,520.83	133,737.70	148,729.17
Chemicals-WW	0.00	4,842.91	52,338.07	53,272.09
SAFETY SUPPLIES	1,771.06	3,335.58	14,051.76	36,691.42
SAFETY SUPPLIES-WW	1,698.90	734.75	8,594.19	8,082.25
Electrical Expense	124,411.23	120,237.91	1,298,102.97	1,322,617.09
CONTRACT SERVICE - ACCOUNTING	4,398.00	6,126.58	71,930.00	67,392.42
CONTRACT SERVICE - LEGAL	0.00	3,399.16	10,281.18	37,390.84
ENGINEERING	0.00	653.66	5.83	7,190.34
CONTRACT SERVICE-GENERAL	2,621.44	1,304.08	22,976.43	14,344.92
CONTRACT SERVICES - MANPOWER	11,155.59	5,567.41	154,806.93	61,241.59
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00
AUTO & TRANSPORTATION EXPENSE	14,474.18	10,269.50	144,268.71	112,964.50
ADVERTISING	151.20	240.58	3,752.98	2,646.42
Bad Debts Charged to Expense	0.00	4,166.66	0.00	45,833.34
OTHER LEGAL PSC EXPENSE	0.00	12,500.00	24,138.30	137,500.00
MOBILE PHONE EXPENSE	1,917.25	2,156.50	21,681.48	23,721.50
TELEPHONE/INTERNET	2,284.37	2,490.41	27,520.89	27,394.59
TELEPHONE/INTERNET	425.03	241.33	3,359.70	2,654.67
EDUCATION, DUES, MEETINGS, INSURANCE	6,552.18	4,037.50	34,724.42	44,412.50
EMPLOYEE BENIFIT EXPENSE	0.00	0.25	0.00	2.75
Office Expense	13,118.74	15,038.66	196,956.37	165,425.34
Easements	0.00	8.33	2,970.88	91.67
SETTLEMENT EXPENSES	0.00	50.00	1,065.52	550.00
SERVICE FEE EXPENSE	24.50	1,918.75	9,813.07	21,106.25
BANK SERVICE FEES EXP	153.77	0.00	4,552.06	0.00
Worker's Compensation Insurance	5,965.00	1,985.75	17,896.00	21,843.25
PSC TAX ASSESSMENT	0.00	1,755.41	20,724.79	19,309.59
Retirement Expense	51,233.58	49,971.16	562,097.24	549,682.84
MISCELLANEOUS SUPPLIES	17.72	36.08	380.46	396.92
Major Equipment R & M	10,769.54	7,522.41	47,330.34	82,746.59
Major Equipment R & M Sewer	0.00	271.58	2,668.45	2,987.42
Hand Tools R & M	1,488.14	3,534.50	12,335.02	38,879.50
Hand Tools R & M Sewer	266.69	147.25	3,556.14	1,619.75

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended November 30, 2021 Actual</b>	<b>1 Month Ended November 30, 2021 Budget</b>	<b>11 Months Ended November 30, 2021 Actual</b>	<b>11 Months Ended November 30, 2021 Budget</b>
PS/LS R & M	14,077.51	14,118.58	108,862.20	155,304.42
PS/LS R & M Sewer	10,408.10	13,872.25	112,405.98	152,594.75
Vehicle R & M	4,454.53	7,175.58	57,546.28	78,931.42
Vehicle R & M Sewer	99.30	79.25	950.79	871.75
General R & M	59,763.98	49,720.33	326,305.97	546,923.67
General R & M Sewer	414.20	2,625.91	34,961.63	28,885.09
General R & M -Telemetry	0.00	798.33	16,518.74	8,781.67
R & M Leak Det.	0.00	134.00	567.23	1,474.00
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,168.58	11,587.50	12,854.42
INTEREST EXPENSE - TERM DEBT	26,600.90	31,300.00	325,125.11	344,300.00
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	76,348.75	44,385.00
<b>Total Operating Expenses</b>	<u>1,058,442.35</u>	<u>1,130,731.14</u>	<u>11,698,588.10</u>	<u>12,438,045.86</u>
<b>Operating Income (Loss)</b>	<u>(212,322.43)</u>	<u>(226,302.10)</u>	<u>(1,991,152.14)</u>	<u>(2,489,326.90)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	189.30	516.67	3,338.99	5,683.33
<b>Total Other Income (Expenses)</b>	<u>189.30</u>	<u>516.67</u>	<u>3,338.99</u>	<u>5,683.33</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(212,133.13)</u>	<u>(225,785.43)</u>	<u>(1,987,813.15)</u>	<u>(2,483,643.57)</u>
<b>Net Income (Loss)</b>	<u>\$ (212,133.13)</u>	<u>\$ (225,785.43)</u>	<u>\$ (1,987,813.15)</u>	<u>\$ (2,483,643.57)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
NOVEMBER, 2021**

**156** Field maintenance work orders issued during the month of NOVEMBER.  
**139** Field maintenance work orders completed during the month of NOVEMBER.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	44	52	32	<b>176</b>
FEBRUARY	47	38	45	24	<b>154</b>
MARCH	49	58	65	45	<b>217</b>
APRIL	38	39	42	66	<b>185</b>
MAY	38	44	66	46	<b>194</b>
JUNE	41	32	51	40	<b>164</b>
JULY	39	51	62	56	<b>208</b>
AUGUST	43	40	45	45	<b>173</b>
SEPTEMBER	46	53	63	38	<b>200</b>
OCTOBER	37	77	46	40	<b>200</b>
NOVEMBER	30	41	36	32	<b>139</b>
DECEMBER					
<b>YTD TOTALS</b>	<b>456</b>	<b>517</b>	<b>573</b>	<b>464</b>	<b>2010</b>

**7** New PAID service tap work orders issued during the month of NOVEMBER.  
**7** New PAID service tap work orders completed during the month of NOVEMBER.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	2	1	0	8	<b>11</b>
FEBRUARY	3	0	0	2	<b>5</b>
MARCH	6	2	1	2	<b>11</b>
APRIL	11	4	1	5	<b>21</b>
MAY	2	2	1	2	<b>7</b>
JUNE	0	3	0	4	<b>7</b>
JULY	2	3	3	3	<b>11</b>
AUGUST	0	1	0	4	<b>5</b>
SEPTEMBER	1	2	2	4	<b>9</b>
OCTOBER	3	0	2	2	<b>7</b>
NOVEMBER	0	3	1	3	<b>7</b>
DECEMBER					
<b>YTD TOTALS</b>	<b>30</b>	<b>21</b>	<b>11</b>	<b>39</b>	<b>101</b>

**WATER**

**82** Water Customer Work Orders completed during the month of NOVEMBER.  
**2,654** Delinquent Notices Mailed during the month of NOVEMBER.  
**443** Delinquent Work Orders Written Up during the month of NOVEMBER.  
**270** Delinquent Accounts Disconnected during the month of NOVEMBER.

**SEWER**

42 Sewer Customer Work Orders completed during the month of NOVEMBER.

8 Delinquent Work Orders Written Up during the month of NOVEMBER.

0 Delinquent Work Orders Disconnected during the month of NOVEMBER.

8 Water Delinquent Work Orders Written Up – City of Pikeville Agreement

8 Water Delinquent Accounts Disconnected – City of Pikeville Agreement

8 Water Delinquent Accounts Reconnected – City of Pikeville Agreement

19 Vehicle & equipment maintenance work orders issued during the month of NOVEMBER.

20 Vehicle & equipment maintenance work orders completed during the month of NOVEMBER.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,499 (16,712 + 787 Multi-Users)
FEBRUARY	17,484 (16,665 + 819 Multi-Users)
MARCH	17,412 (16,601 + 811 Multi-Users)
APRIL	17,446 (16,635 + 811 Multi-Users)
MAY	17,470 (16,655 + 815 Multi-Users)
JUNE	17,494 (16,675 + 819 Multi-Users)
JULY	17,474 (16,655 + 819 Multi-Users)
AUGUST	17,465 (16,652 + 813 Multi-Users)
SEPTEMBER	17,477 (16,663 + 814 Multi-Users)
OCTOBER	17,626 (16,646 + 814 Multi-Users)
NOVEMBER	17,421 (16,609 + 812 Multi-Users)
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,234
FEBRUARY	2,221
MARCH	2,251
APRIL	2,287
MAY	2,345
JUNE	2,344
JULY	2,352
AUGUST	2,341
SEPTEMBER	2,342
OCTOBER	2,332
NOVEMBER	2,326
DECEMBER	

**NOVEMBER 2021**

**WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,421	60,590,560	\$666,388.91	-2.66%
<b>SEWER</b>	2,326	8,322,185	\$173,781.09	-2.43%
<b>TOTAL BILLED</b>			<b>\$840,170.00</b>	<b>-2.62%</b>

0 Sewer taps were completed during the month of NOVEMBER.

0 Hydrant work orders were completed during the month of NOVEMBER.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **NOVEMBER** was **29,341,000** gallons.

**WATERLOSS** due to leaks and breaks was **7,083,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **14,457,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,141,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **3,660,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **NOVEMBER** was **18,169,000** gallons for an unaccounted-for loss of **16.81%**.

**Water loss percentage utilizing the PSC form was 23.5%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

2 Work Orders completed for Booster Pump Stations during the month of NOVEMBER.

**WATER STORAGE TANK MAINTENANCE:**

0 Work Orders completed for Water Storage Tanks during the month of NOVEMBER.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of NOVEMBER.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

1 Work Orders completed for Pressure Regulator Stations during the month of NOVEMBER.

**TELEMETRY MAINTENANCE:**

1 Work Orders completed for Telemetry during the month of NOVEMBER.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

0 Work Orders completed for the Russell Fork Water Plant during the month of NOVEMBER.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of NOVEMBER.

- **6**- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**0** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of NOVEMBER.

**LIFT STATION MAINTENANCE:**

**0** Work Orders completed for Lift Stations excluding regular maintenance during the month of NOVEMBER.

**COLLECTION SYSTEM MAINTENANCE:**

**54** Work Orders completed for Collection Systems during the month of NOVEMBER.

# **Summary Information from the Financials**

**January 26, 2022**

## **Balance Sheet as of December**

- Cash in Bank is \$368,927.19
- Accounts Receivable \$1,030,168.60
- Plant in place is \$166,828,025.45
- Accounts Payable is \$220,528.11
- Equity is \$64,649,141.83

## **Income Statement –December /Year to Date**

- Revenue \$855,519.84
- Utility Operating Expenses \$1,091,465.45 / \$12,388,579.69
- Income (Loss) \$(272,137.83)/ \$ (2,259,950.98)
- Included in the loss is Depreciation of (\$335,997/ (\$4,019,590.60)
- Operating income was negative in the amount of (\$235,945.61) this month.

## **Cash Flow Statement**

- Cash increased by \$11,848

## **Additional Comments**

- Our current Operating account balance was \$346,889
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$861,966.and \$870,526 respectively. Our O&M Reserve is \$410,661
- We are going to transfer to the sinking fund \$83,500 to ensure we have money to pay our debt service. Also, we are transferring \$6,600 to our O & M Reserve

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of December 31, 2021 and 2020**

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>Current Assets</b>		
Cash In Bank	\$ 368,927.19	\$ 392,242.99
Accounts Receivable	1,030,168.60	1,126,835.07
Clearing Accounts	(575.39)	56,749.52
Inventory	279,476.25	279,476.25
Other Current Assets	<u>3,099,982.72</u>	<u>3,491,728.35</u>
<b>Total Current Assets</b>	<u>4,777,979.37</u>	<u>5,347,032.18</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,841,727.68	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	97,833,309.59	97,726,482.72
Water General Plant	4,935,037.34	4,689,165.23
Sewer General Plant	37,444,024.15	37,190,866.69
Construction in Progress	<u>11,566,271.99</u>	<u>8,703,375.69</u>
Total Plant In Service	166,828,025.45	163,359,272.71
Less Accumulated Depreciation	<u>(74,336,846.57)</u>	<u>(70,322,459.26)</u>
<b>Net Capital Assets</b>	<u>92,491,178.88</u>	<u>93,036,813.45</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>92,555,098.06</u>	<u>93,100,732.63</u>
<b>Total Net Assets</b>	<u>\$ 97,333,077.43</u>	<u>\$ 98,447,764.81</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of December 31, 2021 and 2020**

**Liabilities and Net Assets**

	<b>2021</b>	<b>2020</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 220,582.11	\$ 261,387.86
Current Portion Due - Notes Payable	1,363,902.00	1,363,902.00
Customer Deposits	464,077.07	368,136.11
Accrued Payroll and Related Expenses	184,139.26	86,424.42
Accrued Interest - Long Term Debt	<u>270,576.18</u>	<u>217,837.00</u>
<b>Total Current Liabilities</b>	<u>2,503,276.62</u>	<u>2,297,687.39</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	3,841,039.20	4,312,218.74
Notes Payable - Ky Infrastructure Authority	4,100,864.56	4,630,092.37
Notes Payable - Rural Development	9,939,000.00	10,224,000.00
Advances for Construction	6,646,534.95	4,549,090.10
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>31,737,577.71</u>	<u>30,925,540.21</u>
<b>Total Liabilities</b>	<u>34,240,854.33</u>	<u>33,223,227.60</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(2,259,950.98)	(3,524,004.81)
Contributions in aid of Construction	59,403,610.24	62,927,657.50
Tap-On-Fees	<u>7,505,482.57</u>	<u>7,375,292.66</u>
<b>Total Net Position</b>	<u>64,649,141.83</u>	<u>66,778,945.35</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended December 31, 2021</b>	<b>12 Months Ended December 31, 2021</b>
<b>Operating Revenue</b>		
	\$ 855,519.84	\$ 10,562,955.80
<b>Total Operating Revenue</b>	<u>855,519.84</u>	<u>10,562,955.80</u>
<b>Operating Expenses</b>		
Water Supply Expense	26,889.55	182,269.17
Water Purchases	94,363.72	1,170,994.00
Electricity Expense	137,918.33	1,436,021.30
Repairs & Maintenance - Sewer	4,664.78	159,775.00
Repairs & Maintenance - Water	66,271.22	635,169.77
Transmission & Distribution Expense	127,724.99	1,144,258.90
Customer Service Expense	45,957.07	485,512.83
Administrator Expense	289.98	5,497.46
Sewer Expense	56,843.89	589,875.48
General & Administrative	<u>194,545.32</u>	<u>2,559,615.18</u>
<b>Total Operating Expenses</b>	755,468.85	8,368,989.09
Depreciation Expense	<u>335,996.60</u>	<u>4,019,590.60</u>
<b>Utility Operating Expense</b>	<u>1,091,465.45</u>	<u>12,388,579.69</u>
<b>Utility Operating Income (Loss)</b>	<u>(235,945.61)</u>	<u>(1,825,623.89)</u>
<b>Non Operating Revenue</b>		
Interest Income	516.37	3,855.36
Interest Expense	<u>(36,708.59)</u>	<u>(438,182.45)</u>
<b>Total Non Operating Revenue</b>	<u>(36,192.22)</u>	<u>(434,327.09)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (272,137.83)	\$ (2,259,950.98)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>13,474.96</u>	<u>130,189.91</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>13,474.96</u>	<u>130,189.91</u>
<b>Change in Net Position</b>	<u>(258,662.87)</u>	<u>(2,129,761.07)</u>
<b>Net Position, beginning of period</b>	<u>64,907,804.70</u>	<u>66,778,902.90</u>
<b>Net Position, end of period</b>	<u>\$ 64,649,141.83</u>	<u>\$ 64,649,141.83</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 12 Months Ended December 31, 2021**

	<b>1 Month Ended December 31, 2021</b>	<b>12 Months Ended December 31, 2021</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (272,137.83)	\$ (2,259,950.98)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	4,019,590.60
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	6,075.40	96,666.47
Other Current Assets	632,542.19	391,745.63
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	12,426.60	(40,805.75)
Accrued Interest	(88,919.29)	52,739.18
Advances for Construction	209,595.10	2,097,444.85
Accrued Liabilities	(13,635.46)	97,714.84
Tap on Fees	13,474.96	130,189.91
Customer Deposits	21,559.71	95,940.96
Clearing Accounts	(10,046.68)	57,324.91
Total Adjustments	<u>1,119,069.13</u>	<u>6,998,551.60</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>846,931.30</u>	<u>4,738,600.62</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(80,537.57)	(621,434.12)
Construction in Progress	(355,825.04)	(2,868,396.19)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(436,362.61)</u>	<u>(3,489,830.31)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	58,892.00	311,078.23
Notes Payable Repayments	(457,613.01)	(1,598,996.17)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(398,721.01)</u>	<u>(1,287,917.94)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	11,847.68	(39,147.63)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>342,061.44</u>	<u>392,242.99</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 368,927.19</u>	<u>\$ 368,927.19</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of December 31, 2021 and 2020**

**ASSETS:**

	<b>2021</b>	<b>2020</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 346,889.01	\$ 373,691.15
CTB-MWD Payroll Account	21,718.00	18,231.66
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>368,927.19</b>	<b>392,242.99</b>
<b>Cash Reserves - Restricted:</b>		
_____		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	725,618.39	909,990.92
RECEIVABLE - RETURNED CHECKS	24,784.68	2,139.05
RECEIVABLE - OTHER FEES, ETC..	(48,230.67)	19,727.73
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	306,315.09	232,977.37
PROVISION FOR UNCOLLECTIBLES	23,360.88	(38,000.00)
<b>Total Accounts Receivable:</b>	<b>1,030,168.60</b>	<b>1,126,835.07</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	(575.39)	56,749.52
<b>Total Clearing Accounts:</b>	<b>(575.39)</b>	<b>56,749.52</b>
<b>Prepaid Expenses:</b>		
_____		
<b>Receivable - UMG R &amp; M:</b>		
_____		
<b>FEMA Receivable - 2010 Flood:</b>		
_____		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	196,043.63
BB & T - Sinking Fund	118,773.90	290,158.68
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	160.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	3,951.58
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	32,419.17	33,866.56
CTB - O & M RESERVES	410,660.88	337,687.15
Community Trust Bank - Misc Line Extension	4,900.48	4,895.58
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	5,814.71	20,678.13
CTB - R & M RESERVE	877,346.08	869,874.73
CTB - Dist Wide WW Tap Fees	41,877.80	34,621.61

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of December 31, 2021 and 2020**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	30,784.72	259.00
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	2,625.96	38,414.90
MWD DEPRECIATION RESERVE ACCOUNT	861,966.47	861,058.00
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	3,568.49	397.13
CTB-MWD Escrow Account	100.00	16,945.94
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	0.00	276,386.43
New Customer Deposit Acct.	377,594.82	400,443.17
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,099,982.72</b>	<b>3,491,728.35</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of December 31, 2021 and 2020**

**LIABILITIES:**

	2021	2020
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	24,414.14	0.00
FEDERAL INCOME TAX WITHHELD	9,081.05	214.90
KY INCOME TAX WITHHELD	20,917.91	3,520.76
ACCRUED FUTA	2,759.20	0.00
Accrued CERS	80,445.83	51,064.70
Accrued County Withheld	6,076.60	5,041.19
ACCRUED GARNISHMENT WTH	1,641.64	1,549.33
TAXES COLLECTED ON CUST. BILLS	38,802.89	25,033.54
<b>Total Employee Related Payables</b>	184,139.26	86,424.42

**Other Current Liabilities:**

\_\_\_\_\_

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,178,293.64	3,524,999.90
US Bank Big Creek Water Loan	17,911.93	60,007.41
#154 fORD f250 2017	0.00	6,285.44
# 155 CTB	3,264.26	7,093.68
CTB V# 156	2,030.68	8,642.84
CTB V # 157 2018 GMC Sierra	2,161.19	9,029.38
CTB 158 & 159	12,047.81	26,087.95
WELLS FARGO MINI EXCAVATOR	1,964.37	0.00
CTB # 161	0.00	14,091.75
CTB- 160	0.00	27,919.08
CTB -162	15,912.46	21,932.15
CTB- #163 2019 Ford 350	35,583.61	50,293.34
#165 Ford F-250 2021	24,636.12	32,562.08
#164 2021 Ford F-250	25,297.90	32,562.08
#166	24,626.12	32,562.08
CTB-# 167 Chevrolet Silverado 2500	33,905.14	0.00
CTB- #169 2019 Toytoa Tacoma	28,842.24	0.00
CTB- 2016 F150	28,544.42	0.00
CTB-2021 Ford F350	57,734.63	0.00
CTB- 168 2017 Toyota	28,820.20	0.00
CTB-LN OF COMMITMENT - FEMA REC	211,034.39	322,012.48
CTB-Boom Truck # CTO-02	0.00	2,040.88
CTB AEP Line of credit	92,521.06	117,077.87
Kobelco mini excavator	0.00	17,018.35
2017 Takeunchi Skid Steer	15,563.24	0.00
<b>Total Notes Payable</b>	3,841,039.20	4,312,218.74

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	499,673.84	738,925.83
KIA LOAN B291-01 INDIAN CREEK	33,058.77	48,864.27
KIA LOAN F01-07 WATER PLANT	174,116.64	241,608.38
KIA LOAN A03-06 SO WMSN III	30,106.18	39,943.95
KIA Shelby III Phase II	183,551.24	201,879.87
KIA-A16-079 Grinder St	243,050.47	257,296.15

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of December 31, 2021 and 2020**

KIA-Douglas WWTP	2,937,307.42	3,101,573.92
<b>Total Notes Payable - Ky Infrastructure Authority</b>	4,100,864.56	4,630,092.37
<b>Notes Payable - Rural Development:</b>		
RD Loan -91-40 WTP	542,000.00	564,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,150,000.00
RD Belfry WW	3,653,000.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,355,000.00
RD Bond - Shelby Sewer Project	565,000.00	594,500.00
RD Bond - 91-01 Phelps Sewer	316,000.00	333,500.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	574,000.00
<b>Total Notes Payable - Rural Development</b>	9,939,000.00	10,224,000.00
<b>Contributions in Aid of Construction:</b>		
CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	113,094,523.90	113,094,523.90

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,508,958.55</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	4,841,727.68	4,841,727.68
Less: Accumulated Depreciation	<u>(2,945,465.30)</u>	<u>(2,628,066.02)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,896,262.38</b>	<b>\$ 2,213,661.66</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,746,018.24)</u>	<u>(3,473,070.45)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,461,636.46</b>	<b>\$ 6,734,584.25</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,959,029.57	6,899,662.98
WATER METERS & INSTALLATIONS	7,667,277.56	7,619,817.28
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	97,833,309.59	97,726,482.72
Less: Accumulated Depreciation	<u>(49,327,131.34)</u>	<u>(47,193,054.14)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 48,506,178.25</b>	<b>\$ 50,533,428.58</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,698,920.00	1,469,980.49
TOOLS, SHOP & GARAGE EQUIPMENT	335,470.41	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	315,598.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	4,935,037.34	4,689,165.23
Less: Accumulated Depreciation	<u>(4,068,715.44)</u>	<u>(3,775,556.80)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 866,321.90</b>	<b>\$ 913,608.43</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,192,018.11
SEWER SERVICES	491,461.79	435,402.20
SEWER METERS & INSTALLATIONS	884,925.86	729,528.07
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,444,024.15	37,190,866.69
Less: Accumulated Depreciation	<u>(14,077,494.76)</u>	<u>(13,080,690.36)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,366,529.39</b>	<b>\$ 24,110,176.33</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of December 31, 2021 and 2020**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 1,991,080.06	\$ 931,484.55
CIP-MATERIALS & SUPPLIES	151,060.34	0.00
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>9,252,110.10</u>	<u>7,599,869.65</u>
Total Construction in Progress	11,566,271.99	8,703,375.69
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 11,394,250.50</b>	<b>\$ 8,531,354.20</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,491,178.88</u></b>	<b><u>\$ 93,036,813.45</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended December 31, 2021</b>	<b>12 Months Ended December 31, 2021</b>
<b>Water Supply Expense:</b>		
PUMPING LABOR - OPERATIONS	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	18,129.93	145,715.77
HEALTH INSURANCE - PUMPING OPERATIONS	6,960.16	6,960.16
HEALTH INSURANCE - WTP OPERATIONS	2,075.47	28,209.58
DENTAL INSURANCE - WTP OPERATIONS	157.31	860.70
VISION INSURANCE - PUMPING OPER.	(8.85)	0.34
VISION INSURANCE - WTP OPER.	9.31	(39.00)
LIFE INSURANCE - PUMPING OPER.	(315.00)	(420.00)
LIFE INSURANCE - WTP OPER.	(16.80)	686.95
SHORT TERM DISAB. - PUMPING OPER.	(90.60)	(83.92)
SHORT TERM DISAB. - WTP OPER.	(11.38)	57.37
<b>Total Water Supply Expenses</b>	<b>26,889.55</b>	<b>182,269.17</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	39,203.72	469,837.51
WATER PURCHASED -PIKEVILLE	55,160.00	701,156.49
<b>Total Water Purchases Expenses</b>	<b>94,363.72</b>	<b>1,170,994.00</b>
<b>Electricity Expense:</b>		
Electrical Expense	137,918.33	1,436,021.30
<b>Total Electricity Expenses</b>	<b>137,918.33</b>	<b>1,436,021.30</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	486.16	3,154.61
Hand Tools R & M Sewer	76.90	3,633.04
PS/LS R & M Sewer	3,575.25	115,981.23
Vehicle R & M Sewer	0.00	950.79
General R & M Sewer	526.47	35,488.10
R & M Leak Det.	0.00	567.23
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>4,664.78</b>	<b>159,775.00</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	3,057.12	50,387.46
Hand Tools R & M	3,562.88	15,897.90
PS/LS R & M	10,767.89	119,630.09
Vehicle R & M	8,930.28	66,476.56
General R & M	39,953.05	366,259.02
General R & M -Telemetry	0.00	16,518.74
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>66,271.22</b>	<b>635,169.77</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	108,109.65	878,687.18
T & D LABOR - MAINTENANCE	250.00	37,603.69
HEALTH INSURANCE - T & D OPERATIONS	15,494.03	191,417.16
HEALTH INSURANCE - T & D MAINTENANCE	0.00	82.42
DENTAL INSURANCE - T & D OPERATIONS	1,402.66	6,568.12

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>December 31, 2021</b>	<b>12 Months Ended</b> <b>December 31, 2021</b>
DENTAL INSURANCE - T & D MAINT	0.00	(37.59)
VISION INSURANCE - T & D OPER.	(46.96)	370.24
LIFE INSURANCE - T & D OPER.	438.12	803.76
LIFE INSURANCE - T & D MAINT.	0.00	6,139.08
SHORT TERM DISAB. - T & D OPER.	(5.74)	(985.28)
SHORT TERM DISAB. - T & D MAINT.	0.00	1,835.09
UNIFORM EXPENSE (WATER)	2,083.23	21,775.03
<b>Total Transmission &amp; Distribution Expenses</b>	<b>127,724.99</b>	<b>1,144,258.90</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	30,784.34	300,776.22
ADMIN. & GENERAL LABOR	15,245.14	133,959.61
HEALTH INSURANCE - CUSTOMER ACCOUNTS	(678.57)	41,066.13
DENTAL INSURANCE - CUST. ACCOUNTS	457.13	2,519.51
VISION INSURANCE - CUST. ACCOUNTS	(36.36)	4,944.99
LIFE INSURANCE - CUSTOMER ACCTS	215.92	2,078.74
SHORT TERM DISAB. - CUSTOMER ACCTS	(30.53)	167.63
<b>Total Customer Service Expenses</b>	<b>45,957.07</b>	<b>485,512.83</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	397.88	5,949.67
SHORT TERM DISAB. - ADMIN. & GENERAL	(107.90)	(452.21)
<b>Total Administrator Expenses</b>	<b>289.98</b>	<b>5,497.46</b>
<b>Sewer Expense:</b>		
SEWER LABOR	44,681.14	385,992.89
HEALTH INSURANCE - SEWER	4,574.12	54,724.57
DENTAL INSURANCE - SEWER	452.66	2,603.96
VISION INSURANCE - SEWER	(36.96)	(210.42)
LIFE INSURANCE - SEWER	159.07	1,917.58
SHORT TERM DISAB. - SEWER	(29.55)	107.08
UNIFORM EXPENSE (WW)	303.23	4,695.79
Sewage Fees	5,912.18	78,283.77
Chemicals-WW	828.00	53,166.07
SAFETY SUPPLIES-WW	0.00	8,594.19
<b>Total Sewer Expenses</b>	<b>56,843.89</b>	<b>589,875.48</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	132.38	7,057.36
PAYROLL TAXES - FICA & U.C.	19,933.63	176,026.25
COMP COMMISSIONERS - AUTO DIST	2,500.00	26,800.00
COMPENSATION - ADMINISTRATOR	48,044.00	427,360.44
HEALTH INSURANCE - ADMIN. & GENERAL	3,412.64	35,120.11
VISION INSURANCE - ADMIN. & GENERAL	(48.49)	(414.69)
LIFE INSURANCE - ADMIN. & GENERAL	218.39	1,370.16
Employee Expense	600.00	10,095.41
Insurance expense	11,053.59	146,136.37
UTILITY EXPENSE	931.22	10,530.68
LABORATORY SUPPLIES	1,650.58	14,200.16
LABORATORY EXPENSE	435.00	8,755.24
Provision for doubtful accounts	1,834.00	46,222.22

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended December 31, 2021</b>	<b>12 Months Ended December 31, 2021</b>
Laboratory Testing Expense	0.00	45,226.89
CHEMICALS	5,343.52	139,081.22
SAFETY SUPPLIES	4,325.56	18,377.32
CONTRACT SERVICE - ACCOUNTING	5,660.00	77,590.00
CONTRACT SERVICE - LEGAL	0.00	10,281.18
ENGINEERING	0.00	5.83
CONTRACT SERVICE-GENERAL	850.00	23,826.43
CONTRACT SERVICES - MANPOWER	22,610.49	177,417.42
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	13,286.43	157,555.14
ADVERTISING	88.20	3,841.18
OTHER LEGAL PSC EXPENSE	0.00	24,138.30
MOBILE PHONE EXPENSE	1,933.37	23,614.85
TELEPHONE/INTERNET	1,268.77	28,789.66
TELEPHONE/INTERNET	261.49	3,621.19
EDUCATION, DUES, MEETINGS, INSURANCE	3,087.39	37,811.81
Office Expense	17,873.41	214,829.78
Easements	0.00	2,970.88
SETTLEMENT EXPENSES	26,581.33	27,646.85
SERVICE FEE EXPENSE	0.00	9,813.07
BANK SERVICE FEES EXP	157.54	4,709.60
Worker's Compensation Insurance	0.00	17,896.00
PSC TAX ASSESSMENT	0.00	20,724.79
Retirement Expense	(3,639.56)	558,457.68
MISCELLANEOUS SUPPLIES	35.44	415.90
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	12,712.50
<b>Total General &amp; Administrative Expenses</b>	<b>194,545.32</b>	<b>2,559,615.18</b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>December 31, 2021</b>	<b>12 Months Ended</b> <b>December 31, 2021</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 539,789.70	\$ 6,805,281.93
METERED SALES - COMMERCIAL	52,467.77	556,729.36
METERED SALES - INDUSTRIAL	4,910.96	59,745.84
METERED SALES - PUBLIC AUTH.	32,468.20	389,276.96
METERED SALES - MULTI FAMILY	24,890.07	304,496.48
FIRE PROTECTION REVENUE	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	14,114.87	151,308.38
OTHER WATER SERVICE REVENUE	153.43	56,379.91
SERVICE CONNECTION FEES	15,297.27	181,983.44
SERVICE CONNECTION FEES FOR WASTE WATER	60.00	180.00
SEWER REVENUE -RESIDENTIAL	131,843.95	1,610,017.84
SEWER REVENUE - COMMERCIAL	39,398.62	446,030.66
	<hr/>	<hr/>
<b>Total Operating Revenue</b>	<b>855,519.84</b>	<b>10,562,955.80</b>
	<hr/>	<hr/>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 590,459.79	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 539,789.70	\$ 6,805,281.93
METERED SALES - COMMERCIAL	40,356.63	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	52,467.77	556,729.36
METERED SALES - INDUSTRIAL	5,144.70	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	59,745.84
METERED SALES - PUBLIC AUTH.	30,584.98	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	389,276.96
METERED SALES - MULTI FAMILY	26,871.55	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	304,496.48
FIRE PROTECTION REVENUE	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	150.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	0.00	0.00	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	151,308.38
OTHER WATER SERVICE REVENUE	(142.00)	(143.14)	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	153.43	56,379.91
SERVICE CONNECTION FEES	10,635.00	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	181,983.44
WASTE WATER	0.00	0.00	0.00	0.00	30.00	60.00	0.00	30.00	0.00	0.00	0.00	60.00	180.00
SEWER REVENUE - RESIDENTIAL	132,431.59	123,315.57	119,119.00	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	131,843.95	1,610,017.84
SEWER REVENUE - COMMERCIAL	33,655.58	32,038.61	33,400.94	36,641.66	39,515.77	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	446,030.66
<b>Total Sales</b>	<u>870,122.82</u>	<u>803,744.24</u>	<u>870,054.12</u>	<u>859,927.63</u>	<u>893,022.61</u>	<u>938,388.78</u>	<u>944,929.18</u>	<u>906,872.15</u>	<u>899,266.21</u>	<u>874,988.30</u>	<u>846,119.92</u>	<u>855,519.84</u>	<u>10,562,955.80</u>
<b>Gross Profit</b>	<u>870,122.82</u>	<u>803,744.24</u>	<u>870,054.12</u>	<u>859,927.63</u>	<u>893,022.61</u>	<u>938,388.78</u>	<u>944,929.18</u>	<u>906,872.15</u>	<u>899,266.21</u>	<u>874,988.30</u>	<u>846,119.92</u>	<u>855,519.84</u>	<u>10,562,955.80</u>
<b>Operating Expenses</b>													
Undistributed	2,151.66	0.00	0.00	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	132.38	7,057.36
DEPRECIATION EXPENSE	230,453.58	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,022,786.20
DEPRECIATION EXPENSE - SEWER	93,174.42	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	996,804.40
PAYROLL TAXES - FICA & U.C.	20,445.55	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,785.55	12,638.93	12,638.13	19,933.63	176,026.25
PUMPING LABOR - OPERATIONS	0.00	33.22	0.00	0.00	0.00	0.00	0.00	0.00	288.00	0.00	0.00	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	9,749.63	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	145,715.77
T & D LABOR - OPERATIONS	98,246.24	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,109.65	878,687.18
T & D LABOR - MAINTENANCE	6,259.76	6,342.65	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	37,603.69
CUSTOMER ACCOUNTS LABOR	36,114.32	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	300,776.22
ADMIN. & GENERAL LABOR	14,750.93	9,799.31	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	15,245.14	133,959.61
SEWER LABOR	40,490.99	28,990.59	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	44,681.14	385,992.89
COMP COMMISSIONERS - AUTO DIST	2,000.00	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	26,800.00
COMPENSATION - ADMINISTRATOR	47,308.64	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	427,360.44
HEALTH INSURANCE - PUMPING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16	6,960.16
OPERATIONS													
HEALTH INSURANCE - WTP	2,254.78	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,075.47	28,209.58
OPERATIONS													
HEALTH INSURANCE - T & D	14,555.92	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,494.03	191,417.16
OPERATIONS													
HEALTH INSURANCE - T & D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82.42	0.00	82.42
MAINTENANCE													
HEALTH INSURANCE - CUSTOMER	3,787.15	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	41,066.13
ACCOUNTS													

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,018.38	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	35,120.11
DENTAL INSURANCE - SEWER	3,046.91	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	54,724.57
DENTAL INSURANCE - WTP OPERATIONS	(21.15)	85.01	25.73	85.01	25.78	85.01	77.96	85.01	85.01	85.01	85.01	157.31	860.70
DENTAL INSURANCE - T & D OPERATIONS	488.16	531.33	590.61	531.33	412.92	516.70	290.92	477.71	454.04	482.86	388.88	1,402.66	6,568.12
DENTAL INSURANCE - T & D MAINT	(16.11)	(10.74)	(10.74)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	154.87	245.14	245.14	245.14	245.14	245.14	154.86	284.82	144.20	226.19	(128.26)	457.13	2,519.51
DENTAL INSURANCE - ADMIN. & GENERAL	121.88	191.66	191.66	191.66	191.66	191.66	121.93	191.66	3,774.70	191.66	191.66	397.88	5,949.67
DENTAL INSURANCE - SEWER	64.99	172.80	196.23	196.23	176.47	196.23	134.97	387.02	162.68	221.96	241.72	452.66	2,603.96
VISION INSURANCE - PUMPING OPER.	12.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.95)	(8.85)	0.34
VISION INSURANCE - T & D OPER.	(19.62)	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	(39.00)
VISION INSURANCE - T & D OPER. ACCOUNTS	4.86	67.97	54.34	80.72	42.76	73.69	(25.31)	44.38	2.19	39.92	31.68	(46.96)	370.24
VISION INSURANCE - CUST. ACCOUNTS	(37.71)	4,708.45	74.15	26.87	26.87	112.49	(23.11)	26.87	26.87	35.12	4.48	(36.36)	4,944.99
VISION INSURANCE - ADMIN. & GENERAL	(48.49)	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(414.69)
VISION INSURANCE - SEWER	(57.88)	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(210.42)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(420.00)
LIFE INSURANCE - WTP OPER.	59.10	60.95	89.22	82.94	71.69	156.38	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	686.95
LIFE INSURANCE - T & D OPER.	(215.69)	(36.89)	(185.40)	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	438.12	803.76
LIFE INSURANCE - T & D MAINT.	617.56	570.75	947.82	698.96	(15.39)	1,476.65	0.00	645.74	573.98	664.21	(41.20)	0.00	6,139.08
LIFE INSURANCE - CUSTOMER ACCTS	(394.31)	243.42	365.61	281.13	269.70	645.42	(192.98)	303.65	242.42	311.64	(212.88)	215.92	2,078.74
LIFE INSURANCE - ADMIN. & GENERAL	73.85	148.48	252.94	(216.92)	179.81	478.16	(187.14)	189.14	180.81	198.47	(145.83)	218.39	1,370.16
LIFE INSURANCE - SEWER	106.79	137.72	240.29	214.68	192.26	506.17	(146.40)	220.44	210.07	201.52	(125.03)	159.07	1,917.58
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	0.00	36.88	0.00	0.00	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(83.92)
SHORT TERM DISAB. - WTP OPER.	(12.76)	2.51	8.77	45.97	11.69	53.92	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	57.37
SHORT TERM DISAB. - T & D OPER.	(260.25)	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(5.74)	(985.28)
SHORT TERM DISAB. - T & D MAINT.	202.61	208.31	198.50	209.77	209.77	363.06	(10.50)	190.71	93.25	173.11	(3.50)	0.00	1,835.09
SHORT TERM DISAB. - CUSTOMER ACCTS	(26.96)	41.05	17.96	73.64	40.40	189.33	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	167.63
SHORT TERM DISAB. - ADMIN. & GENERAL	(99.72)	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(452.21)
SHORT TERM DISAB. - SEWER	(54.57)	2.03	8.02	99.16	41.33	191.16	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	107.08
UNIFORM EXPENSE (WATER)	1,270.91	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	21,775.03
UNIFORM EXPENSE (WW)	219.67	217.02	375.71	442.85	316.08	482.93	760.84	375.67	515.93	318.99	366.87	303.23	4,695.79
Employee Expense	1,641.14	249.50	621.70	150.00	428.00	255.99	660.20	748.39	681.80	3,643.50	415.19	600.00	10,095.41
Insurance expense	134.00	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	146,136.37
Water Purchased - Williamson	36,201.25	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	469,837.51
WATER PURCHASED - PIKEVILLE	60,892.70	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	701,156.49
Sewage Fees	10,838.95	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	78,283.77
UTILITY EXPENSE	911.43	1,568.70	454.16	1,081.22	881.22	881.22	0.00	0.00	881.22	1,859.07	1,081.22	931.22	10,530.68

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	Total
LABORATORY SUPPLIES	1,389.34	71.55	1,294.21	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	14,200.16
LABORATORY EXPENSE	1,442.42	289.81	1,283.94	661.80	0.00	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	8,755.24
Laboratory Testing Expenses	7,095.75	599.00	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.50	46,226.82
Laboratory Testing Expense	8,562.00	7,545.30	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	45,222.69
CHEMICALS	2,519.22	0.00	16,183.78	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	139,081.22
Chemicals-WW	0.00	5,406.00	11,263.17	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	53,166.07
SAFETY SUPPLIES	1,856.78	295.57	2,159.89	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	18,377.32
SAFETY SUPPLIES-WW	73.52	1,873.51	309.40	0.00	176.54	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	8,594.19
Electrical Expense	120,136.14	146,245.49	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	1,436,021.30
CONTRACT SERVICE - ACCOUNTING	4,224.00	3,024.00	2,438.00	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	77,590.00
CONTRACT SERVICE - LEGAL	0.00	0.00	2,722.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,281.18
ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	1,596.63	3,573.37	7,732.49	850.00	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	23,826.43
CONTRACT SERVICES - MANPOWER	0.00	3,909.68	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.57	10,999.50	11,155.59	22,610.49	177,417.42
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	11,335.07	9,494.08	23,022.07	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	157,555.14
ADVERTISING	0.00	453.60	1,024.38	355.32	630.08	0.00	466.20	464.30	0.00	207.90	151.20	88.20	3,841.18
OTHER LEGAL PSC EXPENSE	537.00	537.00	17,074.50	537.00	3,841.80	537.00	537.00	537.00	0.00	0.00	0.00	0.00	24,138.30
MOBILE PHONE EXPENSE	1,827.31	1,980.64	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	23,614.85
TELEPHONE/INTERNET	2,782.78	2,547.32	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	28,789.66
TELEPHONE/INTERNET	272.81	272.81	107.95	273.55	878.30	0.00	240.82	262.82	200.58	425.03	425.03	261.49	3,621.19
EDUCATION, DUES, MEETINGS, INSURANCE	2,926.77	1,646.55	1,278.41	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	37,811.81
Office Expense	22,192.49	17,478.17	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	15,035.38	13,118.74	17,873.41	214,829.78
Easements	0.00	545.88	25.00	0.00	0.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	2,970.88
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	1,065.52	0.00	0.00	0.00	0.00	0.00	26,581.33	27,646.85
SERVICE FEE EXPENSE	0.00	20.63	1.10	0.00	22.00	6,505.53	56.00	78.47	3,076.84	28.00	24.50	0.00	9,813.07
BANK SERVICE FEES EXP	160.63	630.45	2,641.27	141.36	129.23	132.59	134.90	162.50	148.50	116.86	153.77	157.54	4,709.60
Worker's Compensation Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,931.00	5,965.00	0.00	17,896.00
PSC TAX ASSESSMENT	0.00	0.00	0.00	0.00	0.00	20,724.79	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	37,104.35	62,671.44	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	558,457.68
MISCELLANEOUS SUPPLIES	26.58	35.44	26.58	35.44	8.86	26.58	44.30	26.58	96.94	35.44	17.72	35.44	415.90
Major Equipment R & M	1,597.15	1,587.67	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	3,057.12	50,387.46
Major Equipment R & M Sewer	126.85	190.00	959.42	79.35	373.76	533.30	0.00	374.29	0.00	31.48	0.00	486.16	3,154.61
Hand Tools R & M	1,447.88	69.97	349.22	1,742.29	1,283.41	776.48	460.91	1,417.39	1,711.42	1,587.91	1,488.14	3,562.88	15,897.90
Hand Tools R & M Sewer	355.97	820.12	99.98	98.94	57.87	221.20	346.49	0.00	697.76	591.12	266.69	76.90	3,633.04
PS/LS R & M	15,122.73	1,743.63	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.39	8,448.40	14,077.51	10,767.89	119,630.09
PS/LS R & M Sewer	2,164.83	0.00	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	3,575.25	115,981.23
Vehicle R & M	4,267.22	3,622.91	11,378.96	2,471.38	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	8,930.28	66,476.56
Vehicle R & M Sewer	0.00	153.74	205.43	8.95	15.39	0.00	437.94	0.00	5.75	24.29	99.30	0.00	950.79
General R & M	5,610.19	22,161.23	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	39,953.05	366,259.02
General R & M Sewer	1,752.72	662.80	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	526.47	35,488.10

General R & M - Information provided on these financial statements is for informational purposes only. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	01/31/21	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	Total
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	567.23	0.00	0.00	0.00	567.23
SUPPLIES & EXPENSES TREATMENT (MMV)	1,125.00	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	12,712.50
INTEREST EXPENSE - TERM DEBT	29,887.86	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	32,673.59	357,798.70
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	4,035.00	80,383.75
<b>Total Operating Expenses</b>	<u>1,037,315.49</u>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,128,174.04</u>	<u>12,826,762.</u>
<b>Operating Income (Loss)</b>	<u>(167,192.67)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(2,263,806.34)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Income (Loss) Before Taxes</b>	<u>(167,192.67)</u>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(2,263,806.34)</u>
<b>Net Income (Loss)</b>	<u>\$ (167,192.67)</u>	<u>\$ (200,703.71)</u>	<u>\$ (246,643.04)</u>	<u>\$ (164,917.98)</u>	<u>\$ (89,157.60)</u>	<u>\$ (111,760.56)</u>	<u>\$ (187,482.39)</u>	<u>\$ (154,030.68)</u>	<u>\$ (276,292.60)</u>	<u>\$ (180,648.48)</u>	<u>\$ (212,322.43)</u>	<u>\$ (272,654.20)</u>	<u>\$ (2,263,806.34)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	12 Months Ended December 31, 2021 Actual	12 Months Ended December 31, 2021 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 6,805,281.93	\$ 6,905,470.00	\$ (100,188.07)
METERED SALES - COMMERCIAL	556,729.36	602,937.00	(46,207.64)
METERED SALES - INDUSTRIAL	59,745.84	59,624.00	121.84
METERED SALES - PUBLIC AUTH.	389,276.96	377,983.00	11,293.96
METERED SALES - MULTI FAMILY	304,496.48	292,404.00	12,092.48
FIRE PROTECTION REVENUE	1,525.00	1,125.00	400.00
CUSTOMER LATE PAYMENT CHARGES	151,308.38	228,811.00	(77,502.62)
OTHER WATER SERVICE REVENUE	56,379.91	36,596.00	19,783.91
SERVICE CONNECTION FEES	181,983.44	145,630.00	36,353.44
SERVICE CONNECTION FEES FOR WASTE WATER	180.00	153.00	27.00
SEWER REVENUE -RESIDENTIAL	1,610,017.84	1,719,519.00	(109,501.16)
SEWER REVENUE - COMMERCIAL	446,030.66	482,896.00	(36,865.34)
<b>Total Sales</b>	<u>10,562,955.80</u>	<u>10,853,148.00</u>	<u>(290,192.20)</u>
<b>Gross Profit</b>	<u>10,562,955.80</u>	<u>10,853,148.00</u>	<u>(290,192.20)</u>
<b>Operating Expenses</b>			
Undistributed	7,057.36	0.00	7,057.36
DEPRECIATION EXPENSE	3,022,786.20	3,046,181.00	(23,394.80)
DEPRECIATION EXPENSE - SEWER	996,804.40	1,185,093.00	(188,288.60)
PAYROLL TAXES - FICA & U.C.	176,026.25	179,861.00	(3,834.75)
PUMPING LABOR - OPERATIONS	321.22	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	145,715.77	67,881.00	77,834.77
T & D LABOR - OPERATIONS	878,687.18	927,430.00	(48,742.82)
T & D LABOR - MAINTENANCE	37,603.69	79,667.00	(42,063.31)
CUSTOMER ACCOUNTS LABOR	300,776.22	314,554.00	(13,777.78)
ADMIN. & GENERAL LABOR	133,959.61	130,320.00	3,639.61
SEWER LABOR	385,992.89	382,278.00	3,714.89
COMP COMMISSIONERS - AUTO DIST	26,800.00	30,000.00	(3,200.00)
COMPENSATION - ADMINISTRATOR	427,360.44	418,993.00	8,367.44
HEALTH INSURANCE - PUMPING OPERATIONS	6,960.16	0.00	6,960.16
HEALTH INSURANCE - WTP OPERATIONS	28,209.58	27,765.00	444.58
HEALTH INSURANCE - T & D OPERATIONS	191,417.16	165,970.00	25,447.16
HEALTH INSURANCE - T & D MAINTENANCE	82.42	0.00	82.42
HEALTH INSURANCE - CUSTOMER ACCOUNTS	41,066.13	69,326.00	(28,259.87)
HEALTH INSURANCE - ADMIN. & GENERAL	35,120.11	24,183.00	10,937.11
HEALTH INSURANCE - SEWER	54,724.57	71,530.00	(16,805.43)
DENTAL INSURANCE - WTP OPERATIONS	860.70	803.00	57.70
DENTAL INSURANCE - T & D OPERATIONS	6,568.12	4,795.00	1,773.12
DENTAL INSURANCE - T & D MAINT	(37.59)	0.00	(37.59)
DENTAL INSURANCE - CUST. ACCOUNTS	2,519.51	2,311.00	208.51
DENTAL INSURANCE - ADMIN. & GENERAL	5,949.67	1,986.00	3,963.67
DENTAL INSURANCE - SEWER	2,603.96	2,024.00	579.96
VISION INSURANCE - PUMPING OPER.	0.34	0.00	0.34
VISION INSURANCE - WTP OPER.	(39.00)	30.00	(69.00)
VISION INSURANCE - T & D OPER.	370.24	1,085.00	(714.76)
VISION INSURANCE - CUST. ACCOUNTS	4,944.99	330.00	4,614.99
VISION INSURANCE - ADMIN. & GENERAL	(414.69)	(108.00)	(306.69)
VISION INSURANCE - SEWER	(210.42)	300.00	(510.42)
LIFE INSURANCE - PUMPING OPER.	(420.00)	0.00	(420.00)
LIFE INSURANCE - WTP OPER.	686.95	783.00	(96.05)
LIFE INSURANCE - T & D OPER.	803.76	(1,926.00)	2,729.76
LIFE INSURANCE - T & D MAINT.	6,139.08	7,134.00	(994.92)
LIFE INSURANCE - CUSTOMER ACCTS	2,078.74	2,604.00	(525.26)
LIFE INSURANCE - ADMIN. & GENERAL	1,370.16	1,845.00	(474.84)

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	12 Months Ended December 31, 2021 Actual	12 Months Ended December 31, 2021 Budget	Over/(Under) Budget
LIFE INSURANCE - SEWER	1,917.58	1,960.00	(42.42)
SHORT TERM DISAB. - PUMPING OPER.	(83.92)	0.00	(83.92)
SHORT TERM DISAB. - WTP OPER.	57.37	87.00	(29.63)
SHORT TERM DISAB. - T & D OPER.	(985.28)	(2,230.00)	1,244.72
SHORT TERM DISAB. - T & D MAINT.	1,835.09	2,374.00	(538.91)
SHORT TERM DISAB. - CUSTOMER ACCTS	167.63	481.00	(313.37)
SHORT TERM DISAB. - ADMIN. & GENERAL	(452.21)	(97.00)	(355.21)
SHORT TERM DISAB. - SEWER	107.08	(133.00)	240.08
UNIFORM EXPENSE (PLANT)	0.00	77.00	(77.00)
UNIFORM EXPENSE (WATER)	21,775.03	19,743.00	2,032.03
UNIFORM EXPENSE (ADMIN)	0.00	147.00	(147.00)
UNIFORM EXPENSE (WW)	4,695.79	3,376.00	1,319.79
Employee Expense	10,095.41	14,388.00	(4,292.59)
Insurance expense	146,136.37	174,797.00	(28,660.63)
Water Purchased -Williamson	469,837.51	490,318.00	(20,480.49)
WATER PURCHASED -PIKEVILLE	701,156.49	727,244.00	(26,087.51)
Sewage Fees	78,283.77	70,901.00	7,382.77
UTILITY EXPENSE	10,530.68	7,107.00	3,423.68
LABORATORY SUPPLIES	14,200.16	7,817.00	6,383.16
LABORATORY EXPENSE	8,755.24	4,134.00	4,621.24
Laboratory Testing Expenses	46,222.22	44,629.00	1,593.22
Laboratory Testing Expense	45,226.89	19,508.00	25,718.89
CHEMICALS	139,081.22	162,250.00	(23,168.78)
Chemicals-WW	53,166.07	58,115.00	(4,948.93)
SAFETY SUPPLIES	18,377.32	40,027.00	(21,649.68)
SAFETY SUPPLIES-WW	8,594.19	8,817.00	(222.81)
Electrical Expense	1,436,021.30	1,442,855.00	(6,833.70)
CONTRACT SERVICE - ACCOUNTING	77,590.00	73,519.00	4,071.00
CONTRACT SERVICE - LEGAL	10,281.18	40,790.00	(30,508.82)
ENGINEERING	5.83	7,844.00	(7,838.17)
CONTRACT SERVICE-GENERAL	23,826.43	15,649.00	8,177.43
CONTRACT SERVICES - MANPOWER	177,417.42	66,809.00	110,608.42
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	157,555.14	123,234.00	34,321.14
ADVERTISING	3,841.18	2,887.00	954.18
Bad Debts Charged to Expense	0.00	50,000.00	(50,000.00)
OTHER LEGAL PSC EXPENSE	24,138.30	150,000.00	(125,861.70)
MOBILE PHONE EXPENSE	23,614.85	25,878.00	(2,263.15)
TELEPHONE/INTERNET	28,789.66	29,885.00	(1,095.34)
TELEPHONE/INTERNET	3,621.19	2,896.00	725.19
EDUCATION, DUES, MEETINGS, INSURANCE	37,811.81	48,450.00	(10,638.19)
EMPLOYEE BENEFIT EXPENSE	0.00	3.00	(3.00)
Office Expense	214,829.78	180,464.00	34,365.78
Easements	2,970.88	100.00	2,870.88
SETTLEMENT EXPENSES	27,646.85	600.00	27,046.85
SERVICE FEE EXPENSE	9,813.07	23,025.00	(13,211.93)
BANK SERVICE FEES EXP	4,709.60	0.00	4,709.60
Worker's Compensation Insurance	17,896.00	23,829.00	(5,933.00)
PSC TAX ASSESSMENT	20,724.79	21,065.00	(340.21)
Retirement Expense	558,457.68	599,654.00	(41,196.32)
MISCELLANEOUS SUPPLIES	415.90	433.00	(17.10)
Major Equipment R & M	50,387.46	90,269.00	(39,881.54)
Major Equipment R & M Sewer	3,154.61	3,259.00	(104.39)
Hand Tools R & M	15,897.90	42,414.00	(26,516.10)
Hand Tools R & M Sewer	3,633.04	1,767.00	1,866.04
PS/LS R & M	119,630.09	169,423.00	(49,792.91)
PS/LS R & M Sewer	115,981.23	166,467.00	(50,485.77)
Vehicle R & M	66,476.56	86,107.00	(19,630.44)

**MOUNTAIN WATER DISTRICT  
Income Statement**

	<b>12 Months Ended December 31, 2021 Actual</b>	<b>12 Months Ended December 31, 2021 Budget</b>	<b>Over/(Under) Budget</b>
Vehicle R & M Sewer	950.79	951.00	(0.21)
General R & M	366,259.02	596,644.00	(230,384.98)
General R & M Sewer	35,488.10	31,511.00	3,977.10
General R & M -Telemetry	16,518.74	9,580.00	6,938.74
R & M Leak Det.	567.23	1,608.00	(1,040.77)
SUPPLIES & EXPENSES TREATMENT (WW)	<u>12,712.50</u>	<u>14,023.00</u>	<u>(1,310.50)</u>
<b>Total Operating Expenses</b>	<u>12,388,579.69</u>	<u>13,144,757.00</u>	<u>(756,177.31)</u>
<b>Operating Income (Loss)</b>	<u>(1,825,623.89)</u>	<u>(2,291,609.00)</u>	<u>465,985.11</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	3,855.36	6,200.00	(2,344.64)
INTEREST EXPENSE - TERM DEBT	(357,798.70)	(375,600.00)	17,801.30
INTEREST EXPENSE - TERM DEBT	<u>(80,383.75)</u>	<u>(48,420.00)</u>	<u>(31,963.75)</u>
<b>Total Other Income (Expenses)</b>	<u>(434,327.09)</u>	<u>(417,820.00)</u>	<u>(16,507.09)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(2,259,950.98)</u>	<u>(2,709,429.00)</u>	<u>449,478.02</u>
<b>Net Income (Loss)</b>	<u>\$ (2,259,950.98)</u>	<u>\$ (2,709,429.00)</u>	<u>\$ 449,478.02</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended December 31, 2021 Actual	1 Month Ended December 31, 2021 Budget	12 Months Ended December 31, 2021 Actual	12 Months Ended December 31, 2021 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 539,789.70	\$ 575,455.84	\$ 6,805,281.93	\$ 6,905,470.00
METERED SALES - COMMERCIAL	52,467.77	50,244.75	556,729.36	602,937.00
METERED SALES - INDUSTRIAL	4,910.96	4,968.67	59,745.84	59,624.00
METERED SALES - PUBLIC AUTH.	32,468.20	31,498.59	389,276.96	377,983.00
METERED SALES - MULTI FAMILY	24,890.07	24,367.00	304,496.48	292,404.00
FIRE PROTECTION REVENUE	125.00	93.75	1,525.00	1,125.00
CUSTOMER LATE PAYMENT CHARGES	14,114.87	19,067.59	151,308.38	228,811.00
OTHER WATER SERVICE REVENUE	153.43	3,049.67	56,379.91	36,596.00
SERVICE CONNECTION FEES	15,297.27	12,135.84	181,983.44	145,630.00
SERVICE CONNECTION FEES FOR WASTE WATER	60.00	12.75	180.00	153.00
SEWER REVENUE -RESIDENTIAL	131,843.95	143,293.25	1,610,017.84	1,719,519.00
SEWER REVENUE - COMMERCIAL	39,398.62	40,241.34	446,030.66	482,896.00
<b>Total Sales</b>	<u>855,519.84</u>	<u>904,429.04</u>	<u>10,562,955.80</u>	<u>10,853,148.00</u>
<b>Gross Profit</b>	<u>855,519.84</u>	<u>904,429.04</u>	<u>10,562,955.80</u>	<u>10,853,148.00</u>
<b>Operating Expenses</b>				
Undistributed	132.38	0.00	7,057.36	0.00
DEPRECIATION EXPENSE	253,848.42	253,848.41	3,022,786.20	3,046,181.00
DEPRECIATION EXPENSE - SEWER	82,148.18	98,757.75	996,804.40	1,185,093.00
PAYROLL TAXES - FICA & U.C.	19,933.63	14,988.41	176,026.25	179,861.00
PUMPING LABOR - OPERATIONS	0.00	0.00	321.22	0.00
WATER TREATMENT LABOR - OPERATIONS	18,129.93	5,656.75	145,715.77	67,881.00
T & D LABOR - OPERATIONS	108,109.65	77,285.83	878,687.18	927,430.00
T & D LABOR - MAINTENANCE	250.00	6,638.91	37,603.69	79,667.00
CUSTOMER ACCOUNTS LABOR	30,784.34	26,212.83	300,776.22	314,554.00
ADMIN. & GENERAL LABOR	15,245.14	10,860.00	133,959.61	130,320.00
SEWER LABOR	44,681.14	31,856.50	385,992.89	382,278.00
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00	26,800.00	30,000.00
COMPENSATION - ADMINISTRATOR	48,044.00	34,916.08	427,360.44	418,993.00
HEALTH INSURANCE - PUMPING OPERATIONS	6,960.16	0.00	6,960.16	0.00
HEALTH INSURANCE - WTP OPERATIONS	2,075.47	2,313.75	28,209.58	27,765.00
HEALTH INSURANCE - T & D OPERATIONS	15,494.03	13,830.83	191,417.16	165,970.00
HEALTH INSURANCE - T & D MAINTENANCE	0.00	0.00	82.42	0.00
HEALTH INSURANCE - CUSTOMER ACCOUNTS	(678.57)	5,777.16	41,066.13	69,326.00
HEALTH INSURANCE - ADMIN. & GENERAL	3,412.64	2,015.25	35,120.11	24,183.00
HEALTH INSURANCE - SEWER	4,574.12	5,960.83	54,724.57	71,530.00
DENTAL INSURANCE - WTP OPERATIONS	157.31	66.91	860.70	803.00
DENTAL INSURANCE - T & D OPERATIONS	1,402.66	399.58	6,568.12	4,795.00
DENTAL INSURANCE - T & D MAINT	0.00	0.00	(37.59)	0.00
DENTAL INSURANCE - CUST. ACCOUNTS	457.13	192.58	2,519.51	2,311.00
DENTAL INSURANCE - ADMIN. & GENERAL	397.88	165.50	5,949.67	1,986.00
DENTAL INSURANCE - SEWER	452.66	168.66	2,603.96	2,024.00
VISION INSURANCE - PUMPING OPER.	(8.85)	0.00	0.34	0.00
VISION INSURANCE - WTP OPER.	9.31	2.50	(39.00)	30.00
VISION INSURANCE - T & D OPER.	(46.96)	90.41	370.24	1,085.00
VISION INSURANCE - CUST. ACCOUNTS	(36.36)	27.50	4,944.99	330.00
VISION INSURANCE - ADMIN. & GENERAL	(48.49)	(9.00)	(414.69)	(108.00)
VISION INSURANCE - SEWER	(36.96)	25.00	(210.42)	300.00
LIFE INSURANCE - PUMPING OPER.	(315.00)	0.00	(420.00)	0.00
LIFE INSURANCE - WTP OPER.	(16.80)	65.25	686.95	783.00
LIFE INSURANCE - T & D OPER.	438.12	(160.50)	803.76	(1,926.00)

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended December 31, 2021 Actual</b>	<b>1 Month Ended December 31, 2021 Budget</b>	<b>12 Months Ended December 31, 2021 Actual</b>	<b>12 Months Ended December 31, 2021 Budget</b>
LIFE INSURANCE - T & D MAINT.	0.00	594.50	6,139.08	7,134.00
LIFE INSURANCE - CUSTOMER ACCTS	215.92	217.00	2,078.74	2,604.00
LIFE INSURANCE - ADMIN. & GENERAL	218.39	153.75	1,370.16	1,845.00
LIFE INSURANCE - SEWER	159.07	163.33	1,917.58	1,960.00
SHORT TERM DISAB. - PUMPING OPER.	(90.60)	0.00	(83.92)	0.00
SHORT TERM DISAB. - WTP OPER.	(11.38)	7.25	57.37	87.00
SHORT TERM DISAB. - T & D OPER.	(5.74)	(185.84)	(985.28)	(2,230.00)
SHORT TERM DISAB. - T & D MAINT.	0.00	197.83	1,835.09	2,374.00
SHORT TERM DISAB. - CUSTOMER ACCTS	(30.53)	40.08	167.63	481.00
SHORT TERM DISAB. - ADMIN. & GENERAL	(107.90)	(8.09)	(452.21)	(97.00)
SHORT TERM DISAB. - SEWER	(29.55)	(11.09)	107.08	(133.00)
UNIFORM EXPENSE (PLANT)	0.00	6.41	0.00	77.00
UNIFORM EXPENSE (WATER)	2,083.23	1,645.25	21,775.03	19,743.00
UNIFORM EXPENSE (ADMIN)	0.00	12.25	0.00	147.00
UNIFORM EXPENSE (WW)	303.23	281.33	4,695.79	3,376.00
Employee Expense	600.00	1,199.00	10,095.41	14,388.00
Insurance expense	11,053.59	14,566.41	146,136.37	174,797.00
Water Purchased -Williamson	39,203.72	40,859.83	469,837.51	490,318.00
WATER PURCHASED -PIKEVILLE	55,160.00	60,603.66	701,156.49	727,244.00
Sewage Fees	5,912.18	5,908.41	78,283.77	70,901.00
UTILITY EXPENSE	931.22	592.25	10,530.68	7,107.00
LABORATORY SUPPLIES	1,650.58	651.41	14,200.16	7,817.00
LABORATORY EXPENSE	435.00	344.50	8,755.24	4,134.00
Laboratory Testing Expenses	4,834.00	3,719.08	46,222.22	44,629.00
Laboratory Testing Expense	0.00	1,625.66	45,226.89	19,508.00
CHEMICALS	5,343.52	13,520.83	139,081.22	162,250.00
Chemicals-WW	828.00	4,842.91	53,166.07	58,115.00
SAFETY SUPPLIES	4,325.56	3,335.58	18,377.32	40,027.00
SAFETY SUPPLIES-WW	0.00	734.75	8,594.19	8,817.00
Electrical Expense	137,918.33	120,237.91	1,436,021.30	1,442,855.00
CONTRACT SERVICE - ACCOUNTING	5,660.00	6,126.58	77,590.00	73,519.00
CONTRACT SERVICE - LEGAL	0.00	3,399.16	10,281.18	40,790.00
ENGINEERING	0.00	653.66	5.83	7,844.00
CONTRACT SERVICE-GENERAL	850.00	1,304.08	23,826.43	15,649.00
CONTRACT SERVICES - MANPOWER	22,610.49	5,567.41	177,417.42	66,809.00
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00
AUTO & TRANSPORTATION EXPENSE	13,286.43	10,269.50	157,555.14	123,234.00
ADVERTISING	88.20	240.58	3,841.18	2,887.00
Bad Debts Charged to Expense	0.00	4,166.66	0.00	50,000.00
OTHER LEGAL PSC EXPENSE	0.00	12,500.00	24,138.30	150,000.00
MOBILE PHONE EXPENSE	1,933.37	2,156.50	23,614.85	25,878.00
TELEPHONE/INTERNET	1,268.77	2,490.41	28,789.66	29,885.00
TELEPHONE/INTERNET	261.49	241.33	3,621.19	2,896.00
EDUCATION, DUES, MEETINGS, INSURANCE	3,087.39	4,037.50	37,811.81	48,450.00
EMPLOYEE BENEFIT EXPENSE	0.00	0.25	0.00	3.00
Office Expense	17,873.41	15,038.66	214,829.78	180,464.00
Easements	0.00	8.33	2,970.88	100.00
SETTLEMENT EXPENSES	26,581.33	50.00	27,646.85	600.00
SERVICE FEE EXPENSE	0.00	1,918.75	9,813.07	23,025.00
BANK SERVICE FEES EXP	157.54	0.00	4,709.60	0.00
Worker's Compensation Insurance	0.00	1,985.75	17,896.00	23,829.00
PSC TAX ASSESSMENT	0.00	1,755.41	20,724.79	21,065.00
Retirement Expense	(3,639.56)	49,971.16	558,457.68	599,654.00
MISCELLANEOUS SUPPLIES	35.44	36.08	415.90	433.00
Major Equipment R & M	3,057.12	7,522.41	50,387.46	90,269.00
Major Equipment R & M Sewer	486.16	271.58	3,154.61	3,259.00

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended December 31, 2021 Actual</b>	<b>1 Month Ended December 31, 2021 Budget</b>	<b>12 Months Ended December 31, 2021 Actual</b>	<b>12 Months Ended December 31, 2021 Budget</b>
Hand Tools R & M	3,562.88	3,534.50	15,897.90	42,414.00
Hand Tools R & M Sewer	76.90	147.25	3,633.04	1,767.00
PS/LS R & M	10,767.89	14,118.58	119,630.09	169,423.00
PS/LS R & M Sewer	3,575.25	13,872.25	115,981.23	166,467.00
Vehicle R & M	8,930.28	7,175.58	66,476.56	86,107.00
Vehicle R & M Sewer	0.00	79.25	950.79	951.00
General R & M	39,953.05	49,720.33	366,259.02	596,644.00
General R & M Sewer	526.47	2,625.91	35,488.10	31,511.00
General R & M -Telemetry	0.00	798.33	16,518.74	9,580.00
R & M Leak Det.	0.00	134.00	567.23	1,608.00
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,168.58	12,712.50	14,023.00
INTEREST EXPENSE - TERM DEBT	32,673.59	31,300.00	357,798.70	375,600.00
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	80,383.75	48,420.00
<b>Total Operating Expenses</b>	<u>1,128,174.04</u>	<u>1,130,731.14</u>	<u>12,826,762.14</u>	<u>13,568,777.00</u>
<b>Operating Income (Loss)</b>	<u>(272,654.20)</u>	<u>(226,302.10)</u>	<u>(2,263,806.34)</u>	<u>(2,715,629.00)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>516.37</u>	<u>516.67</u>	<u>3,855.36</u>	<u>6,200.00</u>
<b>Total Other Income (Expenses)</b>	<u>516.37</u>	<u>516.67</u>	<u>3,855.36</u>	<u>6,200.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(272,137.83)</u>	<u>(225,785.43)</u>	<u>(2,259,950.98)</u>	<u>(2,709,429.00)</u>
<b>Net Income (Loss)</b>	<u>\$ (272,137.83)</u>	<u>\$ (225,785.43)</u>	<u>\$ (2,259,950.98)</u>	<u>\$ (2,709,429.00)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
DECEMBER, 2021**

**172** Field maintenance work orders issued during the month of DECEMBER.  
**205** Field maintenance work orders completed during the month of DECEMBER.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	44	52	32	<b>176</b>
FEBRUARY	47	38	45	24	<b>154</b>
MARCH	49	58	65	45	<b>217</b>
APRIL	38	39	42	66	<b>185</b>
MAY	38	44	66	46	<b>194</b>
JUNE	41	32	51	40	<b>164</b>
JULY	39	51	62	56	<b>208</b>
AUGUST	43	40	45	45	<b>173</b>
SEPTEMBER	46	53	63	38	<b>200</b>
OCTOBER	37	77	46	40	<b>200</b>
NOVEMBER	30	41	36	32	<b>139</b>
DECEMBER	45	36	69	55	<b>205</b>
<b>YTD TOTALS</b>	<b>501</b>	<b>553</b>	<b>642</b>	<b>519</b>	<b>2215</b>

**5** New PAID service tap work orders issued during the month of DECEMBER.  
**9** New PAID service tap work orders completed during the month of DECEMBER.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	2	1	0	8	<b>11</b>
FEBRUARY	3	0	0	2	<b>5</b>
MARCH	6	2	1	2	<b>11</b>
APRIL	11	4	1	5	<b>21</b>
MAY	2	2	1	2	<b>7</b>
JUNE	0	3	0	4	<b>7</b>
JULY	2	3	3	3	<b>11</b>
AUGUST	0	1	0	4	<b>5</b>
SEPTEMBER	1	2	2	4	<b>9</b>
OCTOBER	3	0	2	2	<b>7</b>
NOVEMBER	0	3	1	3	<b>7</b>
DECEMBER	4	1	4	0	<b>9</b>
<b>YTD TOTALS</b>	<b>34</b>	<b>22</b>	<b>15</b>	<b>39</b>	<b>110</b>

**WATER**

**87** Water Customer Work Orders completed during the month of DECEMBER.  
**2,895** Delinquent Notices Mailed during the month of DECEMBER.  
**265** Delinquent Work Orders Written Up during the month of DECEMBER.  
**152** Delinquent Accounts Disconnected during the month of DECEMBER.

**SEWER**

35 Sewer Customer Work Orders completed during the month of DECEMBER.

1 Delinquent Work Orders Written Up during the month of DECEMBER.

0 Delinquent Work Orders Disconnected during the month of DECEMBER.

3 Water Delinquent Work Orders Written Up – City of Pikeville Agreement

3 Water Delinquent Accounts Disconnected – City of Pikeville Agreement

3 Water Delinquent Accounts Reconnected – City of Pikeville Agreement

21 Vehicle & equipment maintenance work orders issued during the month of DECEMBER.

20 Vehicle & equipment maintenance work orders completed during the month of DECEMBER.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,499 (16,712 + 787 Multi-Users)
FEBRUARY	17,484 (16,665 + 819 Multi-Users)
MARCH	17,412 (16,601 + 811 Multi-Users)
APRIL	17,446 (16,635 + 811 Multi-Users)
MAY	17,470 (16,655 + 815 Multi-Users)
JUNE	17,494 (16,675 + 819 Multi-Users)
JULY	17,474 (16,655 + 819 Multi-Users)
AUGUST	17,465 (16,652 + 813 Multi-Users)
SEPTEMBER	17,477 (16,663 + 814 Multi-Users)
OCTOBER	17,626 (16,646 + 814 Multi-Users)
NOVEMBER	17,421 (16,609 + 812 Multi-Users)
DECEMBER	17,409 (16,576 + 833 Multi-Users)

**SEWER CUSTOMERS**

JANUARY	2,234
FEBRUARY	2,221
MARCH	2,251
APRIL	2,287
MAY	2,345
JUNE	2,344
JULY	2,352
AUGUST	2,341
SEPTEMBER	2,342
OCTOBER	2,332
NOVEMBER	2,326
DECEMBER	2,314

**DECEMBER 2021**

**WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,409	61,869,240	\$670,113.83	0.56%
<b>SEWER</b>	2,314	8,416,815	\$174,026.30	1.14%
<b>TOTAL BILLED</b>			<b>\$844,140.13</b>	<b>0.47%</b>

3 Sewer taps were completed during the month of DECEMBER.

2 Hydrant work orders were completed during the month of DECEMBER.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **DECEMBER** was **18,281,000** gallons.

**WATERLOSS** due to leaks and breaks was **1,237,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **9,841,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,465,000** gallons.

**WATERLOSS** due to storage tank overflow was **5,000** gallons.

**WATERLOSS** due to customer usage/other was **2,733,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **DECEMBER** was **30,118** gallons for an unaccounted-for loss of **27.31%**.

**Water loss percentage utilizing the PSC form was 28.7%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

38 Work Orders completed for Booster Pump Stations during the month of DECEMBER.

**WATER STORAGE TANK MAINTENANCE:**

1 Work Orders completed for Water Storage Tanks during the month of DECEMBER.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of DECEMBER.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

9 Work Orders completed for Pressure Regulator Stations during the month of DECEMBER.

**TELEMETRY MAINTENANCE:**

3 Work Orders completed for Telemetry during the month of DECEMBER.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

1 Work Orders completed for the Russell Fork Water Plant during the month of DECEMBER.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of DECEMBER.

- **6**- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**2** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of DECEMBER.

**LIFT STATION MAINTENANCE:**

**2** Work Orders completed for Lift Stations excluding regular maintenance during the month of DECEMBER.

**COLLECTION SYSTEM MAINTENANCE:**

**46** Work Orders completed for Collection Systems during the month of DECEMBER.

# **Summary Information from the Financials**

**February 22, 2022**

## **Balance Sheet as of January**

- Cash in Bank is 274,860.35
- Accounts Receivable \$1,060,256.09
- Plant in place is \$167,038,657.87
- Accounts Payable is \$181,235.41
- Equity is \$64,461,187.17

## **Income Statement –January /Year to Date**

- Revenue \$877,037.46
- Utility Operating Expenses \$1,035,294.26
- Income (Loss) \$(196,804.66) /(196,804.66)
- Included in the loss is Depreciation of (\$335,997/ (\$335,997)
- Operating income was negative in the amount of (\$162,211.79) this month.

## **Cash Flow Statement**

- Cash decreased by 94,066.84

## **Additional Comments**

- Our current Operating account balance was \$253,999.48
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$861,966 .and \$870,526 respectively. Our O&M Reserve is \$410,661
- We are going to transfer to the sinking fund \$64,000 to ensure we have money to pay our debt service.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of January 31, 2022 and 2021**

**ASSETS**

	<b>2022</b>	<b>2021</b>
<b>Current Assets</b>		
Cash In Bank	\$ 274,860.35	\$ 395,357.15
Accounts Receivable	1,060,256.09	1,126,480.91
Clearing Accounts	82,353.92	9,075.37
Inventory	279,476.25	279,476.25
Other Current Assets	<u>3,046,657.60</u>	<u>3,411,965.35</u>
<b>Total Current Assets</b>	<u>4,743,604.21</u>	<u>5,222,355.03</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,851,468.46	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	97,834,175.06	97,735,463.98
Water General Plant	5,067,543.84	4,689,165.23
Sewer General Plant	37,444,024.15	37,193,659.29
Construction in Progress	<u>11,633,791.66</u>	<u>8,790,423.81</u>
Total Plant In Service	167,038,657.87	163,458,094.69
Less Accumulated Depreciation	<u>(74,672,843.17)</u>	<u>(70,646,087.26)</u>
<b>Net Capital Assets</b>	<u>92,365,814.70</u>	<u>92,812,007.43</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>92,429,733.88</u>	<u>92,875,926.61</u>
<b>Total Net Assets</b>	<u>\$ 97,173,338.09</u>	<u>\$ 98,098,281.64</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of January 31, 2022 and 2021**

**Liabilities and Net Assets**

	<b>2022</b>	<b>2021</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 181,235.41	\$ 205,454.66
Current Portion Due - Notes Payable	1,363,902.00	1,363,902.00
Customer Deposits	468,635.15	384,407.81
Accrued Payroll and Related Expenses	141,485.59	111,440.90
Accrued Interest - Long Term Debt	<u>270,328.43</u>	<u>166,410.85</u>
<b>Total Current Liabilities</b>	<u>2,425,586.58</u>	<u>2,231,616.22</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	3,872,769.31	4,157,202.30
Notes Payable - Ky Infrastructure Authority	4,100,864.56	4,630,092.37
Notes Payable - Rural Development	9,870,500.00	10,083,900.00
Advances for Construction	6,714,455.59	4,717,732.83
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>31,768,728.46</u>	<u>30,799,066.50</u>
<b>Total Liabilities</b>	<u>34,194,315.04</u>	<u>33,030,682.72</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(196,804.66)	(166,943.29)
Contributions in aid of Construction	57,143,659.26	59,403,652.69
Tap-On-Fees	<u>7,514,332.57</u>	<u>7,385,297.66</u>
<b>Total Net Position</b>	<u>64,461,187.17</u>	<u>66,622,007.06</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended January 31, 2022</b>	<b>1 Month Ended January 31, 2022</b>
<b>Operating Revenue</b>		
	\$ <u>873,037.47</u>	\$ <u>873,037.47</u>
<b>Total Operating Revenue</b>	<u>873,037.47</u>	<u>873,037.47</u>
<b>Operating Expenses</b>		
Water Supply Expense	15,200.74	15,200.74
Water Purchases	101,246.40	101,246.40
Electricity Expense	145,037.88	145,037.88
Repairs & Maintenance - Sewer	4,831.43	4,831.43
Repairs & Maintenance - Water	33,531.36	33,531.36
Transmission & Distribution Expense	93,079.17	93,079.17
Customer Service Expense	37,733.68	37,733.68
Administrator Expense	(210.89)	(210.89)
Sewer Expense	43,430.93	43,430.93
General & Administrative	<u>225,371.96</u>	<u>225,371.96</u>
<b>Total Operating Expenses</b>	699,252.66	699,252.66
Depreciation Expense	<u>335,996.60</u>	<u>335,996.60</u>
<b>Utility Operating Expense</b>	<u>1,035,249.26</u>	<u>1,035,249.26</u>
<b>Utility Operating Income (Loss)</b>	<u>(162,211.79)</u>	<u>(162,211.79)</u>
<b>Non Operating Revenue</b>		
Interest Income	183.05	183.05
Interest Expense	<u>(34,775.92)</u>	<u>(34,775.92)</u>
<b>Total Non Operating Revenue</b>	<u>(34,592.87)</u>	<u>(34,592.87)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (196,804.66)	\$ (196,804.66)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>8,850.00</u>	<u>8,850.00</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>8,850.00</u>	<u>8,850.00</u>
<b>Change in Net Position</b>	<u>(187,954.66)</u>	<u>(187,954.66)</u>
<b>Net Position, beginning of period</b>	<u>64,949,141.83</u>	<u>64,949,141.83</u>
<b>Net Position, end of period</b>	\$ <u><u>64,761,187.17</u></u>	\$ <u><u>64,761,187.17</u></u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 1 Month Ended January 31, 2022**

	<b>1 Month Ended January 31, 2022</b>	<b>1 Month Ended January 31, 2022</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (196,804.66)	\$ (196,804.66)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	335,996.60
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(30,087.49)	(30,087.49)
Other Current Assets	53,325.12	53,325.12
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(39,346.70)	(39,346.70)
Accrued Interest	(247.75)	(247.75)
Advances for Construction	67,920.64	67,920.64
Accrued Liabilities	(42,653.67)	(42,653.67)
Tap on Fees	8,850.00	8,850.00
Customer Deposits	4,558.08	4,558.08
Clearing Accounts	(82,929.31)	(82,929.31)
Total Adjustments	<u>275,385.52</u>	<u>275,385.52</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>78,580.86</u>	<u>78,580.86</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(143,112.75)	(143,112.75)
Construction in Progress	(67,519.67)	(67,519.67)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(210,632.42)</u>	<u>(210,632.42)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	127,750.00	127,750.00
Notes Payable Repayments	(89,765.28)	(89,765.28)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>37,984.72</u>	<u>37,984.72</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	(94,066.84)	(94,066.84)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>368,927.19</u>	<u>368,927.19</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 274,860.35</u>	<u>\$ 274,860.35</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of January 31, 2022 and 2021**

**ASSETS:**

	<b>2022</b>	<b>2021</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 253,999.48	\$ 377,957.21
CTB-MWD Payroll Account	20,540.69	17,079.76
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>274,860.35</b>	<b>395,357.15</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	752,635.99	918,876.12
RECEIVABLE - RETURNED CHECKS	26,764.86	3,965.23
RECEIVABLE - OTHER FEES, ETC..	(63,616.48)	(13,950.35)
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	308,524.49	255,589.91
PROVISION FOR UNCOLLECTIBLES	37,627.00	(38,000.00)
<b>Total Accounts Receivable:</b>	<b>1,060,256.09</b>	<b>1,126,480.91</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	82,353.92	9,075.37
<b>Total Clearing Accounts:</b>	<b>82,353.92</b>	<b>9,075.37</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	196,043.63
BB & T - Sinking Fund	18,310.15	150,416.53
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	141.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	36,476.20
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	32,258.74	34,985.10
CTB - O & M RESERVES	410,660.88	344,287.15
Community Trust Bank - Misc Line Extension	4,900.90	4,896.00
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	9,939.71	25,628.13
CTB - R & M RESERVE	877,346.08	869,874.73
CTB - Dist Wide WW Tap Fees	45,777.80	37,221.61

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of January 31, 2022 and 2021**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Variou Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,837.41	259.00
MWD PHELPS UPGRADE ACCT.	71,437.62	10,516.98
CTB- Recycling Revenue Acct.	2,625.96	38,414.90
MWD DEPRECIATION RESERVE ACCOUNT	862,091.83	861,153.07
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	3,568.49	0.07
CTB-MWD Escrow Account	100.00	16,945.94
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	0.00	276,386.43
New Customer Deposit Acct.	376,769.77	405,949.73
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,046,657.60</b>	<b>3,411,965.35</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of January 31, 2022 and 2021**

**LIABILITIES:**

	<b>2022</b>	<b>2021</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	11,862.92
FEDERAL INCOME TAX WITHHELD	2,883.44	2,883.44
KY INCOME TAX WITHHELD	21,470.60	14,547.20
ACCRUED FUTA	3,799.73	1,397.04
Accrued CERS	56,993.75	51,064.70
Accrued County Withheld	1,886.51	2,550.40
ACCRUED GARNISHMENT WTH	1,641.64	1,549.33
TAXES COLLECTED ON CUST. BILLS	40,947.00	25,585.87
<b>Total Employee Related Payables</b>	<b>141,485.59</b>	<b>111,440.90</b>

**Other Current Liabilities:**

\_\_\_\_\_

**Notes Payable:**

Created while posting txs	343.79	0.00
Note Payable Ky. Rural Water	3,178,293.64	3,494,857.71
US Bank Big Creek Water Loan	14,348.86	56,550.09
#154 fORD f250 2017	0.00	4,775.46
# 155 CTB	2,749.52	6,599.99
CTB V# 156	902.26	8,102.54
CTB V # 157 2018 GMC Sierra	995.87	8,470.40
CTB 158 & 159	10,850.24	24,945.47
WELLS FARGO MINI EXCAVATOR	1,964.37	3,958.63
CTB # 161	0.00	13,596.12
CTB- 160	0.00	26,936.93
CTB -162	14,897.79	20,958.61
CTB- #163 2019 Ford 350	34,495.05	49,103.20
#165 Ford F-250 2021	23,965.08	31,913.51
#164 2021 Ford F-250	24,626.86	31,913.51
#166	23,955.08	31,913.51
CTB-# 167 Chevrolet Silverado 2500	33,120.54	0.00
CTB- #169 2019 Toytoa Tacoma	28,251.44	0.00
CTB- 2016 F150	27,959.72	0.00
CTB-2021 Ford F350	56,578.93	0.00
CTB- 168 2017 Toyota	28,229.34	0.00
CTB- 2021 John Deer Mini excavator	50,490.00	0.00
CTB-LN OF COMMITMENT - FEMA REC	211,034.39	211,034.39
CTB-Boom Truck # CTO-02	0.00	1,365.65
CTB AEP Line of credit	90,465.74	115,106.14
Kobelco mini excavator	0.00	15,100.44
2017 Takeunchi Skid Steer	14,250.80	0.00
<b>Total Notes Payable</b>	<b>3,872,769.31</b>	<b>4,157,202.30</b>

**Notes Payable - Ky Infrastructure Authority:**

KIA LOAN B291-07 MULTI AREA	499,673.84	738,925.83
KIA LOAN B291-01 INDIAN CREEK	33,058.77	48,864.27
KIA LOAN F01-07 WATER PLANT	174,116.64	241,608.38
KIA LOAN A03-06 SO WMSN III	30,106.18	39,943.95
KIA Shelby III Phase II	183,551.24	201,879.87

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of January 31, 2022 and 2021**

KIA-A16-079 Grinder St	243,050.47	257,296.15
KIA-Douglas WWTP	2,937,307.42	3,101,573.92
	4,100,864.56	4,630,092.37

**Total Notes Payable - Ky Infrastructure Authority**

**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	542,000.00	553,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,091,900.00
RD Belfry WW	3,584,500.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,325,000.00
RD Bond - Shelby Sewer Project	565,000.00	580,000.00
RD Bond - 91-01 Phelps Sewer	316,000.00	325,000.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	556,000.00
	9,870,500.00	10,083,900.00

**Total Notes Payable - Rural Development**

**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
	113,094,523.90	113,094,523.90

**Total Contributions in Aid of Construction**

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of January 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,518,699.33</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	4,851,468.46	4,841,727.68
Less: Accumulated Depreciation	<u>(2,975,933.22)</u>	<u>(2,633,947.78)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,875,535.24</b>	<b>\$ 2,207,779.90</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,768,743.10)</u>	<u>(3,494,739.86)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,438,911.60</b>	<b>\$ 6,712,914.84</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,959,606.55	6,905,650.49
WATER METERS & INSTALLATIONS	7,667,566.05	7,622,811.03
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	97,834,175.06	97,735,463.98
Less: Accumulated Depreciation	<u>(49,502,302.36)</u>	<u>(47,378,208.84)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 48,331,872.70</b>	<b>\$ 50,357,255.14</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,698,920.00	1,469,980.49
TOOLS, SHOP & GARAGE EQUIPMENT	340,226.91	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	443,348.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	5,067,543.84	4,689,165.23
Less: Accumulated Depreciation	<u>(4,094,200.06)</u>	<u>(3,793,304.51)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 973,343.78</b>	<b>\$ 895,860.72</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,192,018.11
SEWER SERVICES	491,461.79	437,263.93
SEWER METERS & INSTALLATIONS	884,925.86	730,458.94
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,444,024.15	37,193,659.29
Less: Accumulated Depreciation	<u>(14,159,642.94)</u>	<u>(13,173,864.78)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,284,381.21</b>	<b>\$ 24,019,794.51</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of January 31, 2022 and 2021**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 2,022,339.14	\$ 997,528.63
CIP-MATERIALS & SUPPLIES	156,930.34	13,744.04
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>9,282,500.69</u>	<u>7,607,129.65</u>
Total Construction in Progress	11,633,791.66	8,790,423.81
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 11,461,770.17</b>	<b>\$ 8,618,402.32</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,365,814.70</u></b>	<b><u>\$ 92,812,007.43</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended January 31, 2022</b>	<b>1 Month Ended January 31, 2022</b>
<b>Water Supply Expense:</b>		
WATER TREATMENT LABOR - OPERATIONS	12,625.35	12,625.35
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,712.58
DENTAL INSURANCE - WTP OPERATIONS	(14.10)	(14.10)
VISION INSURANCE - PUMPING OPER.	(5.90)	(5.90)
VISION INSURANCE - WTP OPER.	1.84	1.84
LIFE INSURANCE - PUMPING OPER.	(221.24)	(221.24)
LIFE INSURANCE - WTP OPER.	67.61	67.61
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	(60.40)
SHORT TERM DISAB. - WTP OPER.	(3.64)	(3.64)
UNIFORM EXPENSE (PLANT)	98.64	98.64
<b>Total Water Supply Expenses</b>	<b>15,200.74</b>	<b>15,200.74</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	46,086.40	46,086.40
WATER PURCHASED -PIKEVILLE	55,160.00	55,160.00
<b>Total Water Purchases Expenses</b>	<b>101,246.40</b>	<b>101,246.40</b>
<b>Electricity Expense:</b>		
Electrical Expense	145,037.88	145,037.88
<b>Total Electricity Expenses</b>	<b>145,037.88</b>	<b>145,037.88</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	379.46	379.46
Hand Tools R & M Sewer	87.51	87.51
PS/LS R & M Sewer	3,647.94	3,647.94
Vehicle R & M Sewer	175.00	175.00
General R & M Sewer	541.52	541.52
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>4,831.43</b>	<b>4,831.43</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	1,960.11	1,960.11
Hand Tools R & M	4,007.15	4,007.15
PS/LS R & M	16,260.05	16,260.05
Vehicle R & M	4,734.52	4,734.52
General R & M	6,189.53	6,189.53
General R & M -Telemetry	380.00	380.00
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>33,531.36</b>	<b>33,531.36</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	72,079.87	72,079.87
T & D LABOR - MAINTENANCE	1,509.60	1,509.60
HEALTH INSURANCE - T & D OPERATIONS	17,628.10	17,628.10
DENTAL INSURANCE - T & D OPERATIONS	(273.18)	(273.18)
VISION INSURANCE - T & D OPER.	89.93	89.93
LIFE INSURANCE - T & D OPER.	581.73	581.73
SHORT TERM DISAB. - T & D OPER.	34.32	34.32

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended January 31, 2022</b>	<b>1 Month Ended January 31, 2022</b>
SHORT TERM DISAB. - T & D MAINT.	(10.76)	(10.76)
UNIFORM EXPENSE (WATER)	1,439.56	1,439.56
<b>Total Transmission &amp; Distribution Expenses</b>	<b>93,079.17</b>	<b>93,079.17</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,721.74	21,721.74
ADMIN. & GENERAL LABOR	10,160.75	10,160.75
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	5,921.90
DENTAL INSURANCE - CUST. ACCOUNTS	(127.64)	(127.64)
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	(15.72)
LIFE INSURANCE - CUSTOMER ACCTS	64.14	64.14
SHORT TERM DISAB. - CUSTOMER ACCTS	8.51	8.51
<b>Total Customer Service Expenses</b>	<b>37,733.68</b>	<b>37,733.68</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	(139.46)	(139.46)
SHORT TERM DISAB. - ADMIN. & GENERAL	(71.43)	(71.43)
<b>Total Administrator Expenses</b>	<b>(210.89)</b>	<b>(210.89)</b>
<b>Sewer Expense:</b>		
SEWER LABOR	29,702.91	29,702.91
HEALTH INSURANCE - SEWER	4,747.80	4,747.80
DENTAL INSURANCE - SEWER	(97.10)	(97.10)
VISION INSURANCE - SEWER	(11.48)	(11.48)
LIFE INSURANCE - SEWER	213.97	213.97
SHORT TERM DISAB. - SEWER	29.30	29.30
UNIFORM EXPENSE (WW)	278.35	278.35
Sewage Fees	6,097.58	6,097.58
Chemicals-WW	2,469.60	2,469.60
<b>Total Sewer Expenses</b>	<b>43,430.93</b>	<b>43,430.93</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	(23.40)	(23.40)
PAYROLL TAXES - FICA & U.C.	15,036.31	15,036.31
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00
COMPENSATION - ADMINISTRATOR	38,478.62	38,478.62
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,600.95
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(12.52)
LIFE INSURANCE - ADMIN. & GENERAL	276.96	276.96
Employee Expense	445.00	445.00
Insurance expense	9,018.87	9,018.87
LABORATORY SUPPLIES	1,126.15	1,126.15
Laboratory Testing Expenses	4,086.75	4,086.75
Laboratory Testing Expense	3,251.75	3,251.75
CHEMICALS	1,392.00	1,392.00
SAFETY SUPPLIES	1,056.78	1,056.78
CONTRACT SERVICES -ENGINEERING	3,892.50	3,892.50
CONTRACT SERVICE - ACCOUNTING	3,575.00	3,575.00
CONTRACT SERVICE - LEGAL	2,103.75	2,103.75
CONTRACT SERVICE-GENERAL	650.00	650.00
CONTRACT SERVICES -MANPOWER	16,018.90	16,018.90

No assurance is provided by the auditor on the financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended January 31, 2022</b>	<b>1 Month Ended January 31, 2022</b>
CONTRACT MGMNT EXP ASSUMED	8,855.55	8,855.55
AUTO & TRANSPORTATION EXPENSE	16,198.26	16,198.26
ADVERTISING	88.20	88.20
MOBILE PHONE EXPENSE	2,192.33	2,192.33
TELEPHONE/INTERNET	3,532.27	3,532.27
TELEPHONE/INTERNET	423.23	423.23
EDUCATION, DUES, MEETINGS, INSURANCE	3,839.89	3,839.89
Office Expense	23,749.61	23,749.61
BANK SERVICE FEES EXP	121.80	121.80
Worker's Compensation Insurance	11,930.00	11,930.00
Retirement Expense	46,806.01	46,806.01
MISCELLANEOUS SUPPLIES	35.44	35.44
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,125.00
<b>Total General &amp; Administrative Expenses</b>	<u>225,371.96</u>	<u>225,371.96</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended January 31, 2022</b>	<b>1 Month Ended January 31, 2022</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 561,482.16	\$ 561,482.16
METERED SALES - COMMERCIAL	54,800.27	54,800.27
METERED SALES - INDUSTRIAL	4,111.72	4,111.72
METERED SALES - PUBLIC AUTH.	33,248.99	33,248.99
METERED SALES - MULTI FAMILY	25,082.87	25,082.87
FIRE PROTECTION REVENUE	125.00	125.00
CUSTOMER LATE PAYMENT CHARGES	15,691.98	15,691.98
OTHER WATER SERVICE REVENUE	79.94	79.94
SERVICE CONNECTION FEES	13,360.00	13,360.00
SERVICE CONNECTION FEES FOR WASTE WATER	(1,140.00)	(1,140.00)
SEWER REVENUE -RESIDENTIAL	130,858.94	130,858.94
SEWER REVENUE - COMMERCIAL	35,335.60	35,335.60
<b>Total Operating Revenue</b>	<b>873,037.47</b>	<b>873,037.47</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

## MOUNTAIN WATER DISTRICT Statement of Revenues, Expenses and Changes in Fund Net Assets Most Recent 12 Months

	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 546,998.59	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 539,789.70	\$ 561,482.16	\$6,776,304.30
METERED SALES - COMMERCIAL	31,350.58	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	52,467.77	54,800.27	571,173.00
METERED SALES - INDUSTRIAL	5,091.92	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	4,111.72	58,712.86
METERED SALES - PUBLIC AUTH.	29,927.94	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	33,248.99	391,940.97
METERED SALES - MULTI FAMILY	24,729.17	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	25,082.87	302,707.80
FIRE PROTECTION REVENUE	125.00	125.00	125.00	125.00	125.00	125.00	125.00	150.00	125.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	0.00	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	15,691.98	167,000.36
OTHER WATER SERVICE REVENUE	(143.14)	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	153.43	79.94	56,601.85
SERVICE CONNECTION FEES	10,310.00	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	13,360.00	184,708.44
SEWER CONNECTION FEES FOR WASTE WATER	0.00	0.00	0.00	30.00	60.00	0.00	30.00	0.00	0.00	0.00	60.00	(1,140.00)	(960.00)
SEWER REVENUE - RESIDENTIAL	123,315.57	119,119.00	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	131,843.95	130,858.94	1,608,445.19
SEWER REVENUE - COMMERCIAL	32,038.61	33,400.94	36,641.66	39,515.77	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	35,335.60	447,710.68
<b>Total Sales</b>	<u>803,744.24</u>	<u>870,054.12</u>	<u>859,927.63</u>	<u>893,022.61</u>	<u>938,388.78</u>	<u>944,929.18</u>	<u>906,872.15</u>	<u>899,266.21</u>	<u>874,988.30</u>	<u>846,119.92</u>	<u>855,519.84</u>	<u>873,037.47</u>	<u>10,565,870.00</u>
<b>Gross Profit</b>	<u>803,744.24</u>	<u>870,054.12</u>	<u>859,927.63</u>	<u>893,022.61</u>	<u>938,388.78</u>	<u>944,929.18</u>	<u>906,872.15</u>	<u>899,266.21</u>	<u>874,988.30</u>	<u>846,119.92</u>	<u>855,519.84</u>	<u>873,037.47</u>	<u>10,565,870.00</u>
<b>Operating Expenses</b>													
Undistributed	0.00	0.00	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	132.38	(23.40)	4,882.30
DEPRECIATION EXPENSE	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,046,181.04
DEPRECIATION EXPENSE - SEWER	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	985,778.16
PAYROLL TAXES - FICA & U.C.	13,773.53	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,785.55	12,638.93	12,638.13	19,933.63	15,036.31	170,617.01
PUMPING LABOR - OPERATIONS	33.22	0.00	0.00	0.00	0.00	0.00	0.00	288.00	0.00	0.00	0.00	0.00	321.22
WATER TREATMENT LABOR - OPERATIONS	6,228.68	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	12,625.35	148,591.49
T & D LABOR - OPERATIONS	67,781.46	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,109.65	72,079.87	852,520.81
T & D LABOR - MAINTENANCE	6,342.65	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	1,509.60	32,853.53
CUSTOMER ACCOUNTS LABOR	24,256.20	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	21,721.74	286,383.64
ADMIN. & GENERAL LABOR	9,799.31	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	15,245.14	10,160.75	129,369.43
SEWER LABOR	28,990.59	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	44,681.14	29,702.91	375,204.81
COMP COMMISSIONERS - AUTO DIST	2,000.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	2,500.00	27,300.00
COMPENSATION - ADMINISTRATOR	31,737.70	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	38,478.62	418,530.42
HEALTH INSURANCE - PUMPING OPERATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16	0.00	6,960.16
HEALTH INSURANCE - WTP OPERATIONS	2,363.12	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,075.47	2,712.58	28,667.38
HEALTH INSURANCE - T & D OPERATIONS	15,422.84	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,494.03	17,628.10	194,489.34
HEALTH INSURANCE - T & D MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82.42	0.00	0.00	82.42
HEALTH INSURANCE - CUSTOMER ACCOUNTS	(600.22)	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	5,921.90	43,200.88

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	3,600.95	35,702.68
DENTAL INSURANCE - SEWER	6,068.42	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	4,747.80	56,425.46
DENTAL INSURANCE - WTP OPERATIONS	85.01	25.73	85.01	25.78	85.01	77.96	85.01	85.01	85.01	85.01	157.31	(14.10)	867.75
DENTAL INSURANCE - T & D OPERATIONS	531.33	590.61	531.33	412.92	516.70	290.92	477.71	454.04	482.86	388.88	1,402.66	(273.18)	5,806.78
DENTAL INSURANCE - T & D MAINT	(10.74)	(10.74)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(21.48)
DENTAL INSURANCE - CUST. ACCOUNTS	245.14	245.14	245.14	245.14	245.14	154.86	284.82	144.20	226.19	(128.26)	457.13	(127.64)	2,237.00
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	191.66	191.66	191.66	191.66	121.93	191.66	3,774.70	191.66	191.66	397.88	(139.46)	5,688.33
DENTAL INSURANCE - SEWER	172.80	196.23	196.23	176.47	196.23	134.97	387.02	162.68	221.96	241.72	452.66	(97.10)	2,441.87
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.95)	(8.85)	(5.90)	(17.70)
VISION INSURANCE - T & D OPER.	1.35	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	1.84	(17.54)
VISION INSURANCE - T & D OPER. ACCOUNTS	67.97	54.34	80.72	42.76	73.69	(25.31)	44.38	2.19	39.92	31.68	(46.96)	89.93	455.31
VISION INSURANCE - CUST. ACCOUNTS	4,708.45	74.15	26.87	26.87	112.49	(23.11)	26.87	26.87	35.12	4.48	(36.36)	(15.72)	4,966.98
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(12.52)	(378.72)
VISION INSURANCE - SEWER	19.76	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(11.48)	(164.02)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(221.24)	(641.24)
LIFE INSURANCE - WTP OPER.	60.95	89.22	82.94	71.69	156.38	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	67.61	695.46
LIFE INSURANCE - T & D OPER.	(36.89)	(185.40)	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	438.12	581.73	1,601.18
LIFE INSURANCE - T & D MAINT.	570.75	947.82	698.96	(15.39)	1,476.65	0.00	645.74	573.98	664.21	(41.20)	0.00	0.00	5,521.52
LIFE INSURANCE - CUSTOMER ACCTS	243.42	365.61	281.13	269.70	645.42	(192.98)	303.65	242.42	311.64	(212.88)	215.92	64.14	2,537.19
LIFE INSURANCE - ADMIN. & GENERAL	148.48	252.94	(216.92)	179.81	478.16	(187.14)	189.14	180.81	198.47	(145.83)	218.39	276.96	1,573.27
LIFE INSURANCE - SEWER	137.72	240.29	214.68	192.26	506.17	(146.40)	220.44	210.07	201.52	(125.03)	159.07	213.97	2,024.76
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	36.88	0.00	0.00	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(60.40)	(144.32)
SHORT TERM DISAB. - WTP OPER.	2.51	8.77	45.97	11.69	53.92	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	(3.64)	66.49
SHORT TERM DISAB. - T & D OPER.	(246.50)	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(5.74)	34.32	(690.71)
SHORT TERM DISAB. - T & D MAINT.	208.31	198.50	209.77	209.77	363.06	(10.50)	190.71	93.25	173.11	(3.50)	0.00	(10.76)	1,621.72
SHORT TERM DISAB. - CUSTOMER ACCTS	41.05	17.96	73.64	40.40	189.33	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	8.51	203.10
SHORT TERM DISAB. - ADMIN. & GENERAL	46.28	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(71.43)	(423.92)
SHORT TERM DISAB. - SEWER	2.03	8.02	99.16	41.33	191.16	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	29.30	190.95
UNIFORM EXPENSE (PLANT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98.64	98.64
UNIFORM EXPENSE (WATER)	1,518.80	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	1,439.56	21,943.68
UNIFORM EXPENSE (VWV)	217.02	375.71	442.85	316.08	482.93	760.84	375.67	515.93	318.99	366.87	303.23	278.35	4,754.47
Employee Expense	249.50	621.70	150.00	428.00	255.99	660.20	748.39	681.80	3,643.50	415.19	600.00	445.00	8,899.27
Insurance expense	6,753.84	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	9,018.87	155,021.24
Water Purchased - Williamson	38,273.72	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	46,086.40	479,722.66
WATER PURCHASED - PIKEVILLE	45,447.90	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	55,160.00	695,423.79
Sewage Fees	11,527.51	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	6,097.58	73,542.40

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	Total
UTILITY EXPENSE	1,568.70	454.16	1,081.22	881.22	881.22	0.00	0.00	881.22	1,859.07	1,081.22	931.22	0.00	9,619.25
LABORATORY SUPPLIES	71.55	1,294.21	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	1,126.15	13,936.97
LABORATORY EXPENSE	289.81	1,283.94	661.80	0.00	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	0.00	7,312.82
Laboratory Testing Expenses	599.00	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.00	4,086.75	43,213.22
Laboratory Testing Expenses	7,545.30	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	3,251.75	39,916.64
CHEMICALS	0.00	16,183.78	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	1,392.00	137,954.00
Chemicals-WW	5,406.00	11,263.17	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	2,469.60	55,635.67
SAFETY SUPPLIES	295.57	2,159.89	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	1,056.78	17,577.32
SAFETY SUPPLIES-WW	1,873.51	309.40	0.00	176.54	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	0.00	8,520.67
Electrical Expense	146,245.49	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	145,037.88	1,460,923.04
CONTRACT SERVICES -ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,892.50
CONTRACT SERVICE - ACCOUNTING	3,024.00	2,438.00	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	3,575.00	76,941.00
CONTRACT SERVICE - LEGAL	0.00	2,722.50	0.00	0.00	0.00	0.00	0.00	0.00	7,558.68	0.00	0.00	2,103.75	12,384.93
ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83	0.00	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	3,573.37	7,732.49	850.00	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	650.00	22,879.80
CONTRACT SERVICES - MANPOWER	3,909.68	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	22,610.49	16,018.90	193,436.32
CONTRACT MGMT EXP ASSUMED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,855.55	8,855.55
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	9,494.08	23,022.07	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	16,198.26	162,418.33
ADVERTISING	453.60	1,024.38	355.32	630.08	0.00	466.20	464.30	0.00	207.90	151.20	88.20	88.20	3,929.38
OTHER LEGAL PSC EXPENSE	537.00	17,074.50	537.00	3,841.80	537.00	537.00	537.00	0.00	0.00	0.00	0.00	0.00	23,601.30
MOBILE PHONE EXPENSE	1,980.64	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	2,192.33	23,979.87
TELEPHONE/INTERNET	2,547.32	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	3,532.27	29,539.15
TELEPHONE/INTERNET	272.81	107.95	273.55	878.30	0.00	240.82	262.82	200.58	425.03	425.03	261.49	423.23	3,771.61
EDUCATION, DUES, MEETINGS, INSURANCE	1,646.55	1,278.41	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	3,839.89	38,724.93
Office Expense	17,478.17	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	15,035.38	13,118.74	17,873.41	23,749.61	216,386.90
Esasements	545.88	25.00	0.00	0.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	2,970.88
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	1,065.52	0.00	0.00	0.00	0.00	0.00	26,581.33	0.00	27,646.85
SERVICE FEE EXPENSE	20.63	1.10	0.00	22.00	6,505.53	56.00	78.47	3,076.84	28.00	24.50	0.00	0.00	9,813.07
BANK SERVICE FEES EXP	630.45	2,641.27	141.36	129.23	132.59	134.90	162.50	148.50	116.86	153.77	157.54	121.80	4,670.77
Worker's Compensation Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,931.00	5,965.00	0.00	11,930.00	29,826.00
PSC TAX ASSESSMENT	0.00	0.00	0.00	0.00	20,724.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	62,671.44	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	46,806.01	568,159.34
MISCELLANEOUS SUPPLIES	35.44	26.58	35.44	8.86	26.58	44.30	26.58	96.94	35.44	17.72	35.44	35.44	424.76
Major Equipment R & M	1,587.67	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	3,057.12	1,960.11	50,750.42
Major Equipment R & M Sewer	190.00	959.42	79.35	373.76	533.30	0.00	374.29	0.00	31.48	0.00	486.16	379.46	3,407.22
Hand Tools R & M	69.97	349.22	1,742.29	1,283.41	776.48	460.91	1,417.39	1,711.42	1,587.91	1,488.14	3,562.88	4,007.15	18,457.17
Hand Tools R & M Sewer	820.12	99.98	98.94	57.87	221.20	346.49	0.00	697.76	591.12	266.69	76.90	87.51	3,364.58
PS/LS R & M	1,743.63	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	10,767.89	16,260.05	120,767.41
PS/LS R & M Sewer	0.00	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	3,575.25	3,647.94	117,464.34
Vehicle R & M	3,622.91	11,378.96	2,471.38	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	8,930.28	4,734.52	66,943.86
Vehicle R & M Sewer	153.74	205.43	895.95	0.00	0.00	0.00	0.00	0.00	0.00	99.30	0.00	175.00	1,125.79

Vehicle R & M Sewer is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	02/28/21	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	Total
General R & M	22,161.23	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	39,953.05	6,189.53	366,838.36
General R & M Sewer	662.80	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	526.47	541.52	34,276.90
General R & M -Telemetry	0.00	0.00	40.68	1,287.00	2,199.91	1,500.00	1,659.03	6,610.92	2,021.20	0.00	0.00	380.00	15,698.74
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	567.23	0.00	0.00	0.00	0.00	567.23
SUPPLIES & EXPENSES TREATMENT (WW)	1,237.50	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,125.00	12,712.50
INTEREST EXPENSE - TERM DEBT	30,892.22	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	32,673.59	30,740.92	358,651.76
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	4,035.00	4,035.00	80,383.75
<b>Total Operating Expenses</b>	<u>1,004,447.95</u>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,128,174.04</u>	<u>1,070,025.18</u>	<u>12,859,471.38</u>
<b>Operating Income (Loss)</b>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(2,293,601.38)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(200,703.71)</u>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(2,293,601.38)</u>
<b>Net Income (Loss)</b>	<u>\$ (200,703.71)</u>	<u>\$ (246,643.04)</u>	<u>\$ (164,917.98)</u>	<u>\$ (89,157.60)</u>	<u>\$ (111,760.56)</u>	<u>\$ (187,482.39)</u>	<u>\$ (154,030.68)</u>	<u>\$ (276,292.60)</u>	<u>\$ (180,648.48)</u>	<u>\$ (212,322.43)</u>	<u>\$ (272,654.20)</u>	<u>\$ (196,987.71)</u>	<u>\$ (2,293,601.38)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	1 Month Ended January 31, 2022 Actual	1 Month Ended January 31, 2022 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 561,482.16	\$ 564,788.50	\$ (3,306.34)
METERED SALES - COMMERCIAL	54,800.27	47,965.01	6,835.26
METERED SALES - INDUSTRIAL	4,111.72	4,895.25	(783.53)
METERED SALES - PUBLIC AUTH.	33,248.99	33,100.00	148.99
METERED SALES - MULTI FAMILY	25,082.87	25,078.88	3.99
FIRE PROTECTION REVENUE	125.00	116.63	8.37
CUSTOMER LATE PAYMENT CHARGES	15,691.98	15,489.00	202.98
OTHER WATER SERVICE REVENUE	79.94	5,239.75	(5,159.81)
SERVICE CONNECTION FEES	13,360.00	13,120.50	239.50
SERVICE CONNECTION FEES FOR WASTE WATER	(1,140.00)	18.51	(1,158.51)
SEWER REVENUE -RESIDENTIAL	130,858.94	135,751.01	(4,892.07)
SEWER REVENUE - COMMERCIAL	35,335.60	36,982.63	(1,647.03)
<b>Total Sales</b>	<u>873,037.47</u>	<u>882,545.67</u>	<u>(9,508.20)</u>
<b>Gross Profit</b>	<u>873,037.47</u>	<u>882,545.67</u>	<u>(9,508.20)</u>
<b>Operating Expenses</b>			
Undistributed	(23.40)	0.00	(23.40)
DEPRECIATION EXPENSE	253,848.42	247,999.74	5,848.68
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.74	(2,756.56)
PAYROLL TAXES - FICA & U.C.	15,036.31	16,263.99	(1,227.68)
WATER TREATMENT LABOR - OPERATIONS	12,625.35	12,411.75	213.60
T & D LABOR - OPERATIONS	72,079.87	80,560.74	(8,480.87)
T & D LABOR - MAINTENANCE	1,509.60	4,406.99	(2,897.39)
CUSTOMER ACCOUNTS LABOR	21,721.74	28,640.87	(6,919.13)
ADMIN. & GENERAL LABOR	10,160.75	12,413.37	(2,252.62)
SEWER LABOR	29,702.91	35,173.37	(5,470.46)
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00	0.00
COMPENSATION - ADMINISTRATOR	38,478.62	39,724.62	(1,246.00)
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,648.37	64.21
HEALTH INSURANCE - T & D OPERATIONS	17,628.10	23,103.50	(5,475.40)
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.99	(3.99)
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	4,137.75	1,784.15
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,250.74	350.21
HEALTH INSURANCE - SEWER	4,747.80	4,884.37	(136.57)
DENTAL INSURANCE - WTP OPERATIONS	(14.10)	70.75	(84.85)
DENTAL INSURANCE - T & D OPERATIONS	(273.18)	473.49	(746.67)
DENTAL INSURANCE - CUST. ACCOUNTS	(127.64)	229.25	(356.89)
DENTAL INSURANCE - ADMIN. & GENERAL	(139.46)	478.62	(618.08)
DENTAL INSURANCE - SEWER	(97.10)	188.50	(285.60)
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(6.90)
VISION INSURANCE - WTP OPER.	1.84	41.49	(39.65)
VISION INSURANCE - T & D OPER.	89.93	0.00	89.93
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	371.49	(387.21)
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	0.00	(12.52)
VISION INSURANCE - SEWER	(11.48)	0.00	(11.48)
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(221.24)
LIFE INSURANCE - WTP OPER.	67.61	69.87	(2.26)
LIFE INSURANCE - T & D OPER.	581.73	479.00	102.73
LIFE INSURANCE - CUSTOMER ACCTS	64.14	215.24	(151.10)
LIFE INSURANCE - ADMIN. & GENERAL	276.96	148.62	128.34
LIFE INSURANCE - SEWER	213.97	184.50	29.47
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	4.74	(65.14)
SHORT TERM DISAB. - WTP OPER.	(3.64)	8.74	(12.38)
SHORT TERM DISAB. - T & D OPER.	34.32	0.00	34.32

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	1 Month Ended January 31, 2022 Actual	1 Month Ended January 31, 2022 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.74	(59.50)
SHORT TERM DISAB. - CUSTOMER ACCTS	8.51	10.75	(2.24)
SHORT TERM DISAB. - ADMIN. & GENERAL	(71.43)	0.00	(71.43)
SHORT TERM DISAB. - SEWER	29.30	18.75	10.55
UNIFORM EXPENSE (PLANT)	98.64	0.00	98.64
UNIFORM EXPENSE (WATER)	1,439.56	1,927.62	(488.06)
UNIFORM EXPENSE (WW)	278.35	388.24	(109.89)
Employee Expense	445.00	1,219.50	(774.50)
Insurance expense	9,018.87	7,469.99	1,548.88
Water Purchased -Williamson	46,086.40	38,304.37	7,782.03
WATER PURCHASED -PIKEVILLE	55,160.00	56,686.24	(1,526.24)
Sewage Fees	6,097.58	7,000.00	(902.42)
UTILITY EXPENSE	0.00	808.24	(808.24)
LABORATORY SUPPLIES	1,126.15	962.75	163.40
LABORATORY EXPENSE	0.00	600.12	(600.12)
Laboratory Testing Expenses	4,086.75	3,956.49	130.26
Laboratory Testing Expense	3,251.75	4,032.75	(781.00)
CHEMICALS	1,392.00	12,794.12	(11,402.12)
Chemicals-WW	2,469.60	5,670.00	(3,200.40)
SAFETY SUPPLIES	1,056.78	1,232.50	(175.72)
SAFETY SUPPLIES-WW	0.00	622.87	(622.87)
Electrical Expense	145,037.88	115,076.00	29,961.88
CONTRACT SERVICES -ENGINEERING	3,892.50	0.00	3,892.50
CONTRACT SERVICE - ACCOUNTING	3,575.00	6,712.49	(3,137.49)
CONTRACT SERVICE - LEGAL	2,103.75	2,527.87	(424.12)
CONTRACT SERVICE-GENERAL	650.00	2,035.50	(1,385.50)
CONTRACT SERVICES - MANPOWER	16,018.90	0.00	16,018.90
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	16,198.26	15,000.00	1,198.26
ADVERTISING	88.20	308.62	(220.42)
MOBILE PHONE EXPENSE	2,192.33	1,959.62	232.71
TELEPHONE/INTERNET	3,532.27	1,745.49	1,786.78
TELEPHONE/INTERNET	423.23	278.75	144.48
EDUCATION, DUES, MEETINGS, INSURANCE	3,839.89	4,000.00	(160.11)
Office Expense	23,749.61	19,280.75	4,468.86
Easements	0.00	200.00	(200.00)
SERVICE FEE EXPENSE	0.00	1,671.49	(1,671.49)
BANK SERVICE FEES EXP	121.80	395.25	(273.45)
Worker's Compensation Insurance	11,930.00	5,763.24	6,166.76
PSC TAX ASSESSMENT	0.00	1,727.12	(1,727.12)
Retirement Expense	46,806.01	55,047.75	(8,241.74)
MISCELLANEOUS SUPPLIES	35.44	36.12	(0.68)
Major Equipment R & M	1,960.11	3,672.37	(1,712.26)
Major Equipment R & M Sewer	379.46	235.75	143.71
Hand Tools R & M	4,007.15	1,134.49	2,872.66
Hand Tools R & M Sewer	87.51	304.75	(217.24)
PS/LS R & M	16,260.05	10,968.75	5,291.30
PS/LS R & M Sewer	3,647.94	10,107.74	(6,459.80)
Vehicle R & M	4,734.52	5,420.49	(685.97)
Vehicle R & M Sewer	175.00	75.25	99.75
General R & M	6,189.53	61,994.87	(55,805.34)
General R & M Sewer	541.52	3,453.74	(2,912.22)
General R & M -Telemetry	380.00	1,459.24	(1,079.24)
R & M Leak Det.	0.00	50.12	(50.12)
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,122.99	2.01
<b>Total Operating Expenses</b>	<u>1,035,249.26</u>	<u>1,083,514.85</u>	<u>(48,265.59)</u>

**MOUNTAIN WATER DISTRICT  
Income Statement**

	1 Month Ended January 31, 2022 Actual	1 Month Ended January 31, 2022 Budget	Over/(Under) Budget
<b>Operating Income (Loss)</b>	<u>(162,211.79)</u>	<u>(200,969.18)</u>	<u>38,757.39</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	183.05	328.13	(145.08)
INTEREST EXPENSE - TERM DEBT	(30,740.92)	(17,531.50)	(13,209.42)
INTEREST EXPENSE - TERM DEBT	<u>(4,035.00)</u>	<u>(7,438.00)</u>	<u>3,403.00</u>
<b>Total Other Income (Expenses)</b>	<u>(34,592.87)</u>	<u>(24,641.37)</u>	<u>(9,951.50)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(196,804.66)</u>	<u>(225,610.55)</u>	<u>28,805.89</u>
<b>Net Income (Loss)</b>	<u>\$ (196,804.66)</u>	<u>\$ (225,610.55)</u>	<u>\$ 28,805.89</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended January 31, 2022 Actual	1 Month Ended January 31, 2022 Budget	1 Month Ended January 31, 2022 Actual	1 Month Ended January 31, 2022 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 561,482.16	\$ 564,788.50	\$ 561,482.16	\$ 564,788.50
METERED SALES - COMMERCIAL	54,800.27	47,965.01	54,800.27	47,965.01
METERED SALES - INDUSTRIAL	4,111.72	4,895.25	4,111.72	4,895.25
METERED SALES - PUBLIC AUTH.	33,248.99	33,100.00	33,248.99	33,100.00
METERED SALES - MULTI FAMILY	25,082.87	25,078.88	25,082.87	25,078.88
FIRE PROTECTION REVENUE	125.00	116.63	125.00	116.63
CUSTOMER LATE PAYMENT CHARGES	15,691.98	15,489.00	15,691.98	15,489.00
OTHER WATER SERVICE REVENUE	79.94	5,239.75	79.94	5,239.75
SERVICE CONNECTION FEES	13,360.00	13,120.50	13,360.00	13,120.50
SERVICE CONNECTION FEES FOR WASTE WATER	(1,140.00)	18.51	(1,140.00)	18.51
SEWER REVENUE -RESIDENTIAL	130,858.94	135,751.01	130,858.94	135,751.01
SEWER REVENUE - COMMERCIAL	35,335.60	36,982.63	35,335.60	36,982.63
<b>Total Sales</b>	<u>873,037.47</u>	<u>882,545.67</u>	<u>873,037.47</u>	<u>882,545.67</u>
<b>Gross Profit</b>	<u>873,037.47</u>	<u>882,545.67</u>	<u>873,037.47</u>	<u>882,545.67</u>
<b>Operating Expenses</b>				
Undistributed	(23.40)	0.00	(23.40)	0.00
DEPRECIATION EXPENSE	253,848.42	247,999.74	253,848.42	247,999.74
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.74	82,148.18	84,904.74
PAYROLL TAXES - FICA & U.C.	15,036.31	16,263.99	15,036.31	16,263.99
WATER TREATMENT LABOR - OPERATIONS	12,625.35	12,411.75	12,625.35	12,411.75
T & D LABOR - OPERATIONS	72,079.87	80,560.74	72,079.87	80,560.74
T & D LABOR - MAINTENANCE	1,509.60	4,406.99	1,509.60	4,406.99
CUSTOMER ACCOUNTS LABOR	21,721.74	28,640.87	21,721.74	28,640.87
ADMIN. & GENERAL LABOR	10,160.75	12,413.37	10,160.75	12,413.37
SEWER LABOR	29,702.91	35,173.37	29,702.91	35,173.37
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00	2,500.00	2,500.00
COMPENSATION - ADMINISTRATOR	38,478.62	39,724.62	38,478.62	39,724.62
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,648.37	2,712.58	2,648.37
HEALTH INSURANCE - T & D OPERATIONS	17,628.10	23,103.50	17,628.10	23,103.50
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.99	0.00	3.99
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	4,137.75	5,921.90	4,137.75
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,250.74	3,600.95	3,250.74
HEALTH INSURANCE - SEWER	4,747.80	4,884.37	4,747.80	4,884.37
DENTAL INSURANCE - WTP OPERATIONS	(14.10)	70.75	(14.10)	70.75
DENTAL INSURANCE - T & D OPERATIONS	(273.18)	473.49	(273.18)	473.49
DENTAL INSURANCE - CUST. ACCOUNTS	(127.64)	229.25	(127.64)	229.25
DENTAL INSURANCE - ADMIN. & GENERAL	(139.46)	478.62	(139.46)	478.62
DENTAL INSURANCE - SEWER	(97.10)	188.50	(97.10)	188.50
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(5.90)	1.00
VISION INSURANCE - WTP OPER.	1.84	41.49	1.84	41.49
VISION INSURANCE - T & D OPER.	89.93	0.00	89.93	0.00
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	371.49	(15.72)	371.49
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	0.00	(12.52)	0.00
VISION INSURANCE - SEWER	(11.48)	0.00	(11.48)	0.00
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(221.24)	0.00
LIFE INSURANCE - WTP OPER.	67.61	69.87	67.61	69.87
LIFE INSURANCE - T & D OPER.	581.73	479.00	581.73	479.00
LIFE INSURANCE - CUSTOMER ACCTS	64.14	215.24	64.14	215.24
LIFE INSURANCE - ADMIN. & GENERAL	276.96	148.62	276.96	148.62
LIFE INSURANCE - SEWER	213.97	184.50	213.97	184.50
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	4.74	(60.40)	4.74

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended January 31, 2022 Actual</b>	<b>1 Month Ended January 31, 2022 Budget</b>	<b>1 Month Ended January 31, 2022 Actual</b>	<b>1 Month Ended January 31, 2022 Budget</b>
SHORT TERM DISAB. - WTP OPER.	(3.64)	8.74	(3.64)	8.74
SHORT TERM DISAB. - T & D OPER.	34.32	0.00	34.32	0.00
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.74	(10.76)	48.74
SHORT TERM DISAB. - CUSTOMER ACCTS	8.51	10.75	8.51	10.75
SHORT TERM DISAB. - ADMIN. & GENERAL	(71.43)	0.00	(71.43)	0.00
SHORT TERM DISAB. - SEWER	29.30	18.75	29.30	18.75
UNIFORM EXPENSE (PLANT)	98.64	0.00	98.64	0.00
UNIFORM EXPENSE (WATER)	1,439.56	1,927.62	1,439.56	1,927.62
UNIFORM EXPENSE (WW)	278.35	388.24	278.35	388.24
Employee Expense	445.00	1,219.50	445.00	1,219.50
Insurance expense	9,018.87	7,469.99	9,018.87	7,469.99
Water Purchased -Williamson	46,086.40	38,304.37	46,086.40	38,304.37
WATER PURCHASED -PIKEVILLE	55,160.00	56,686.24	55,160.00	56,686.24
Sewage Fees	6,097.58	7,000.00	6,097.58	7,000.00
UTILITY EXPENSE	0.00	808.24	0.00	808.24
LABORATORY SUPPLIES	1,126.15	962.75	1,126.15	962.75
LABORATORY EXPENSE	0.00	600.12	0.00	600.12
Laboratory Testing Expenses	4,086.75	3,956.49	4,086.75	3,956.49
Laboratory Testing Expense	3,251.75	4,032.75	3,251.75	4,032.75
CHEMICALS	1,392.00	12,794.12	1,392.00	12,794.12
Chemicals-WW	2,469.60	5,670.00	2,469.60	5,670.00
SAFETY SUPPLIES	1,056.78	1,232.50	1,056.78	1,232.50
SAFETY SUPPLIES-WW	0.00	622.87	0.00	622.87
Electrical Expense	145,037.88	115,076.00	145,037.88	115,076.00
CONTRACT SERVICES -ENGINEERING	3,892.50	0.00	3,892.50	0.00
CONTRACT SERVICE - ACCOUNTING	3,575.00	6,712.49	3,575.00	6,712.49
CONTRACT SERVICE - LEGAL	2,103.75	2,527.87	2,103.75	2,527.87
CONTRACT SERVICE-GENERAL	650.00	2,035.50	650.00	2,035.50
CONTRACT SERVICES - MANPOWER	16,018.90	0.00	16,018.90	0.00
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55	0.00
AUTO & TRANSPORTATION EXPENSE	16,198.26	15,000.00	16,198.26	15,000.00
ADVERTISING	88.20	308.62	88.20	308.62
MOBILE PHONE EXPENSE	2,192.33	1,959.62	2,192.33	1,959.62
TELEPHONE/INTERNET	3,532.27	1,745.49	3,532.27	1,745.49
TELEPHONE/INTERNET	423.23	278.75	423.23	278.75
EDUCATION, DUES, MEETINGS, INSURANCE	3,839.89	4,000.00	3,839.89	4,000.00
Office Expense	23,749.61	19,280.75	23,749.61	19,280.75
Easements	0.00	200.00	0.00	200.00
SERVICE FEE EXPENSE	0.00	1,671.49	0.00	1,671.49
BANK SERVICE FEES EXP	121.80	395.25	121.80	395.25
Worker's Compensation Insurance	11,930.00	5,763.24	11,930.00	5,763.24
PSC TAX ASSESSMENT	0.00	1,727.12	0.00	1,727.12
Retirement Expense	46,806.01	55,047.75	46,806.01	55,047.75
MISCELLANEOUS SUPPLIES	35.44	36.12	35.44	36.12
Major Equipment R & M	1,960.11	3,672.37	1,960.11	3,672.37
Major Equipment R & M Sewer	379.46	235.75	379.46	235.75
Hand Tools R & M	4,007.15	1,134.49	4,007.15	1,134.49
Hand Tools R & M Sewer	87.51	304.75	87.51	304.75
PS/LS R & M	16,260.05	10,968.75	16,260.05	10,968.75
PS/LS R & M Sewer	3,647.94	10,107.74	3,647.94	10,107.74
Vehicle R & M	4,734.52	5,420.49	4,734.52	5,420.49
Vehicle R & M Sewer	175.00	75.25	175.00	75.25
General R & M	6,189.53	61,994.87	6,189.53	61,994.87
General R & M Sewer	541.52	3,453.74	541.52	3,453.74
General R & M -Telemetry	380.00	1,459.24	380.00	1,459.24
R & M Leak Det.	0.00	50.12	0.00	50.12

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended January 31, 2022 Actual</b>	<b>1 Month Ended January 31, 2022 Budget</b>	<b>1 Month Ended January 31, 2022 Actual</b>	<b>1 Month Ended January 31, 2022 Budget</b>
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,122.99	1,125.00	1,122.99
INTEREST EXPENSE - TERM DEBT	30,740.92	17,531.50	30,740.92	17,531.50
INTEREST EXPENSE - TERM DEBT	<u>4,035.00</u>	<u>7,438.00</u>	<u>4,035.00</u>	<u>7,438.00</u>
<b>Total Operating Expenses</b>	<u>1,070,025.18</u>	<u>1,108,484.35</u>	<u>1,070,025.18</u>	<u>1,108,484.35</u>
<b>Operating Income (Loss)</b>	<u>(196,987.71)</u>	<u>(225,938.68)</u>	<u>(196,987.71)</u>	<u>(225,938.68)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>183.05</u>	<u>328.13</u>	<u>183.05</u>	<u>328.13</u>
<b>Total Other Income (Expenses)</b>	<u>183.05</u>	<u>328.13</u>	<u>183.05</u>	<u>328.13</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(196,804.66)</u>	<u>(225,610.55)</u>	<u>(196,804.66)</u>	<u>(225,610.55)</u>
<b>Net Income (Loss)</b>	<u>\$ (196,804.66)</u>	<u>\$ (225,610.55)</u>	<u>\$ (196,804.66)</u>	<u>\$ (225,610.55)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
JANUARY, 2022**

- 294** Field maintenance work orders issued during the month of JANUARY.
- 206** Field maintenance work orders completed during the month of JANUARY.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	40	80	38	<b>206</b>
FEBRUARY					
MARCH					
APRIL					
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>48</b>	<b>40</b>	<b>80</b>	<b>38</b>	<b>206</b>

- 11** New PAID service tap work orders issued during the month of JANUARY.
- 2** New PAID service tap work orders completed during the month of JANUARY.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	0	1	1	0	<b>2</b>
FEBRUARY					
MARCH					
APRIL					
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>

**WATER**

- 160** Water Customer Work Orders completed during the month of JANUARY.
- 3,237** Delinquent Notices Mailed during the month of JANUARY.
- 333** Delinquent Work Orders Written Up during the month of JANUARY.
- 199** Delinquent Accounts Disconnected during the month of JANUARY.

**SEWER**

52 Sewer Customer Work Orders completed during the month of JANUARY.

9 Delinquent Work Orders Written Up during the month of JANUARY.

2 Delinquent Work Orders Disconnected during the month of JANUARY.

2 Water Delinquent Work Orders Written Up – City of Pikeville Agreement

2 Water Delinquent Accounts Disconnected – City of Pikeville Agreement

0 Water Delinquent Accounts Reconnected – City of Pikeville Agreement

21 Vehicle & equipment maintenance work orders issued during the month of JANUARY.

21 Vehicle & equipment maintenance work orders completed during the month of JANUARY.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,373 (16,553 + 820 Multi-Users)
FEBRUARY	
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,304
FEBRUARY	
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**JANUARY 2021**

**WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,373	64,324,340	\$688,285.67	2.71%
<b>SEWER</b>	2,304	8,207,215	\$170,434.62	-2.06%
<b>TOTAL BILLED</b>			<b>\$858,720.29</b>	<b>1.73%</b>

0 Sewer taps were completed during the month of JANUARY.

4 Hydrant work orders were completed during the month of JANUARY.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **JANUARY** was **16,057,000** gallons.

**WATERLOSS** due to leaks and breaks was **2,163,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **6,740,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,348,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **2,806,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **JANUARY** was **41,857,000** gallons for an unaccounted-for loss of **34.24%**.

**Water loss percentage utilizing the PSC form was 36.1%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

19 Work Orders completed for Booster Pump Stations during the month of JANUARY.

**WATER STORAGE TANK MAINTENANCE:**

2 Work Orders completed for Water Storage Tanks during the month of JANUARY.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of JANUARY.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

5 Work Orders completed for Pressure Regulator Stations during the month of JANUARY.

**TELEMETRY MAINTENANCE:**

0 Work Orders completed for Telemetry during the month of JANUARY.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

3 Work Orders completed for the Russell Fork Water Plant during the month of JANUARY.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of JANUARY.

- 45- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**6** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of JANUARY.

**LIFT STATION MAINTENANCE:**

**5** Work Orders completed for Lift Stations excluding regular maintenance during the month of JANUARY.

**COLLECTION SYSTEM MAINTENANCE:**

**60** Work Orders completed for Collection Systems during the month of JANUARY.

# **Summary Information from the Financials**

**March 28, 2022**

## **Balance Sheet as of February**

- Cash in Bank is \$194,999.18
- Accounts Receivable \$1,157,453.99
- Plant in place is \$167,376,663.16
- Accounts Payable is \$245,934.13
- Equity is \$64,199,972

## **Income Statement –February/Year to Date**

- Revenue \$874,603
- Utility Operating Expenses \$1,107,094
- Income (Loss) \$(265,710)/(462,515)
- Included in the loss is Depreciation of (\$335,997/ (\$671,993)
- Operating income was negative in the amount of \$232,491) this month.

## **Cash Flow Statement**

- Cash decreased by \$79,861

## **Additional Comments**

- Our current Operating account balance was \$184,950
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$861,966 .and \$870,526 respectively. Our O&M Reserve is \$410,661
- We are going to transfer to the sinking fund \$64,000 to ensure we have money to pay our debt service.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of February 28, 2022 and 2021**

**ASSETS**

	<b>2022</b>	<b>2021</b>
<b>Current Assets</b>		
Cash In Bank	\$ 194,999.18	\$ 433,398.37
Accounts Receivable	1,157,453.99	1,090,764.85
Clearing Accounts	2,755.17	18,787.47
Inventory	279,476.25	279,476.25
Other Current Assets	<u>3,128,949.74</u>	<u>3,536,101.37</u>
<b>Total Current Assets</b>	<u>4,763,634.33</u>	<u>5,358,528.31</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,851,468.46	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	97,840,537.08	97,738,788.97
Water General Plant	5,234,554.84	4,689,165.23
Sewer General Plant	37,448,452.59	37,221,963.29
Construction in Progress	<u>11,793,995.49</u>	<u>9,328,069.57</u>
Total Plant In Service	167,376,663.16	164,027,369.44
Less Accumulated Depreciation	<u>(75,008,839.77)</u>	<u>(70,982,083.86)</u>
<b>Net Capital Assets</b>	<u>92,367,823.39</u>	<u>93,045,285.58</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>92,431,742.57</u>	<u>93,109,204.76</u>
<b>Total Net Assets</b>	<u>\$ 97,195,376.90</u>	<u>\$ 98,467,733.07</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of February 28, 2022 and 2021**

**Liabilities and Net Assets**

	<b>2022</b>	<b>2021</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 245,934.13	\$ 240,195.80
Current Portion Due - Notes Payable	1,363,902.00	1,363,902.00
Customer Deposits	476,395.71	388,761.42
Accrued Payroll and Related Expenses	126,286.68	112,807.26
Accrued Interest - Long Term Debt	<u>302,044.43</u>	<u>198,126.85</u>
<b>Total Current Liabilities</b>	<u>2,514,562.95</u>	<u>2,303,793.33</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	4,011,010.66	4,110,528.09
Notes Payable - Ky Infrastructure Authority	4,100,864.56	4,630,092.37
Notes Payable - Rural Development	9,870,500.00	10,083,900.00
Advances for Construction	6,771,990.59	5,227,375.64
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>31,964,504.81</u>	<u>31,262,035.10</u>
<b>Total Liabilities</b>	<u>34,479,067.76</u>	<u>33,565,828.43</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(462,514.56)	(367,412.57)
Contributions in aid of Construction	57,143,659.26	59,403,652.69
Tap-On-Fees	<u>7,518,827.57</u>	<u>7,420,072.66</u>
<b>Total Net Position</b>	<u>64,199,972.27</u>	<u>66,456,312.78</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended February 28, 2022</b>	<b>2 Months Ended February 28, 2022</b>
<b>Operating Revenue</b>		
	\$ 874,602.94	\$ 1,747,640.41
<b>Total Operating Revenue</b>	<u>874,602.94</u>	<u>1,747,640.41</u>
<b>Operating Expenses</b>		
Water Supply Expense	14,435.23	29,635.97
Water Purchases	108,249.72	209,496.12
Electricity Expense	128,566.15	273,604.03
Repairs & Maintenance - Sewer	5,192.35	10,023.78
Repairs & Maintenance - Water	86,142.36	119,673.72
Transmission & Distribution Expense	94,107.80	187,186.97
Customer Service Expense	38,180.00	75,913.68
Administrator Expense	206.37	(4.52)
Sewer Expense	44,847.06	88,277.99
General & Administrative	<u>251,170.47</u>	<u>476,542.43</u>
<b>Total Operating Expenses</b>	771,097.51	1,470,350.17
Depreciation Expense	<u>335,996.60</u>	<u>671,993.20</u>
<b>Utility Operating Expense</b>	<u>1,107,094.11</u>	<u>2,142,343.37</u>
<b>Utility Operating Income (Loss)</b>	<u>(232,491.17)</u>	<u>(394,702.96)</u>
<b>Non Operating Revenue</b>		
Interest Income	161.83	344.88
Interest Expense	<u>(33,380.56)</u>	<u>(68,156.48)</u>
<b>Total Non Operating Revenue</b>	<u>(33,218.73)</u>	<u>(67,811.60)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (265,709.90)	\$ (462,514.56)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>4,495.00</u>	<u>13,345.00</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>4,495.00</u>	<u>13,345.00</u>
<b>Change in Net Position</b>	<u>(261,214.90)</u>	<u>(449,169.56)</u>
<b>Net Position, beginning of period</b>	<u>64,461,187.17</u>	<u>64,649,141.83</u>
<b>Net Position, end of period</b>	<u>\$ 64,199,972.27</u>	<u>\$ 64,199,972.27</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 2 Months Ended February 28, 2022**

	<b>1 Month Ended February 28, 2022</b>	<b>2 Months Ended February 28, 2022</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (265,709.90)	\$ (462,514.56)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	671,993.20
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(97,197.90)	(127,285.39)
Other Current Assets	(82,292.14)	(28,967.02)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	64,698.72	25,352.02
Accrued Interest	31,716.00	31,468.25
Advances for Construction	57,535.00	125,455.64
Accrued Liabilities	(15,198.91)	(57,852.58)
Tap on Fees	4,495.00	13,345.00
Customer Deposits	7,760.56	12,318.64
Clearing Accounts	79,598.75	(3,330.56)
Total Adjustments	<u>387,111.68</u>	<u>662,497.20</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>121,401.78</u>	<u>199,982.64</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(177,801.46)	(320,914.21)
Construction in Progress	(160,203.83)	(227,723.50)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(338,005.29)</u>	<u>(548,637.71)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	372,533.67	500,283.67
Notes Payable Repayments	(235,791.33)	(325,556.61)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>136,742.34</u>	<u>174,727.06</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>(79,861.17)</u>	<u>(173,928.01)</u>
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>274,860.35</u>	<u>368,927.19</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 194,999.18</u>	<u>\$ 194,999.18</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of February 28, 2022 and 2021**

**ASSETS:**

	<b>2022</b>	<b>2021</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 184,950.14	\$ 414,015.45
CTB-MWD Payroll Account	9,728.86	19,062.74
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>194,999.18</b>	<b>433,398.37</b>
<b>Cash Reserves - Restricted:</b>		
_____		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	821,006.29	876,598.41
RECEIVABLE - RETURNED CHECKS	28,231.55	5,008.26
RECEIVABLE - OTHER FEES, ETC..	(66,126.62)	(31,135.47)
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	338,395.54	261,568.67
PROVISION FOR UNCOLLECTIBLES	37,627.00	(21,275.02)
<b>Total Accounts Receivable:</b>	<b>1,157,453.99</b>	<b>1,090,764.85</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	2,755.17	18,787.47
<b>Total Clearing Accounts:</b>	<b>2,755.17</b>	<b>18,787.47</b>
<b>Prepaid Expenses:</b>		
_____		
<b>Receivable - UMG R &amp; M:</b>		
_____		
<b>FEMA Receivable - 2010 Flood:</b>		
_____		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	196,043.63
BB & T - Sinking Fund	165,810.15	233,916.53
CTB - JOHNS CREEK WATER PROJ.	3,332.84	3,332.84
BB&T - Special Projects	8.62	122.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	36,476.62
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	32,556.71	34,902.46
CTB - O & M RESERVES	410,660.88	350,887.15
Community Trust Bank - Misc Line Extension	4,901.27	4,896.38
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	11,959.71	28,103.13
CTB - R & M RESERVE	877,346.08	869,874.73
CTB - Dist Wide WW Tap Fees	45,777.80	66,221.61

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of February 28, 2022 and 2021**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Variou Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,837.41	2,837.41
MWD PHELPS UPGRADE ACCT.	3,516.98	10,516.98
CTB- Recycling Revenue Acct.	2,625.96	38,414.90
MWD DEPRECIATION RESERVE ACCOUNT	862,171.19	861,238.95
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	3,855.77	133.35
CTB-MWD Escrow Account	100.00	16,945.94
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	0.00	276,386.43
New Customer Deposit Acct.	376,797.57	405,814.02
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<u>3,128,949.74</u>	<u>3,536,101.37</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of February 28, 2022 and 2021**

**LIABILITIES:**

	<b>2022</b>	<b>2021</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	11,862.92
FEDERAL INCOME TAX WITHHELD	2,883.44	2,883.44
KY INCOME TAX WITHHELD	2,791.57	14,571.68
ACCRUED FUTA	4,623.47	2,039.11
Accrued CERS	56,134.90	51,064.70
Accrued County Withheld	3,764.61	4,321.76
ACCRUED GARNISHMENT WTH	1,641.64	1,549.33
TAXES COLLECTED ON CUST. BILLS	42,584.13	24,514.32
<b>Total Employee Related Payables</b>	126,286.68	112,807.26

**Other Current Liabilities:**

\_\_\_\_\_

**Notes Payable:**

Note Payable Ky. Rural Water	3,178,293.64	3,464,815.52
US Bank Big Creek Water Loan	10,778.00	53,083.54
#154 fORD f250 2017	0.00	4,002.95
# 155 CTB	2,233.30	6,599.99
CTB V# 156	902.26	7,560.44
CTB V # 157 2018 GMC Sierra	410.09	7,909.57
CTB 158 & 159	9,648.33	23,796.14
WELLS FARGO MINI EXCAVATOR	1,964.37	3,958.63
CTB # 161	0.00	13,098.62
CTB- 160	0.00	25,455.38
CTB -162	14,897.79	20,462.12
CTB- #163 2019 Ford 350	33,403.93	48,050.88
#165 Ford F-250 2021	23,292.46	31,262.78
#164 2021 Ford F-250	23,954.24	31,262.78
#166	23,282.46	31,262.78
CTB-# 167 Chevrolet Silverado 2500	32,335.09	0.00
CTB- #169 2019 Toytoa Tacoma	27,659.35	0.00
CTB- 2016 F150	27,373.74	0.00
CTB-2021 Ford F350	55,420.15	0.00
CTB- 168 2017 Toyota	27,637.20	0.00
CTB- 2021 John Deer Mini excavator	49,477.56	0.00
CTB-Line Credit for FEMA BPS Recl.	(208,374.06)	0.00
CTB-LN OF COMMITMENT - FEMA REC	208,374.51	211,034.39
CTB-Boom Truck # CTO-02	0.00	686.96
CTB AEP Line of credit	88,404.48	113,127.17
Kobelco mini excavator	0.00	13,097.45
2017 Takeunchi Skid Steer	12,938.36	0.00
CTB #174 2021 Ford F150	26,601.61	0.00
CTB # 175 2021 Ford F150	26,601.61	0.00
CTB- 177 Ford F350	48,912.30	0.00
#172 CTB Ford 150	28,185.99	0.00
CTB # 173 FordF150	28,452.11	0.00
CTB Boost Pump Relocation Loan	207,949.79	0.00
<b>Total Notes Payable</b>	4,011,010.66	4,110,528.09

**Notes Payable - Ky Infrastructure Authority:**

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of February 28, 2022 and 2021**

KIA LOAN B291-07 MULTI AREA	499,673.84	738,925.83
KIA LOAN B291-01 INDIAN CREEK	33,058.77	48,864.27
KIA LOAN F01-07 WATER PLANT	174,116.64	241,608.38
KIA LOAN A03-06 SO WMSN III	30,106.18	39,943.95
KIA Shelby III Phase II	183,551.24	201,879.87
KIA-A16-079 Grinder St	243,050.47	257,296.15
KIA-Douglas WWTP	2,937,307.42	3,101,573.92
<b>Total Notes Payable - Ky Infrastructure Authority</b>	<b>4,100,864.56</b>	<b>4,630,092.37</b>

**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	542,000.00	553,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,091,900.00
RD Belfry WW	3,584,500.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,325,000.00
RD Bond - Shelby Sewer Project	565,000.00	580,000.00
RD Bond - 91-01 Phelps Sewer	316,000.00	325,000.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	556,000.00
<b>Total Notes Payable - Rural Development</b>	<b>9,870,500.00</b>	<b>10,083,900.00</b>

**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	<b>113,094,523.90</b>	<b>113,094,523.90</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of February 28, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,518,699.33</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	4,851,468.46	4,841,727.68
Less: Accumulated Depreciation	<u>(3,006,401.14)</u>	<u>(2,641,129.89)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,845,067.32</b>	<b>\$ 2,200,597.79</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,791,467.96)</u>	<u>(3,518,033.64)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,416,186.74</b>	<b>\$ 6,689,621.06</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,963,847.90	6,907,867.15
WATER METERS & INSTALLATIONS	7,669,686.72	7,623,919.36
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	97,840,537.08	97,738,788.97
Less: Accumulated Depreciation	<u>(49,677,473.38)</u>	<u>(47,575,421.14)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 48,163,063.70</b>	<b>\$ 50,163,367.83</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,860,844.00	1,469,980.49
TOOLS, SHOP & GARAGE EQUIPMENT	345,313.91	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	443,348.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	5,234,554.84	4,689,165.23
Less: Accumulated Depreciation	<u>(4,119,684.68)</u>	<u>(3,819,464.74)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 1,114,870.16</b>	<b>\$ 869,700.49</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,192,018.11
SEWER SERVICES	494,414.08	437,263.93
SEWER METERS & INSTALLATIONS	886,402.01	758,762.94
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,448,452.59	37,221,963.29
Less: Accumulated Depreciation	<u>(14,241,791.12)</u>	<u>(13,256,012.96)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,206,661.47</b>	<b>\$ 23,965,950.33</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of February 28, 2022 and 2021**

**Construction in Progress:**

CONSTRUCTION IN PROGRESS	\$	2,050,333.22	\$	1,013,787.71
CIP-MATERIALS & SUPPLIES		175,419.45		23,025.50
RATE CASE EXPENSE IN PROGRESS		172,021.49		172,021.49
CONSTRUCTION IN PROGRESS		<u>9,396,221.33</u>		<u>8,119,234.87</u>
Total Construction in Progress		11,793,995.49		9,328,069.57
Less: Accumulated Depreciation		<u>(172,021.49)</u>		<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$</b>	<b>11,621,974.00</b>	<b>\$</b>	<b>9,156,048.08</b>
 <b>Total Plant in Service</b>	 <b>\$</b>	 <b><u>92,367,823.39</u></b>	 <b>\$</b>	 <b><u>93,045,285.58</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>February 28, 2022</b>	<b>2 Months Ended</b> <b>February 28, 2022</b>
<b>Water Supply Expense:</b>		
WATER TREATMENT LABOR - OPERATIONS	11,621.00	24,246.35
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	5,425.16
DENTAL INSURANCE - WTP OPERATIONS	65.25	51.15
VISION INSURANCE - PUMPING OPER.	(5.90)	(11.80)
VISION INSURANCE - WTP OPER.	1.84	3.68
LIFE INSURANCE - PUMPING OPER.	(221.24)	(442.48)
LIFE INSURANCE - WTP OPER.	72.48	140.09
SHORT TERM DISAB. - PUMPING OPER.	86.60	26.20
SHORT TERM DISAB. - WTP OPER.	91.07	87.43
UNIFORM EXPENSE (PLANT)	11.55	110.19
<b>Total Water Supply Expenses</b>	<b>14,435.23</b>	<b>29,635.97</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	31,402.25	77,488.65
WATER PURCHASED -PIKEVILLE	76,847.47	132,007.47
<b>Total Water Purchases Expenses</b>	<b>108,249.72</b>	<b>209,496.12</b>
<b>Electricity Expense:</b>		
Electrical Expense	128,566.15	273,604.03
<b>Total Electricity Expenses</b>	<b>128,566.15</b>	<b>273,604.03</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	196.95	576.41
Hand Tools R & M Sewer	17.99	105.50
PS/LS R & M Sewer	2,107.00	5,754.94
Vehicle R & M Sewer	296.67	471.67
General R & M Sewer	1,189.78	1,731.30
R & M Leak Det.	1,383.96	1,383.96
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>5,192.35</b>	<b>10,023.78</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	1,691.21	3,651.32
Hand Tools R & M	2,291.29	6,298.44
PS/LS R & M	9,946.13	26,206.18
Vehicle R & M	6,126.08	10,860.60
General R & M	64,137.38	70,326.91
General R & M -Telemetry	1,950.27	2,330.27
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>86,142.36</b>	<b>119,673.72</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	72,394.65	144,474.52
T & D LABOR - MAINTENANCE	452.88	1,962.48
HEALTH INSURANCE - T & D OPERATIONS	17,336.30	34,964.40
DENTAL INSURANCE - T & D OPERATIONS	648.22	375.04
VISION INSURANCE - T & D OPER.	74.17	164.10
LIFE INSURANCE - T & D OPER.	586.13	1,167.86

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>February 28, 2022</b>	<b>2 Months Ended</b> <b>February 28, 2022</b>
SHORT TERM DISAB. - T & D OPER.	313.92	348.24
SHORT TERM DISAB. - T & D MAINT.	(10.76)	(21.52)
UNIFORM EXPENSE (WATER)	2,312.29	3,751.85
<b>Total Transmission &amp; Distribution Expenses</b>	<b>94,107.80</b>	<b>187,186.97</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,554.41	43,276.15
ADMIN. & GENERAL LABOR	10,201.87	20,362.62
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	11,843.80
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	13.10
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	(31.44)
LIFE INSURANCE - CUSTOMER ACCTS	319.49	383.63
SHORT TERM DISAB. - CUSTOMER ACCTS	57.31	65.82
<b>Total Customer Service Expenses</b>	<b>38,180.00</b>	<b>75,913.68</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	(2.66)
SHORT TERM DISAB. - ADMIN. & GENERAL	69.57	(1.86)
<b>Total Administrator Expenses</b>	<b>206.37</b>	<b>(4.52)</b>
<b>Sewer Expense:</b>		
SEWER LABOR	29,794.95	59,497.86
HEALTH INSURANCE - SEWER	4,747.80	9,495.60
DENTAL INSURANCE - SEWER	182.15	85.05
VISION INSURANCE - SEWER	(11.48)	(22.96)
LIFE INSURANCE - SEWER	213.97	427.94
SHORT TERM DISAB. - SEWER	(117.70)	(88.40)
UNIFORM EXPENSE (WW)	249.49	527.84
Sewage Fees	6,940.63	13,038.21
Chemicals-WW	2,659.60	5,129.20
SAFETY SUPPLIES-WW	187.65	187.65
<b>Total Sewer Expenses</b>	<b>44,847.06</b>	<b>88,277.99</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	(62.92)	(86.32)
PAYROLL TAXES - FICA & U.C.	14,745.14	29,781.45
COMP COMMISSIONERS - AUTO DIST	2,500.00	5,000.00
COMPENSATION - ADMINISTRATOR	39,286.30	77,764.92
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	7,201.90
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(25.04)
LIFE INSURANCE - ADMIN. & GENERAL	342.21	619.17
Employee Expense	1,170.00	1,615.00
Insurance expense	13,357.65	22,376.52
UTILITY EXPENSE	1,373.91	1,373.91
LABORATORY SUPPLIES	275.72	1,401.87
Laboratory Testing Expenses	3,331.66	7,418.41
Laboratory Testing Expense	1,921.00	5,172.75
CHEMICALS	36,302.78	37,694.78
SAFETY SUPPLIES	1,912.06	2,968.84
CONTRACT SERVICES -ENGINEERING	0.00	3,892.50
CONTRACT SERVICES -ACCOUNTING	3,616.00	7,191.00

No assurance is provided by the auditor on the contract services and accounting. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>February 28, 2022</b>	<b>2 Months Ended</b> <b>February 28, 2022</b>
CONTRACT SERVICE - LEGAL	0.00	2,103.75
CONTRACT SERVICE-GENERAL	650.00	1,300.00
CONTRACT SERVICES - MANPOWER	24,365.00	40,383.90
CONTRACT MGMNT EXP ASSUMED	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	14,897.01	31,095.27
AUTO & TRANSPORTATION EXPENSE	20.60	20.60
ADVERTISING	0.00	88.20
MOBILE PHONE EXPENSE	1,847.05	4,039.38
TELEPHONE/INTERNET	1,111.84	4,644.11
TELEPHONE/INTERNET	421.43	844.66
EDUCATION, DUES, MEETINGS, INSURANCE	5,479.50	9,319.39
Office Expense	22,295.60	46,045.21
SETTLEMENT EXPENSES	2,500.00	2,500.00
SERVICE FEE EXPENSE	110.25	110.25
BANK SERVICE FEES EXP	593.63	715.43
Worker's Compensation Insurance	5,965.00	17,895.00
Retirement Expense	46,093.18	92,899.19
MISCELLANEOUS SUPPLIES	35.44	70.88
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	2,250.00
<b>Total General &amp; Administrative Expenses</b>	<b>251,170.47</b>	<b>476,542.43</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>February 28, 2022</b>	<b>2 Months Ended</b> <b>February 28, 2022</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 551,800.68	\$ 1,113,282.84
METERED SALES - COMMERCIAL	58,877.67	113,677.94
METERED SALES - INDUSTRIAL	4,737.54	8,849.26
METERED SALES - PUBLIC AUTH.	35,909.24	69,158.23
METERED SALES - MULTI FAMILY	25,405.25	50,488.12
FIRE PROTECTION REVENUE	125.00	250.00
CUSTOMER LATE PAYMENT CHARGES	14,162.77	29,854.75
OTHER WATER SERVICE REVENUE	(1,331.73)	(1,251.79)
SERVICE CONNECTION FEES	12,808.00	26,168.00
SERVICE CONNECTION FEES FOR WASTE WATER	(510.00)	(1,650.00)
SEWER REVENUE -RESIDENTIAL	137,382.32	268,241.26
SEWER REVENUE - COMMERCIAL	35,236.20	70,571.80
	874,602.94	1,747,640.41
<b>Total Operating Revenue</b>	<b>874,602.94</b>	<b>1,747,640.41</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 539,669.99	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 539,789.70	\$ 561,482.16	\$ 551,800.68	\$ 6,781,106.39
METERED SALES - COMMERCIAL	41,260.17	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	52,467.77	54,800.27	58,877.67	598,700.09
METERED SALES - INDUSTRIAL	5,370.90	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	4,111.72	4,737.54	58,358.48
METERED SALES - PUBLIC AUTH.	34,673.21	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	33,248.99	35,909.24	397,922.27
METERED SALES - MULTI FAMILY	26,100.22	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	25,082.87	25,405.25	303,383.88
FIRE PROTECTION REVENUE	125.00	125.00	125.00	125.00	125.00	125.00	150.00	125.00	125.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	14,972.11	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	15,691.98	14,162.77	181,163.13
OTHER WATER SERVICE REVENUE	35,652.58	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	153.43	79.94	(1,331.73)	55,413.26
SERVICE CONNECTION FEES	19,710.00	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	13,360.00	12,808.00	187,206.44
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	0.00	30.00	60.00	0.00	30.00	0.00	0.00	0.00	60.00	(1,140.00)	(510.00)	(1,470.00)
SEWER REVENUE - RESIDENTIAL	119,119.00	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	131,843.95	130,858.94	137,382.32	1,622,511.94
SEWER REVENUE - COMMERCIAL	33,400.94	36,641.66	39,515.77	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	35,335.60	35,236.20	450,908.27
<b>Total Sales</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>855,519.84</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>10,636,729.</b>

<b>Gross Profit</b>	<b>870,054.12</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>855,519.84</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>10,636,729.</b>
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<b>Operating Expenses</b>													
Undistributed	0.00	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	132.38	(23.40)	(62.92)	4,819.38
DEPRECIATION EXPENSE	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,046,181.04
DEPRECIATION EXPENSE - SEWER	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	985,778.16
PAYROLL TAXES - FICA & U.C.	13,615.76	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,785.55	12,638.93	12,638.13	19,933.63	15,036.31	14,745.14	171,588.62
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	0.00	0.00	0.00	288.00	0.00	0.00	0.00	0.00	0.00	288.00
WATER TREATMENT LABOR - OPERATIONS	13,073.88	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	12,625.35	11,621.00	153,983.81
T & D LABOR - OPERATIONS	68,482.81	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,109.65	72,079.87	72,394.65	857,134.00
T & D LABOR - MAINTENANCE	3,783.28	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	1,509.60	452.88	26,963.76
CUSTOMER ACCOUNTS LABOR	22,252.89	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	21,721.74	21,554.41	283,681.85
ADMIN. & GENERAL LABOR	9,903.12	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	15,245.14	10,160.75	10,201.87	129,771.99
SEWER LABOR	28,741.25	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	44,681.14	29,702.91	29,794.95	376,009.17
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	2,500.00	2,500.00	27,800.00
COMPENSATION - ADMINISTRATOR	31,602.64	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	38,478.62	39,286.30	426,079.02
HEALTH INSURANCE - PUMPING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16	0.00	0.00	6,960.16
OPERATIONS													
HEALTH INSURANCE - WTP	2,363.12	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,075.47	2,712.58	2,712.58	29,016.84
OPERATIONS													
HEALTH INSURANCE - T & D	18,263.74	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,494.03	17,628.10	17,336.30	196,402.80
OPERATIONS													
HEALTH INSURANCE - T & D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82.42	0.00	0.00	0.00	82.42
MAINTENANCE													
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	5,921.90	5,921.90	49,723.00

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	3,600.95	3,600.95	36,097.03
DENTAL INSURANCE - SEWER	4,174.30	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	4,747.80	4,747.80	55,104.84
DENTAL INSURANCE - WTP OPERATIONS	25.73	85.01	25.78	85.01	77.96	85.01	85.01	85.01	85.01	157.31	(14.10)	65.25	847.99
DENTAL INSURANCE - T & D OPERATIONS	590.61	531.33	412.92	516.70	290.92	477.71	454.04	482.86	388.88	1,402.66	(273.18)	648.22	5,923.67
DENTAL INSURANCE - T & D MAINT	(10.74)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(10.74)
DENTAL INSURANCE - CUST. ACCOUNTS	245.14	245.14	245.14	245.14	154.86	284.82	144.20	226.19	(128.26)	457.13	(127.64)	140.74	2,132.60
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	191.66	191.66	191.66	121.93	191.66	3,774.70	191.66	191.66	397.88	(139.46)	136.80	5,633.47
DENTAL INSURANCE - SEWER	196.23	196.23	176.47	196.23	134.97	387.02	162.68	221.96	241.72	452.66	(97.10)	182.15	2,451.22
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.95)	(8.85)	(5.90)	(5.90)	(23.60)
VISION INSURANCE - T & D OPER.	(7.50)	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	1.84	1.84	(17.05)
VISION INSURANCE - T & D OPER. ACCOUNTS	54.34	80.72	42.76	73.69	(25.31)	44.38	2.19	39.92	31.68	(46.96)	89.93	74.17	461.51
VISION INSURANCE - CUST. ACCOUNTS	74.15	26.87	26.87	112.49	(23.11)	26.87	26.87	35.12	4.48	(36.36)	(15.72)	(15.72)	242.81
VISION INSURANCE - ADMIN. & GENERAL	(71.94)	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(12.52)	(12.52)	(366.58)
VISION INSURANCE - SEWER	18.87	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(11.48)	(11.48)	(195.26)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(221.24)	(221.24)	(862.48)
LIFE INSURANCE - WTP OPER.	89.22	82.94	71.69	156.38	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	67.61	72.48	706.99
LIFE INSURANCE - T & D OPER.	(185.40)	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	438.12	581.73	586.13	2,224.20
LIFE INSURANCE - T & D MAINT.	947.82	698.96	(15.39)	1,476.65	0.00	645.74	573.98	664.21	(41.20)	0.00	0.00	0.00	4,950.77
LIFE INSURANCE - CUSTOMER ACCTS	365.61	281.13	269.70	645.42	(192.98)	303.65	242.42	311.64	(212.88)	215.92	64.14	319.49	2,613.26
LIFE INSURANCE - ADMIN. & GENERAL	252.94	(216.92)	179.81	478.16	(187.14)	189.14	180.81	198.47	(145.83)	218.39	276.96	342.21	1,767.00
LIFE INSURANCE - SEWER	240.29	214.68	192.26	506.17	(146.40)	220.44	210.07	201.52	(125.03)	159.07	213.97	213.97	2,101.01
SHORT TERM DISAB. - PUMPING OPER.	0.00	36.88	0.00	0.00	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(60.40)	86.60	(57.72)
SHORT TERM DISAB. - WTP OPER.	8.77	45.97	11.69	53.92	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	(3.64)	91.07	155.05
SHORT TERM DISAB. - T & D OPER.	(151.80)	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(5.74)	34.32	313.92	(130.29)
SHORT TERM DISAB. - T & D MAINT.	198.50	209.77	209.77	363.06	(10.50)	190.71	93.25	173.11	(3.50)	0.00	(10.76)	(10.76)	1,402.65
SHORT TERM DISAB. - CUSTOMER ACCTS	17.96	73.64	40.40	189.33	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	8.51	57.31	219.36
SHORT TERM DISAB. - ADMIN. & GENERAL	(11.18)	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(71.43)	69.57	(400.63)
SHORT TERM DISAB. - SEWER	8.02	99.16	41.33	191.16	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	29.30	(117.70)	71.22
UNIFORM EXPENSE (PLANT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98.64	11.55	110.19
UNIFORM EXPENSE (WATER)	1,717.14	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	1,439.56	2,312.29	22,737.17
UNIFORM EXPENSE (VWV)	375.71	442.85	316.08	482.93	760.84	375.67	515.93	318.99	366.87	303.23	278.35	249.49	4,786.94
Employee Expense	621.70	150.00	428.00	255.99	660.20	748.39	681.80	3,643.50	415.19	600.00	445.00	1,170.00	9,819.77
Insurance expense	23,769.00	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	9,018.87	13,357.65	161,625.05
Water Purchased - Williamson	40,614.10	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	46,086.40	31,402.25	472,851.19
WATER PURCHASED - PIKEVILLE	81,818.04	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	55,160.00	76,847.47	726,823.36
Sewage Fees	7,972.39	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	6,097.58	6,940.63	68,955.52

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	Total
UTILITY EXPENSE	454.16	1,081.22	881.22	881.22	0.00	0.00	881.22	1,859.07	1,081.22	931.22	0.00	1,373.91	9,424.46
LABORATORY SUPPLIES	1,294.21	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	1,126.15	275.72	14,141.14
LABORATORY EXPENSE	1,283.94	661.80	0.00	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	0.00	0.00	7,023.01
Laboratory Testing Expenses	1,652.00	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.00	4,086.75	3,331.66	45,945.88
Laboratory Testing Expenses	5,209.80	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	3,251.75	1,921.00	34,292.24
CHEMICALS	16,183.78	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	1,392.00	36,302.78	174,256.78
Chemicals-WW	11,263.17	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	2,469.60	2,659.60	52,889.27
SAFETY SUPPLIES	2,159.89	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	1,056.78	1,912.06	19,193.81
SAFETY SUPPLIES-WW	309.40	0.00	176.54	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	0.00	187.65	6,834.81
Electrical Expense	123,192.69	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	145,037.88	128,566.15	1,443,243.70
CONTRACT SERVICES -ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,892.50	0.00	3,892.50
CONTRACT SERVICE - ACCOUNTING	2,438.00	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	3,575.00	3,616.00	77,533.00
CONTRACT SERVICE - LEGAL	2,722.50	0.00	0.00	0.00	0.00	0.00	0.00	7,558.68	0.00	0.00	2,103.75	0.00	12,384.93
ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83	0.00	0.00	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	7,732.49	850.00	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	650.00	650.00	19,956.43
CONTRACT SERVICES - MANPOWER	6,105.99	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	22,610.49	16,018.90	24,365.00	213,891.64
CONTRACT MGMT EXP ASSUMED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,855.55	0.00	8,855.55
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	23,022.07	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	16,198.26	14,897.01	167,821.26
ADVERTISING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.60	20.60
OTHER LEGAL PSC EXPENSE	1,024.38	355.32	630.08	0.00	466.20	464.30	0.00	207.90	151.20	88.20	88.20	0.00	3,475.78
MOBILE PHONE EXPENSE	17,074.50	537.00	3,841.80	537.00	537.00	537.00	0.00	0.00	0.00	0.00	0.00	0.00	23,064.30
TELEPHONE/INTERNET	1,904.62	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	2,192.33	1,847.05	23,846.28
TELEPHONE/INTERNET	2,656.53	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	3,532.27	1,111.84	28,103.67
TELEPHONE/INTERNET	107.95	273.55	878.30	0.00	240.82	262.82	200.58	425.03	425.03	261.49	423.23	421.43	3,920.23
EDUCATION, DUES, MEETINGS, INSURANCE	1,278.41	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	3,839.89	5,479.50	42,557.88
Office Expense	26,330.65	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	15,035.58	13,118.74	17,873.41	23,749.61	22,295.60	221,204.33
Easements	25.00	0.00	0.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	2,425.00
SETTLEMENT EXPENSES	0.00	0.00	0.00	1,065.52	0.00	0.00	0.00	0.00	0.00	26,581.33	0.00	2,500.00	30,146.85
SERVICE FEE EXPENSE	1.10	0.00	22.00	6,505.53	56.00	78.47	3,076.84	28.00	24.50	0.00	0.00	110.25	9,902.69
BANK SERVICE FEES EXP	2,641.27	141.36	129.23	132.59	134.90	162.50	148.50	116.86	153.77	157.54	121.80	593.63	4,633.95
Worker's Compensation Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,931.00	5,965.00	0.00	11,930.00	5,965.00	35,791.00
PSC TAX ASSESSMENT	0.00	0.00	0.00	20,724.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	40,258.39	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	46,806.01	46,093.18	551,581.08
MISCELLANEOUS SUPPLIES	26.58	35.44	8.86	26.58	44.30	26.58	96.94	35.44	17.72	35.44	35.44	35.44	424.76
Major Equipment R & M	2,561.98	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	3,057.12	1,960.11	1,691.21	50,853.96
Major Equipment R & M Sewer	959.42	79.35	373.76	533.30	0.00	374.29	0.00	31.48	0.00	486.16	379.46	196.95	3,414.17
Hand Tools R & M	349.22	1,742.29	1,283.41	776.48	460.91	1,417.39	1,711.42	1,587.91	1,488.14	3,562.88	4,007.15	2,291.29	20,678.49
Hand Tools R & M Sewer	99.98	98.94	57.87	221.20	346.49	0.00	697.76	591.12	266.69	76.90	87.51	17.99	2,562.45
PS/LS R & M	11,529.91	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	10,767.89	16,260.05	9,946.13	128,969.91
PS/LS R & M Sewer	4,763.14	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	3,575.25	3,647.94	2,107.00	119,571.34

Vehicle & Insurance is provided on these 11/31/21 statements. Management has elected to omit 5006889 of 08/21 by 5241889 principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	03/31/21	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	Total
Vehicle R & M Sewer	205.43	8.95	15.39	0.00	437.94	0.00	5.75	24.29	99.30	0.00	175.00	296.67	1,268.72
General R & M	24,845.13	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	39,953.05	6,189.53	64,137.38	408,814.51
General R & M Sewer	5,224.44	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	526.47	541.52	1,189.78	34,803.88
General R & M - Telemetry	0.00	40.68	1,287.00	2,199.91	1,500.00	1,659.03	6,610.92	2,021.20	0.00	0.00	380.00	1,950.27	17,649.01
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	0.00	567.23	0.00	0.00	0.00	0.00	1,383.96	1,951.19
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,125.00	1,125.00	12,600.00
INTEREST EXPENSE - TERM DEBT	29,443.45	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	32,673.59	30,740.92	29,345.56	357,105.10
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	80,383.75
<b>Total Operating Expenses</b>	<u>1,116,697.16</u>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,128,174.04</u>	<u>1,070,025.18</u>	<u>1,140,474.67</u>	<u>12,995,498.40</u>
<b>Operating Income (Loss)</b>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(2,358,769.40)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(246,643.04)</u>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(2,358,769.40)</u>
<b>Net Income (Loss)</b>	<u>\$ (246,643.04)</u>	<u>\$ (164,917.98)</u>	<u>\$ (89,157.60)</u>	<u>\$ (111,760.56)</u>	<u>\$ (187,482.39)</u>	<u>\$ (154,030.68)</u>	<u>\$ (276,292.60)</u>	<u>\$ (180,648.48)</u>	<u>\$ (212,322.43)</u>	<u>\$ (272,654.20)</u>	<u>\$ (196,987.71)</u>	<u>\$ (265,871.73)</u>	<u>\$ (2,358,769.40)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	2 Months Ended February 28, 2022 Actual	2 Months Ended February 28, 2022 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 1,113,282.84	\$ 1,129,577.00	\$ (16,294.16)
METERED SALES - COMMERCIAL	113,677.94	95,930.10	17,747.84
METERED SALES - INDUSTRIAL	8,849.26	9,790.50	(941.24)
METERED SALES - PUBLIC AUTH.	69,158.23	66,200.00	2,958.23
METERED SALES - MULTI FAMILY	50,488.12	50,157.80	330.32
FIRE PROTECTION REVENUE	250.00	233.30	16.70
CUSTOMER LATE PAYMENT CHARGES	29,854.75	30,978.00	(1,123.25)
OTHER WATER SERVICE REVENUE	(1,251.79)	10,479.50	(11,731.29)
SERVICE CONNECTION FEES	26,168.00	26,241.00	(73.00)
SERVICE CONNECTION FEES FOR WASTE WATER	(1,650.00)	37.10	(1,687.10)
SEWER REVENUE -RESIDENTIAL	268,241.26	271,502.10	(3,260.84)
SEWER REVENUE - COMMERCIAL	70,571.80	73,965.30	(3,393.50)
	<hr/>	<hr/>	<hr/>
<b>Total Sales</b>	<b>1,747,640.41</b>	<b>1,765,091.70</b>	<b>(17,451.29)</b>
	<hr/>	<hr/>	<hr/>
<b>Gross Profit</b>	<b>1,747,640.41</b>	<b>1,765,091.70</b>	<b>(17,451.29)</b>
	<hr/>	<hr/>	<hr/>
<b>Operating Expenses</b>			
Undistributed	(86.32)	0.00	(86.32)
DEPRECIATION EXPENSE	507,696.84	495,999.40	11,697.44
DEPRECIATION EXPENSE - SEWER	164,296.36	169,809.40	(5,513.04)
PAYROLL TAXES - FICA & U.C.	29,781.45	32,527.90	(2,746.45)
WATER TREATMENT LABOR - OPERATIONS	24,246.35	24,823.50	(577.15)
T & D LABOR - OPERATIONS	144,474.52	161,121.40	(16,646.88)
T & D LABOR - MAINTENANCE	1,962.48	8,813.90	(6,851.42)
CUSTOMER ACCOUNTS LABOR	43,276.15	57,281.70	(14,005.55)
ADMIN. & GENERAL LABOR	20,362.62	24,826.70	(4,464.08)
SEWER LABOR	59,497.86	70,346.70	(10,848.84)
COMP COMMISSIONERS - AUTO DIST	5,000.00	5,000.00	0.00
COMPENSATION - ADMINISTRATOR	77,764.92	79,449.20	(1,684.28)
HEALTH INSURANCE - WTP OPERATIONS	5,425.16	5,296.70	128.46
HEALTH INSURANCE - T & D OPERATIONS	34,964.40	46,207.00	(11,242.60)
HEALTH INSURANCE - T & D MAINTENANCE	0.00	7.90	(7.90)
HEALTH INSURANCE - CUSTOMER ACCOUNTS	11,843.80	8,275.50	3,568.30
HEALTH INSURANCE - ADMIN. & GENERAL	7,201.90	6,501.40	700.50
HEALTH INSURANCE - SEWER	9,495.60	9,768.70	(273.10)
DENTAL INSURANCE - WTP OPERATIONS	51.15	141.50	(90.35)
DENTAL INSURANCE - T & D OPERATIONS	375.04	946.90	(571.86)
DENTAL INSURANCE - CUST. ACCOUNTS	13.10	458.50	(445.40)
DENTAL INSURANCE - ADMIN. & GENERAL	(2.66)	957.20	(959.86)
DENTAL INSURANCE - SEWER	85.05	377.00	(291.95)
VISION INSURANCE - PUMPING OPER.	(11.80)	2.00	(13.80)
VISION INSURANCE - WTP OPER.	3.68	82.90	(79.22)
VISION INSURANCE - T & D OPER.	164.10	0.00	164.10
VISION INSURANCE - CUST. ACCOUNTS	(31.44)	742.90	(774.34)
VISION INSURANCE - ADMIN. & GENERAL	(25.04)	0.00	(25.04)
VISION INSURANCE - SEWER	(22.96)	0.00	(22.96)
LIFE INSURANCE - PUMPING OPER.	(442.48)	0.00	(442.48)
LIFE INSURANCE - WTP OPER.	140.09	139.70	0.39
LIFE INSURANCE - T & D OPER.	1,167.86	958.00	209.86
LIFE INSURANCE - CUSTOMER ACCTS	383.63	430.40	(46.77)
LIFE INSURANCE - ADMIN. & GENERAL	619.17	297.20	321.97
LIFE INSURANCE - SEWER	427.94	369.00	58.94
SHORT TERM DISAB. - PUMPING OPER.	26.20	9.40	16.80
SHORT TERM DISAB. - WTP OPER.	87.43	17.40	70.03
SHORT TERM DISAB. - T & D OPER.	348.24	0.00	348.24

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	2 Months Ended February 28, 2022 Actual	2 Months Ended February 28, 2022 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D MAINT.	(21.52)	97.40	(118.92)
SHORT TERM DISAB. - CUSTOMER ACCTS	65.82	21.50	44.32
SHORT TERM DISAB. - ADMIN. & GENERAL	(1.86)	0.00	(1.86)
SHORT TERM DISAB. - SEWER	(88.40)	37.50	(125.90)
UNIFORM EXPENSE (PLANT)	110.19	0.00	110.19
UNIFORM EXPENSE (WATER)	3,751.85	3,855.20	(103.35)
UNIFORM EXPENSE (WW)	527.84	776.40	(248.56)
Employee Expense	1,615.00	2,439.00	(824.00)
Insurance expense	22,376.52	14,939.90	7,436.62
Water Purchased -Williamson	77,488.65	76,608.70	879.95
WATER PURCHASED -PIKEVILLE	132,007.47	113,372.40	18,635.07
Sewage Fees	13,038.21	14,000.00	(961.79)
UTILITY EXPENSE	1,373.91	1,616.40	(242.49)
LABORATORY SUPPLIES	1,401.87	1,925.50	(523.63)
LABORATORY EXPENSE	0.00	1,200.20	(1,200.20)
Laboratory Testing Expenses	7,418.41	7,912.90	(494.49)
Laboratory Testing Expense	5,172.75	8,065.50	(2,892.75)
CHEMICALS	37,694.78	25,588.20	12,106.58
Chemicals-WW	5,129.20	11,340.00	(6,210.80)
SAFETY SUPPLIES	2,968.84	2,465.00	503.84
SAFETY SUPPLIES-WW	187.65	1,245.70	(1,058.05)
Electrical Expense	273,604.03	230,152.00	43,452.03
CONTRACT SERVICES -ENGINEERING	3,892.50	0.00	3,892.50
CONTRACT SERVICE - ACCOUNTING	7,191.00	13,424.90	(6,233.90)
CONTRACT SERVICE - LEGAL	2,103.75	5,055.70	(2,951.95)
CONTRACT SERVICE-GENERAL	1,300.00	4,071.00	(2,771.00)
CONTRACT SERVICES - MANPOWER	40,383.90	0.00	40,383.90
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	31,095.27	30,000.00	1,095.27
AUTO & TRANSPORTATION EXPENSE	20.60	0.00	20.60
ADVERTISING	88.20	617.20	(529.00)
MOBILE PHONE EXPENSE	4,039.38	3,919.20	120.18
TELEPHONE/INTERNET	4,644.11	3,490.90	1,153.21
TELEPHONE/INTERNET	844.66	557.50	287.16
EDUCATION, DUES, MEETINGS, INSURANCE	9,319.39	8,000.00	1,319.39
Office Expense	46,045.21	38,561.50	7,483.71
Easements	0.00	400.00	(400.00)
SETTLEMENT EXPENSES	2,500.00	0.00	2,500.00
SERVICE FEE EXPENSE	110.25	3,342.90	(3,232.65)
BANK SERVICE FEES EXP	715.43	790.50	(75.07)
Worker's Compensation Insurance	17,895.00	11,526.40	6,368.60
PSC TAX ASSESSMENT	0.00	3,454.20	(3,454.20)
Retirement Expense	92,899.19	110,095.50	(17,196.31)
MISCELLANEOUS SUPPLIES	70.88	72.20	(1.32)
Major Equipment R & M	3,651.32	7,344.70	(3,693.38)
Major Equipment R & M Sewer	576.41	471.50	104.91
Hand Tools R & M	6,298.44	2,268.90	4,029.54
Hand Tools R & M Sewer	105.50	609.50	(504.00)
PS/LS R & M	26,206.18	21,937.50	4,268.68
PS/LS R & M Sewer	5,754.94	20,215.40	(14,460.46)
Vehicle R & M	10,860.60	10,840.90	19.70
Vehicle R & M Sewer	471.67	150.50	321.17
General R & M	70,326.91	123,989.70	(53,662.79)
General R & M Sewer	1,731.30	6,907.40	(5,176.10)
General R & M -Telemetry	2,330.27	2,918.40	(588.13)
R & M Leak Det.	1,383.96	100.20	1,283.76
SUPPLIES & EXPENSES TREATMENT (WW)	2,250.00	2,245.90	4.10

**MOUNTAIN WATER DISTRICT  
Income Statement**

	2 Months Ended February 28, 2022 Actual	2 Months Ended February 28, 2022 Budget	Over/(Under) Budget
<b>Total Operating Expenses</b>	<u>2,142,343.37</u>	<u>2,167,026.50</u>	<u>(24,683.13)</u>
<b>Operating Income (Loss)</b>	<u>(394,702.96)</u>	<u>(401,934.80)</u>	<u>7,231.84</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	344.88	656.30	(311.42)
INTEREST EXPENSE - TERM DEBT	(60,086.48)	(35,063.00)	(25,023.48)
INTEREST EXPENSE - TERM DEBT	<u>(8,070.00)</u>	<u>(14,876.00)</u>	<u>6,806.00</u>
<b>Total Other Income (Expenses)</b>	<u>(67,811.60)</u>	<u>(49,282.70)</u>	<u>(18,528.90)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(462,514.56)</u>	<u>(451,217.50)</u>	<u>(11,297.06)</u>
<b>Net Income (Loss)</b>	<u>\$ (462,514.56)</u>	<u>\$ (451,217.50)</u>	<u>\$ (11,297.06)</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended February 28, 2022 Actual	1 Month Ended February 28, 2022 Budget	2 Months Ended February 28, 2022 Actual	2 Months Ended February 28, 2022 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 551,800.68	\$ 564,788.50	\$ 1,113,282.84	\$ 1,129,577.00
METERED SALES - COMMERCIAL	58,877.67	47,965.09	113,677.94	95,930.10
METERED SALES - INDUSTRIAL	4,737.54	4,895.25	8,849.26	9,790.50
METERED SALES - PUBLIC AUTH.	35,909.24	33,100.00	69,158.23	66,200.00
METERED SALES - MULTI FAMILY	25,405.25	25,078.92	50,488.12	50,157.80
FIRE PROTECTION REVENUE	125.00	116.67	250.00	233.30
CUSTOMER LATE PAYMENT CHARGES	14,162.77	15,489.00	29,854.75	30,978.00
OTHER WATER SERVICE REVENUE	(1,331.73)	5,239.75	(1,251.79)	10,479.50
SERVICE CONNECTION FEES	12,808.00	13,120.50	26,168.00	26,241.00
SERVICE CONNECTION FEES FOR WASTE WATER	(510.00)	18.59	(1,650.00)	37.10
SEWER REVENUE -RESIDENTIAL	137,382.32	135,751.09	268,241.26	271,502.10
SEWER REVENUE - COMMERCIAL	35,236.20	36,982.67	70,571.80	73,965.30
<b>Total Sales</b>	<u>874,602.94</u>	<u>882,546.03</u>	<u>1,747,640.41</u>	<u>1,765,091.70</u>
<b>Gross Profit</b>	<u>874,602.94</u>	<u>882,546.03</u>	<u>1,747,640.41</u>	<u>1,765,091.70</u>
<b>Operating Expenses</b>				
Undistributed	(62.92)	0.00	(86.32)	0.00
DEPRECIATION EXPENSE	253,848.42	247,999.66	507,696.84	495,999.40
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.66	164,296.36	169,809.40
PAYROLL TAXES - FICA & U.C.	14,745.14	16,263.91	29,781.45	32,527.90
WATER TREATMENT LABOR - OPERATIONS	11,621.00	12,411.75	24,246.35	24,823.50
T & D LABOR - OPERATIONS	72,394.65	80,560.66	144,474.52	161,121.40
T & D LABOR - MAINTENANCE	452.88	4,406.91	1,962.48	8,813.90
CUSTOMER ACCOUNTS LABOR	21,554.41	28,640.83	43,276.15	57,281.70
ADMIN. & GENERAL LABOR	10,201.87	12,413.33	20,362.62	24,826.70
SEWER LABOR	29,794.95	35,173.33	59,497.86	70,346.70
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00	5,000.00	5,000.00
COMPENSATION - ADMINISTRATOR	39,286.30	39,724.58	77,764.92	79,449.20
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,648.33	5,425.16	5,296.70
HEALTH INSURANCE - T & D OPERATIONS	17,336.30	23,103.50	34,964.40	46,207.00
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.91	0.00	7.90
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	4,137.75	11,843.80	8,275.50
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,250.66	7,201.90	6,501.40
HEALTH INSURANCE - SEWER	4,747.80	4,884.33	9,495.60	9,768.70
DENTAL INSURANCE - WTP OPERATIONS	65.25	70.75	51.15	141.50
DENTAL INSURANCE - T & D OPERATIONS	648.22	473.41	375.04	946.90
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	229.25	13.10	458.50
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	478.58	(2.66)	957.20
DENTAL INSURANCE - SEWER	182.15	188.50	85.05	377.00
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(11.80)	2.00
VISION INSURANCE - WTP OPER.	1.84	41.41	3.68	82.90
VISION INSURANCE - T & D OPER.	74.17	0.00	164.10	0.00
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	371.41	(31.44)	742.90
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	0.00	(25.04)	0.00
VISION INSURANCE - SEWER	(11.48)	0.00	(22.96)	0.00
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(442.48)	0.00
LIFE INSURANCE - WTP OPER.	72.48	69.83	140.09	139.70
LIFE INSURANCE - T & D OPER.	586.13	479.00	1,167.86	958.00
LIFE INSURANCE - CUSTOMER ACCTS	319.49	215.16	383.63	430.40
LIFE INSURANCE - ADMIN. & GENERAL	342.21	148.58	619.17	297.20
LIFE INSURANCE - SEWER	213.97	184.50	427.94	369.00
SHORT TERM DISAB. - PUMPING OPER.	86.60	4.66	26.20	9.40

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended February 28, 2022 Actual</b>	<b>1 Month Ended February 28, 2022 Budget</b>	<b>2 Months Ended February 28, 2022 Actual</b>	<b>2 Months Ended February 28, 2022 Budget</b>
SHORT TERM DISAB. - WTP OPER.	91.07	8.66	87.43	17.40
SHORT TERM DISAB. - T & D OPER.	313.92	0.00	348.24	0.00
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.66	(21.52)	97.40
SHORT TERM DISAB. - CUSTOMER ACCTS	57.31	10.75	65.82	21.50
SHORT TERM DISAB. - ADMIN. & GENERAL	69.57	0.00	(1.86)	0.00
SHORT TERM DISAB. - SEWER	(117.70)	18.75	(88.40)	37.50
UNIFORM EXPENSE (PLANT)	11.55	0.00	110.19	0.00
UNIFORM EXPENSE (WATER)	2,312.29	1,927.58	3,751.85	3,855.20
UNIFORM EXPENSE (WW)	249.49	388.16	527.84	776.40
Employee Expense	1,170.00	1,219.50	1,615.00	2,439.00
Insurance expense	13,357.65	7,469.91	22,376.52	14,939.90
Water Purchased -Williamson	31,402.25	38,304.33	77,488.65	76,608.70
WATER PURCHASED -PIKEVILLE	76,847.47	56,686.16	132,007.47	113,372.40
Sewage Fees	6,940.63	7,000.00	13,038.21	14,000.00
UTILITY EXPENSE	1,373.91	808.16	1,373.91	1,616.40
LABORATORY SUPPLIES	275.72	962.75	1,401.87	1,925.50
LABORATORY EXPENSE	0.00	600.08	0.00	1,200.20
Laboratory Testing Expenses	3,331.66	3,956.41	7,418.41	7,912.90
Laboratory Testing Expense	1,921.00	4,032.75	5,172.75	8,065.50
CHEMICALS	36,302.78	12,794.08	37,694.78	25,588.20
Chemicals-WW	2,659.60	5,670.00	5,129.20	11,340.00
SAFETY SUPPLIES	1,912.06	1,232.50	2,968.84	2,465.00
SAFETY SUPPLIES-WW	187.65	622.83	187.65	1,245.70
Electrical Expense	128,566.15	115,076.00	273,604.03	230,152.00
CONTRACT SERVICES -ENGINEERING	0.00	0.00	3,892.50	0.00
CONTRACT SERVICE - ACCOUNTING	3,616.00	6,712.41	7,191.00	13,424.90
CONTRACT SERVICE - LEGAL	0.00	2,527.83	2,103.75	5,055.70
CONTRACT SERVICE-GENERAL	650.00	2,035.50	1,300.00	4,071.00
CONTRACT SERVICES - MANPOWER	24,365.00	0.00	40,383.90	0.00
CONTRACT MGMNT EXP ASSUMED	0.00	0.00	8,855.55	0.00
AUTO & TRANSPORTATION EXPENSE	14,897.01	15,000.00	31,095.27	30,000.00
AUTO & TRANSPORTATION EXPENSE	20.60	0.00	20.60	0.00
ADVERTISING	0.00	308.58	88.20	617.20
MOBILE PHONE EXPENSE	1,847.05	1,959.58	4,039.38	3,919.20
TELEPHONE/INTERNET	1,111.84	1,745.41	4,644.11	3,490.90
TELEPHONE/INTERNET	421.43	278.75	844.66	557.50
EDUCATION, DUES, MEETINGS, INSURANCE	5,479.50	4,000.00	9,319.39	8,000.00
Office Expense	22,295.60	19,280.75	46,045.21	38,561.50
Easements	0.00	200.00	0.00	400.00
SETTLEMENT EXPENSES	2,500.00	0.00	2,500.00	0.00
SERVICE FEE EXPENSE	110.25	1,671.41	110.25	3,342.90
BANK SERVICE FEES EXP	593.63	395.25	715.43	790.50
Worker's Compensation Insurance	5,965.00	5,763.16	17,895.00	11,526.40
PSC TAX ASSESSMENT	0.00	1,727.08	0.00	3,454.20
Retirement Expense	46,093.18	55,047.75	92,899.19	110,095.50
MISCELLANEOUS SUPPLIES	35.44	36.08	70.88	72.20
Major Equipment R & M	1,691.21	3,672.33	3,651.32	7,344.70
Major Equipment R & M Sewer	196.95	235.75	576.41	471.50
Hand Tools R & M	2,291.29	1,134.41	6,298.44	2,268.90
Hand Tools R & M Sewer	17.99	304.75	105.50	609.50
PS/LS R & M	9,946.13	10,968.75	26,206.18	21,937.50
PS/LS R & M Sewer	2,107.00	10,107.66	5,754.94	20,215.40
Vehicle R & M	6,126.08	5,420.41	10,860.60	10,840.90
Vehicle R & M Sewer	296.67	75.25	471.67	150.50
General R & M	64,137.38	61,994.83	70,326.91	123,989.70
General R & M Sewer	1,189.78	3,453.66	1,731.30	6,907.40

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended February 28, 2022 Actual</b>	<b>1 Month Ended February 28, 2022 Budget</b>	<b>2 Months Ended February 28, 2022 Actual</b>	<b>2 Months Ended February 28, 2022 Budget</b>
General R & M -Telemetry	1,950.27	1,459.16	2,330.27	2,918.40
R & M Leak Det.	1,383.96	50.08	1,383.96	100.20
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,122.91	2,250.00	2,245.90
INTEREST EXPENSE - TERM DEBT	29,345.56	17,531.50	60,086.48	35,063.00
INTEREST EXPENSE - TERM DEBT	4,035.00	7,438.00	8,070.00	14,876.00
<b>Total Operating Expenses</b>	<u>1,140,474.67</u>	<u>1,108,481.15</u>	<u>2,210,499.85</u>	<u>2,216,965.50</u>
<b>Operating Income (Loss)</b>	<u>(265,871.73)</u>	<u>(225,935.12)</u>	<u>(462,859.44)</u>	<u>(451,873.80)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>161.83</u>	<u>328.17</u>	<u>344.88</u>	<u>656.30</u>
<b>Total Other Income (Expenses)</b>	<u>161.83</u>	<u>328.17</u>	<u>344.88</u>	<u>656.30</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(265,709.90)</u>	<u>(225,606.95)</u>	<u>(462,514.56)</u>	<u>(451,217.50)</u>
<b>Net Income (Loss)</b>	<u>\$ (265,709.90)</u>	<u>\$ (225,606.95)</u>	<u>\$ (462,514.56)</u>	<u>\$ (451,217.50)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
FEBRUARY, 2022**

- 217** Field maintenance work orders issued during the month of FEBRUARY.
- 208** Field maintenance work orders completed during the month of FEBRUARY.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	48	40	80	38	<b>206</b>
FEBRUARY	53	67	48	40	<b>208</b>
MARCH					
APRIL					
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>101</b>	<b>107</b>	<b>128</b>	<b>78</b>	<b>414</b>

- 6** New PAID service tap work orders issued during the month of FEBRUARY.
- 8** New PAID service tap work orders completed during the month of FEBRUARY.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<b>TOTALS</b>
JANUARY	0	1	1	0	<b>2</b>
FEBRUARY	1	3	0	4	<b>8</b>
MARCH					
APRIL					
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>10</b>

**WATER**

- 125** Water Customer Work Orders completed during the month of FEBRUARY.
- 2,837** Delinquent Notices Mailed during the month of FEBRUARY.
- 296** Delinquent Work Orders Written Up during the month of FEBRUARY.
- 165** Delinquent Accounts Disconnected during the month of FEBRUARY.

**SEWER**

47 Sewer Customer Work Orders completed during the month of FEBRUARY.

8 Delinquent Work Orders Written Up during the month of FEBRUARY.

0 Delinquent Work Orders Disconnected during the month of FEBRUARY.

5 Water Delinquent Work Orders Written Up – City of Pikeville Agreement

5 Water Delinquent Accounts Disconnected – City of Pikeville Agreement

4 Water Delinquent Accounts Reconnected – City of Pikeville Agreement

9 Water Delinquent Work Orders Written Up – City of Williamson Agreement

8 Water Delinquent Accounts Disconnected – City of Williamson Agreement

1 Water Delinquent Accounts Reconnected – City of Williamson Agreement

18 Vehicle & equipment maintenance work orders issued during the month of FEBRUARY.

28 Vehicle & equipment maintenance work orders completed during the month of FEBRUARY.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,373 (16,553 Taps + 820 Multi-Users)
FEBRUARY	17,361 (16,543 Taps + 818 Multi-Users)
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,304
FEBRUARY	2,307
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**FEBRUARY 2021****WATER & SEWER TRENDS**

	<b># CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>\$ BILLED</b>	<b>\$ TREND/CHANGE %</b>
<b>WATER</b>	17,361	63,461,760	\$684,289.39	-.58%
<b>SEWER</b>	2,307	8,528,285	\$176,451.11	3.53%
<b>TOTAL BILLED</b>			<b>\$860,740.50</b>	<b>.24%</b>

2 Sewer taps were completed during the month of FEBRUARY.

2 Hydrant work orders were completed during the month of FEBRUARY.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **FEBRUARY** was **17,190,000** gallons.

**WATERLOSS** due to leaks and breaks was **3,241,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **7,803,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **3,560,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **2,586,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **FEBRUARY** was **34,417,000** gallons for an unaccounted-for loss of **29.91%**.

Water loss percentage utilizing the PSC form was **32.7%**.

**WATER DEPARTMENT:****BOOSTER PUMP STATION MAINTENANCE:**

19 Work Orders completed for Booster Pump Stations during the month of FEBRUARY.

**WATER STORAGE TANK MAINTENANCE:**

3 Work Orders completed for Water Storage Tanks during the month of FEBRUARY.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of FEBRUARY.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

5 Work Orders completed for Pressure Regulator Stations during the month of FEBRUARY.

**TELEMETRY MAINTENANCE:**

7 Work Orders completed for Telemetry during the month of FEBRUARY.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

**9** Work Orders completed for the Russell Fork Water Plant during the month of FEBRUARY.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of FEBRUARY.

- 30- Special Bacteriological Samples
- 2- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**1** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of FEBRUARY.

**LIFT STATION MAINTENANCE:**

**3** Work Orders completed for Lift Stations excluding regular maintenance during the month of FEBRUARY.

**COLLECTION SYSTEM MAINTENANCE:**

**58** Work Orders completed for Collection Systems during the month of FEBRUARY.

# **Summary Information from the Financials**

**April 27, 2022**

## **Balance Sheet as of March**

- Cash in Bank is \$100,991.87
- Accounts Receivable \$1,098,372.85
- Plant in place is \$167,482,030.41
- Accounts Payable is \$136,583.47
- Equity is 63,912,094.67

## **Income Statement –March /Year to Date**

- Revenue \$852,942.14
- Utility Operating Expenses \$1,114,252.75
- Income (Loss) \$(294,767.10 / (757,281.66)
- Included in the loss is Depreciation of (\$335,997/ (\$1,007,990)
- Operating income was negative in the amount of( \$261,310.61) this month.

## **Cash Flow Statement**

- Cash decreased by \$94,007

## **Additional Comments**

- Our current Operating account balance was \$88,410.22
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$862,259 .and \$870,961 respectively. Our O&M Reserve is \$366,463
- We are going to transfer to the sinking fund \$108,000 to ensure we have money to pay our debt service.
- The water from the City of Pikeville did go down to the minimum for April. What we paid in the month of March was for water used during the month of February.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of March 31, 2022 and 2021**

**ASSETS**

	<b>2022</b>	<b>2021</b>
<b>Current Assets</b>		
Cash In Bank	\$ 100,991.87	\$ 445,571.33
Accounts Receivable	1,098,372.85	977,177.74
Clearing Accounts	(5,146.08)	8,569.78
Inventory	279,476.25	279,476.25
Other Current Assets	<u>3,108,451.38</u>	<u>3,623,199.03</u>
<b>Total Current Assets</b>	<u>4,582,146.27</u>	<u>5,333,994.13</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,851,468.46	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	97,850,200.73	97,753,066.79
Water General Plant	5,262,591.83	4,689,165.23
Sewer General Plant	37,477,556.78	37,251,734.90
Construction in Progress	<u>11,832,557.91</u>	<u>9,550,025.00</u>
Total Plant In Service	167,482,030.41	164,293,374.30
Less Accumulated Depreciation	<u>(75,344,836.37)</u>	<u>(71,318,080.46)</u>
<b>Net Capital Assets</b>	<u>92,137,194.04</u>	<u>92,975,293.84</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>92,201,113.22</u>	<u>93,039,213.02</u>
<b>Total Net Assets</b>	<u>\$ 96,783,259.49</u>	<u>\$ 98,373,207.15</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of March 31, 2022 and 2021**

**Liabilities and Net Assets**

	<b>2022</b>	<b>2021</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 136,583.47	\$ 288,892.39
Current Portion Due - Notes Payable	1,363,902.00	1,363,902.00
Customer Deposits	485,990.23	390,034.62
Accrued Payroll and Related Expenses	133,445.19	116,281.46
Accrued Interest - Long Term Debt	<u>333,760.43</u>	<u>231,703.01</u>
<b>Total Current Liabilities</b>	<u>2,453,681.32</u>	<u>2,390,813.48</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	3,931,161.74	4,023,358.35
Notes Payable - Ky Infrastructure Authority	4,100,864.56	4,630,092.37
Notes Payable - Rural Development	9,870,500.00	10,083,900.00
Advances for Construction	6,790,003.39	5,367,846.33
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>31,902,668.69</u>	<u>31,315,336.05</u>
<b>Total Liabilities</b>	<u>34,356,350.01</u>	<u>33,706,149.53</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(757,281.66)	(613,522.09)
Contributions in aid of Construction	57,143,659.26	59,403,652.69
Tap-On-Fees	<u>7,525,717.07</u>	<u>7,431,335.16</u>
<b>Total Net Position</b>	<u>63,912,094.67</u>	<u>66,221,465.76</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended March 31, 2022</b>	<b>3 Months Ended March 31, 2022</b>
<b>Operating Revenue</b>	\$ 852,942.14	\$ 2,600,582.55
<b>Total Operating Revenue</b>	<u>852,942.14</u>	<u>2,600,582.55</u>
<b>Operating Expenses</b>		
Water Supply Expense	14,848.63	44,484.60
Water Purchases	117,729.78	327,225.90
Electricity Expense	142,460.07	416,064.10
Repairs & Maintenance - Sewer	10,528.76	20,552.54
Repairs & Maintenance - Water	100,686.95	220,360.67
Transmission & Distribution Expense	95,412.27	282,599.24
Customer Service Expense	38,001.57	113,915.25
Administrator Expense	121.77	117.25
Sewer Expense	51,955.17	140,233.16
General & Administrative	<u>206,511.18</u>	<u>683,053.61</u>
<b>Total Operating Expenses</b>	778,256.15	2,248,606.32
Depreciation Expense	<u>335,996.60</u>	<u>1,007,989.80</u>
<b>Utility Operating Expense</b>	<u>1,114,252.75</u>	<u>3,256,596.12</u>
<b>Utility Operating Income (Loss)</b>	<u>(261,310.61)</u>	<u>(656,013.57)</u>
<b>Non Operating Revenue</b>		
Interest Income	496.87	841.75
Interest Expense	<u>(33,953.36)</u>	<u>(102,109.84)</u>
<b>Total Non Operating Revenue</b>	<u>(33,456.49)</u>	<u>(101,268.09)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (294,767.10)	\$ (757,281.66)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>6,889.50</u>	<u>20,234.50</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>6,889.50</u>	<u>20,234.50</u>
<b>Change in Net Position</b>	<u>(287,877.60)</u>	<u>(737,047.16)</u>
<b>Net Position, beginning of period</b>	<u>64,199,972.27</u>	<u>64,649,141.83</u>
<b>Net Position, end of period</b>	<u>\$ 63,912,094.67</u>	<u>\$ 63,912,094.67</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 3 Months Ended March 31, 2022**

	<b>1 Month Ended March 31, 2022</b>	<b>3 Months Ended March 31, 2022</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (294,767.10)	\$ (757,281.66)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	1,007,989.80
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	59,081.14	(68,204.25)
Other Current Assets	20,566.95	(8,468.66)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(109,350.66)	(83,998.64)
Accrued Interest	31,716.00	63,184.25
Advances for Construction	18,012.80	143,468.44
Accrued Liabilities	7,158.51	(50,694.07)
Tap on Fees	6,889.50	20,234.50
Customer Deposits	9,525.93	21,913.16
Clearing Accounts	7,901.25	4,570.69
Total Adjustments	<u>387,498.02</u>	<u>1,049,995.22</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>92,730.92</u>	<u>292,713.56</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(66,804.83)	(387,719.04)
Construction in Progress	<u>(38,562.42)</u>	<u>(266,285.92)</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(105,367.25)</u>	<u>(654,004.96)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	235,507.51	735,791.18
Notes Payable Repayments	<u>(316,878.49)</u>	<u>(642,435.10)</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(81,370.98)</u>	<u>93,356.08</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	(94,007.31)	(267,935.32)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>194,999.18</u>	<u>368,927.19</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 100,991.87</u>	<u>\$ 100,991.87</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of March 31, 2022 and 2021**

**ASSETS:**

	<b>2022</b>	<b>2021</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 88,410.22	\$ 426,895.76
CTB-MWD Payroll Account	12,261.47	18,355.39
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>100,991.87</b>	<b>445,571.33</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	767,415.49	736,664.25
RECEIVABLE - RETURNED CHECKS	29,926.12	6,628.81
RECEIVABLE - OTHER FEES, ETC..	(60,436.21)	20,711.49
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	325,520.22	251,173.19
PROVISION FOR UNCOLLECTIBLES	37,627.00	(38,000.00)
<b>Total Accounts Receivable:</b>	<b>1,098,372.85</b>	<b>977,177.74</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	(5,146.08)	8,569.78
<b>Total Clearing Accounts:</b>	<b>(5,146.08)</b>	<b>8,569.78</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	196,043.63
BB & T - Sinking Fund	191,732.47	317,416.53
CTB - JOHNS CREEK WATER PROJ.	100.00	3,332.84
BB&T - Special Projects	8.62	103.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	36,477.08
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	32,942.60	33,981.13
CTB - O & M RESERVES	366,463.13	357,572.15
Community Trust Bank - Misc Line Extension	4,901.69	4,896.79
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	16,724.21	29,271.63
CTB - R & M RESERVE	870,961.34	870,089.22
CTB - Dist Wide WW Tap Fees	47,077.80	64,571.21

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of March 31, 2022 and 2021**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,837.41	2,842.69
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	2,625.96	38,414.90
MWD DEPRECIATION RESERVE ACCOUNT	862,259.06	861,312.80
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	3,580.77	2,113.63
CTB-MWD Escrow Account	100.00	26,893.54
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	0.00	276,386.43
New Customer Deposit Acct.	377,928.54	398,926.54
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,108,451.38</b>	<b>3,623,199.03</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of March 31, 2022 and 2021**

**LIABILITIES:**

	<b>2022</b>	<b>2021</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	11,862.92
FEDERAL INCOME TAX WITHHELD	2,883.44	2,883.44
KY INCOME TAX WITHHELD	2,611.83	14,487.69
ACCRUED FUTA	5,020.68	2,301.11
Accrued CERS	57,940.31	51,064.70
Accrued County Withheld	5,655.62	6,123.17
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	45,921.06	26,009.10
<b>Total Employee Related Payables</b>	133,445.19	116,281.46

**Other Current Liabilities:**

**Notes Payable:**

Note Payable Ky. Rural Water	3,096,215.96	3,434,773.33
US Bank Big Creek Water Loan	7,195.01	49,594.60
#154 fORD f250 2017	0.00	3,226.16
# 155 CTB	2,213.70	7,320.13
CTB V# 156	335.13	6,468.60
CTB V # 157 2018 GMC Sierra	(21.71)	6,754.68
CTB 158 & 159	8,436.65	22,634.28
WELLS FARGO MINI EXCAVATOR	1,964.37	3,958.63
CTB # 161	0.00	3,151.93
CTB- 160	0.00	(6,727.01)
CTB -162	14,382.44	19,970.89
CTB- #163 2019 Ford 350	32,299.26	46,982.55
#165 Ford F-250 2021	22,610.86	30,601.76
#164 2021 Ford F-250	23,272.64	30,601.76
#166	21,919.26	30,601.76
CTB-# 167 Chevrolet Silverado 2500	31,538.62	0.00
CTB- #169 2019 Toytoa Tacoma	27,058.87	0.00
CTB- 2016 F150	26,715.54	0.00
CTB-2021 Ford F350	54,245.39	0.00
CTB- 168 2017 Toyota	27,036.61	0.00
CTB- 2021 John Deer Mini excavator	48,449.54	0.00
CTB-Line Credit for FEMA BPS Recl.	0.45	0.00
CTB-LN OF COMMITMENT - FEMA REC	0.00	211,034.39
CTB AEP Line of credit	86,303.56	111,103.69
Kobelco mini excavator	0.00	11,306.22
2017 Takeunchi Skid Steer	11,625.92	0.00
CTB #174 2021 Ford F150	26,062.33	0.00
CTB # 175 2021 Ford F150	26,062.33	0.00
CTB- 177 Ford F350	47,921.08	0.00
CTB # Ford F150 2021	26,595.28	0.00
#172 CTB Ford 150	27,614.68	0.00
CTB # 173 FordF150	27,875.59	0.00
CTB Boost Pump Relocation Loan	205,232.38	0.00
<b>Total Notes Payable</b>	3,931,161.74	4,023,358.35

**Notes Payable - Ky Infrastructure Authority:**

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of March 31, 2022 and 2021**

KIA LOAN B291-07 MULTI AREA	499,673.84	738,925.83
KIA LOAN B291-01 INDIAN CREEK	33,058.77	48,864.27
KIA LOAN F01-07 WATER PLANT	174,116.64	241,608.38
KIA LOAN A03-06 SO WMSN III	30,106.18	39,943.95
KIA Shelby III Phase II	183,551.24	201,879.87
KIA-A16-079 Grinder St	243,050.47	257,296.15
KIA-Douglas WWTP	2,937,307.42	3,101,573.92
<b>Total Notes Payable - Ky Infrastructure Authority</b>	<b>4,100,864.56</b>	<b>4,630,092.37</b>

**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	542,000.00	553,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,091,900.00
RD Belfry WW	3,584,500.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,325,000.00
RD Bond - Shelby Sewer Project	565,000.00	580,000.00
RD Bond - 91-01 Phelps Sewer	316,000.00	325,000.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	556,000.00
<b>Total Notes Payable - Rural Development</b>	<b>9,870,500.00</b>	<b>10,083,900.00</b>

**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	<b>113,094,523.90</b>	<b>113,094,523.90</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of March 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,518,699.33</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	4,851,468.46	4,841,727.68
Less: Accumulated Depreciation	<u>(3,036,869.06)</u>	<u>(2,671,597.81)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,814,599.40</b>	<b>\$ 2,170,129.87</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,814,192.82)</u>	<u>(3,540,758.50)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,393,461.88</b>	<b>\$ 6,666,896.20</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,970,290.33	6,917,385.69
WATER METERS & INSTALLATIONS	7,672,907.94	7,628,678.64
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	97,850,200.73	97,753,066.79
Less: Accumulated Depreciation	<u>(49,852,644.40)</u>	<u>(47,750,592.16)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 47,997,556.33</b>	<b>\$ 50,002,474.63</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,950.48
TRANSPORTATION EQUIPMENT	1,887,977.00	1,469,980.49
TOOLS, SHOP & GARAGE EQUIPMENT	346,217.90	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	443,348.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	5,262,591.83	4,689,165.23
Less: Accumulated Depreciation	<u>(4,145,169.30)</u>	<u>(3,844,949.36)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 1,117,422.53</b>	<b>\$ 844,215.87</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,192,018.11
SEWER SERVICES	494,947.54	438,242.34
SEWER METERS & INSTALLATIONS	914,972.74	787,556.14
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,477,556.78	37,251,734.90
Less: Accumulated Depreciation	<u>(14,323,939.30)</u>	<u>(13,338,161.14)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,153,617.48</b>	<b>\$ 23,913,573.76</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of March 31, 2022 and 2021**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 2,088,895.64	\$ 1,052,149.87
CIP-MATERIALS & SUPPLIES	175,419.45	54,897.68
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>9,396,221.33</u>	<u>8,270,955.96</u>
Total Construction in Progress	11,832,557.91	9,550,025.00
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 11,660,536.42</b>	<b>\$ 9,378,003.51</b>
<b>Total Plant in Service</b>	<b><u>\$ 92,137,194.04</u></b>	<b><u>\$ 92,975,293.84</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>March 31, 2022</b>	<b>3 Months Ended</b> <b>March 31, 2022</b>
<b>Water Supply Expense:</b>		
WATER TREATMENT LABOR - OPERATIONS	12,276.15	36,522.50
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	8,137.74
DENTAL INSURANCE - WTP OPERATIONS	65.25	116.40
VISION INSURANCE - PUMPING OPER.	(5.90)	(17.70)
VISION INSURANCE - WTP OPER.	1.84	5.52
LIFE INSURANCE - PUMPING OPER.	(221.24)	(663.72)
LIFE INSURANCE - WTP OPER.	67.61	207.70
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	(34.20)
SHORT TERM DISAB. - WTP OPER.	12.74	100.17
UNIFORM EXPENSE (PLANT)	0.00	110.19
<b>Total Water Supply Expenses</b>	<b>14,848.63</b>	<b>44,484.60</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	39,516.84	117,005.49
WATER PURCHASED -PIKEVILLE	78,212.94	210,220.41
<b>Total Water Purchases Expenses</b>	<b>117,729.78</b>	<b>327,225.90</b>
<b>Electricity Expense:</b>		
Electrical Expense	142,460.07	416,064.10
<b>Total Electricity Expenses</b>	<b>142,460.07</b>	<b>416,064.10</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	0.00	576.41
Hand Tools R & M Sewer	185.71	291.21
PS/LS R & M Sewer	7,391.97	13,146.91
Vehicle R & M Sewer	394.79	866.46
General R & M Sewer	2,556.29	4,287.59
R & M Leak Det.	0.00	1,383.96
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>10,528.76</b>	<b>20,552.54</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	6,787.64	10,438.96
Hand Tools R & M	2,401.46	8,699.90
PS/LS R & M	13,438.16	39,644.34
Vehicle R & M	9,236.93	20,097.53
General R & M	66,854.40	137,181.31
General R & M -Telemetry	1,968.36	4,298.63
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>100,686.95</b>	<b>220,360.67</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	73,473.26	217,947.78
T & D LABOR - MAINTENANCE	0.00	1,962.48
HEALTH INSURANCE - T & D OPERATIONS	17,674.79	52,639.19
DENTAL INSURANCE - T & D OPERATIONS	697.13	1,072.17
VISION INSURANCE - T & D OPER.	75.97	240.07
LIFE INSURANCE - T & D OPER.	542.48	1,710.34

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>March 31, 2022</b>	<b>3 Months Ended</b> <b>March 31, 2022</b>
SHORT TERM DISAB. - T & D OPER.	142.52	490.76
SHORT TERM DISAB. - T & D MAINT.	(10.76)	(32.28)
UNIFORM EXPENSE (WATER)	2,816.88	6,568.73
<b>Total Transmission &amp; Distribution Expenses</b>	<b>95,412.27</b>	<b>282,599.24</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,483.66	64,759.81
ADMIN. & GENERAL LABOR	10,225.32	30,587.94
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	17,765.70
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	153.84
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	(47.16)
LIFE INSURANCE - CUSTOMER ACCTS	217.64	601.27
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	93.85
<b>Total Customer Service Expenses</b>	<b>38,001.57</b>	<b>113,915.25</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	134.14
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	(16.89)
<b>Total Administrator Expenses</b>	<b>121.77</b>	<b>117.25</b>
<b>Sewer Expense:</b>		
SEWER LABOR	29,939.74	89,437.60
HEALTH INSURANCE - SEWER	4,725.74	14,221.34
DENTAL INSURANCE - SEWER	182.15	267.20
VISION INSURANCE - SEWER	(11.48)	(34.44)
LIFE INSURANCE - SEWER	213.97	641.91
SHORT TERM DISAB. - SEWER	29.30	(59.10)
UNIFORM EXPENSE (WW)	227.41	755.25
Sewage Fees	6,872.36	19,910.57
Chemicals-WW	9,530.12	14,659.32
SAFETY SUPPLIES-WW	245.86	433.51
<b>Total Sewer Expenses</b>	<b>51,955.17</b>	<b>140,233.16</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	(68.51)	(154.83)
PAYROLL TAXES - FICA & U.C.	14,418.35	44,199.80
COMP COMMISSIONERS - AUTO DIST	2,500.00	7,500.00
COMPENSATION - ADMINISTRATOR	39,286.30	117,051.22
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	10,802.85
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(37.56)
LIFE INSURANCE - ADMIN. & GENERAL	295.62	914.79
Employee Expense	300.00	1,915.00
Insurance expense	9,018.87	31,395.39
UTILITY EXPENSE	806.22	2,180.13
LABORATORY SUPPLIES	306.00	1,707.87
Laboratory Testing Expenses	7,599.65	15,018.06
Laboratory Testing Expense	2,293.25	7,466.00
CHEMICALS	0.00	37,694.78
SAFETY SUPPLIES	470.96	3,439.80
CONTRACT SERVICES -ENGINEERING	0.00	3,892.50
CONTRACT SERVICES -ACCOUNTING	2,825.00	10,016.00

No assurance is provided by the auditor on the above information. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>March 31, 2022</b>	<b>3 Months Ended</b> <b>March 31, 2022</b>
CONTRACT SERVICE - LEGAL	0.00	2,103.75
CONTRACT SERVICE-GENERAL	1,000.00	2,300.00
CONTRACT SERVICES - MANPOWER	21,396.10	61,780.00
CONTRACT MGMNT EXP ASSUMED	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	14,567.09	45,662.36
AUTO & TRANSPORTATION EXPENSE	0.00	20.60
ADVERTISING	88.20	176.40
MOBILE PHONE EXPENSE	1,872.05	5,911.43
TELEPHONE/INTERNET	869.61	5,513.72
TELEPHONE/INTERNET	684.18	1,528.84
EDUCATION, DUES, MEETINGS, INSURANCE	3,012.56	12,331.95
Office Expense	22,506.89	68,552.10
SETTLEMENT EXPENSES	1,345.50	3,845.50
SERVICE FEE EXPENSE	0.00	110.25
BANK SERVICE FEES EXP	182.67	898.10
Worker's Compensation Insurance	5,965.00	23,860.00
Retirement Expense	47,835.28	140,734.47
MISCELLANEOUS SUPPLIES	53.16	124.04
SUPPLIES & EXPENSES TREATMENT (WW)	1,492.75	3,742.75
<b>Total General &amp; Administrative Expenses</b>	<b>206,511.18</b>	<b>683,053.61</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>March 31, 2022</b>	<b>3 Months Ended</b> <b>March 31, 2022</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 536,323.52	\$ 1,649,606.36
METERED SALES - COMMERCIAL	51,817.80	165,495.74
METERED SALES - INDUSTRIAL	4,828.02	13,677.28
METERED SALES - PUBLIC AUTH.	36,386.91	105,545.14
METERED SALES - MULTI FAMILY	25,396.65	75,884.77
FIRE PROTECTION REVENUE	125.00	375.00
CUSTOMER LATE PAYMENT CHARGES	11,531.16	41,385.91
OTHER WATER SERVICE REVENUE	7,805.61	6,553.82
SERVICE CONNECTION FEES	13,269.95	39,437.95
SERVICE CONNECTION FEES FOR WASTE WATER	(360.00)	(2,010.00)
SEWER REVENUE -RESIDENTIAL	131,457.32	399,698.58
SEWER REVENUE - COMMERCIAL	34,360.20	104,932.00
<b>Total Operating Revenue</b>	<b>852,942.14</b>	<b>2,600,582.55</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 547,642.61	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 539,789.70	\$ 561,482.16	\$ 551,800.68	\$ 536,323.52	\$6,777,759.92
METERED SALES - COMMERCIAL	49,552.09	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	52,467.77	54,800.27	58,877.67	51,817.80	609,257.72
METERED SALES - INDUSTRIAL	1,940.20	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	4,111.72	4,737.54	4,828.02	57,815.60
METERED SALES - PUBLIC AUTH.	32,975.46	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	33,248.99	35,909.24	36,386.91	399,635.97
METERED SALES - MULTI FAMILY	25,002.42	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	25,082.87	25,405.25	25,396.65	302,680.31
FIRE PROTECTION REVENUE	125.00	125.00	125.00	125.00	125.00	150.00	125.00	125.00	125.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	14,192.08	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	15,691.98	14,162.77	11,531.16	177,722.18
OTHER WATER SERVICE REVENUE	3,810.06	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	153.43	79.94	(1,331.73)	7,805.61	27,566.29
SERVICE CONNECTION FEES	15,505.00	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	13,360.00	12,808.00	13,269.95	180,766.39
WASTE WATER	0.00	30.00	60.00	0.00	30.00	0.00	0.00	0.00	60.00	(1,140.00)	(510.00)	(360.00)	(1,830.00)
SEWER REVENUE - RESIDENTIAL	132,541.05	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	131,843.95	130,858.94	137,382.32	131,457.32	1,634,850.26
SEWER REVENUE - COMMERCIAL	36,641.66	39,515.77	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	35,335.60	35,236.20	34,360.20	451,867.53
<b>Total Sales</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>855,519.84</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>852,942.14</b>	<b>10,619,617.</b>
<b>Gross Profit</b>	<b>859,927.63</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>855,519.84</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>852,942.14</b>	<b>10,619,617.</b>
<b>Operating Expenses</b>													
Undistributed	0.00	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	132.38	(23.40)	(62.92)	(68.51)	4,750.87
DEPRECIATION EXPENSE	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,046,181.04
DEPRECIATION EXPENSE - SEWER	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	985,778.16
PAYROLL TAXES - FICA & U.C.	12,838.49	12,960.31	12,789.08	18,884.71	12,722.78	12,788.55	12,638.93	12,638.13	19,933.63	15,036.31	14,745.14	14,418.35	172,391.21
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	0.00	0.00	288.00	0.00	0.00	0.00	0.00	0.00	0.00	288.00
WATER TREATMENT LABOR - OPERATIONS	13,387.38	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	12,625.35	11,621.00	12,276.15	153,186.08
T & D LABOR - OPERATIONS	61,284.51	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,109.65	72,079.87	72,394.65	73,473.26	862,124.45
T & D LABOR - MAINTENANCE	3,467.00	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	1,509.60	452.88	0.00	23,180.48
CUSTOMER ACCOUNTS LABOR	22,250.04	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	21,721.74	21,554.41	21,483.66	282,912.62
ADMIN. & GENERAL LABOR	9,948.40	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	15,245.14	10,160.75	10,201.87	10,225.32	130,094.19
SEWER LABOR	28,430.43	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	44,681.14	29,702.91	29,794.95	29,939.74	377,207.66
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	2,500.00	2,500.00	2,500.00	28,000.00
COMPENSATION - ADMINISTRATOR	31,602.64	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	38,478.62	39,286.30	39,286.30	433,762.68
HEALTH INSURANCE - PUMPING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16	0.00	0.00	0.00	6,960.16
OPERATIONS													
HEALTH INSURANCE - WTP	3,310.18	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,075.47	2,712.58	2,712.58	2,712.58	29,366.30
OPERATIONS													
HEALTH INSURANCE - T & D	15,682.53	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,494.03	17,628.10	17,336.30	17,674.79	195,813.85
OPERATIONS													
HEALTH INSURANCE - T & D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82.42	0.00	0.00	0.00	0.00	82.42
MAINTENANCE													
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	5,921.90	5,921.90	5,921.90	51,557.64

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	3,600.95	3,600.95	3,600.95	36,491.38
DENTAL INSURANCE - SEWER	4,626.58	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	4,747.80	4,747.80	4,725.74	55,656.28
DENTAL INSURANCE - WTP OPERATIONS	85.01	25.78	85.01	77.96	85.01	85.01	85.01	85.01	157.31	(14.10)	65.25	65.25	887.51
DENTAL INSURANCE - T & D OPERATIONS	531.33	412.92	516.70	290.92	477.71	454.04	482.86	388.88	1,402.66	(273.18)	648.22	697.13	6,030.19
DENTAL INSURANCE - CUST. ACCOUNTS	245.14	245.14	245.14	154.86	284.82	144.20	226.19	(128.26)	457.13	(127.64)	140.74	140.74	2,028.20
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	191.66	191.66	121.93	191.66	3,774.70	191.66	191.66	397.88	(139.46)	136.80	136.80	5,578.61
DENTAL INSURANCE - SEWER	196.23	176.47	196.23	134.97	387.02	162.68	221.96	241.72	452.66	(97.10)	182.15	182.15	2,437.14
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.95)	(8.85)	(5.90)	(5.90)	(5.90)	(29.50)
VISION INSURANCE - WTP OPER.	(4.55)	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	1.84	1.84	1.84	(7.71)
VISION INSURANCE - T & D OPER.	80.72	42.76	73.69	(25.31)	44.38	2.19	39.92	31.68	(46.96)	89.93	74.17	75.97	483.14
VISION INSURANCE - CUST. ACCOUNTS	26.87	26.87	112.49	(23.11)	26.87	26.87	35.12	4.48	(36.36)	(15.72)	(15.72)	(15.72)	152.94
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(12.52)	(12.52)	(12.52)	(307.16)
VISION INSURANCE - SEWER	12.48	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(11.48)	(11.48)	(11.48)	(225.61)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(221.24)	(221.24)	(221.24)	(1,083.72)
LIFE INSURANCE - WTP OPER.	82.94	71.69	156.38	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	67.61	72.48	67.61	685.38
LIFE INSURANCE - T & D OPER.	131.27	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	438.12	581.73	586.13	542.48	2,952.08
LIFE INSURANCE - T & D MAINT.	698.96	(15.39)	1,476.65	0.00	645.74	573.98	664.21	(41.20)	0.00	0.00	0.00	0.00	4,002.95
LIFE INSURANCE - CUSTOMER ACCTS	281.13	269.70	645.42	(192.98)	303.65	242.42	311.64	(212.88)	215.92	64.14	319.49	217.64	2,465.29
LIFE INSURANCE - ADMIN. & GENERAL	(216.92)	179.81	478.16	(187.14)	189.14	180.81	198.47	(145.83)	218.39	276.96	342.21	295.62	1,809.68
LIFE INSURANCE - SEWER	214.68	192.26	506.17	(146.40)	220.44	210.07	201.52	(125.03)	159.07	213.97	213.97	213.97	2,074.69
SHORT TERM DISAB. - PUMPING OPER.	36.88	0.00	0.00	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(60.40)	86.60	(60.40)	(118.12)
SHORT TERM DISAB. - WTP OPER.	45.97	11.69	53.92	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	(3.64)	91.07	12.74	159.02
SHORT TERM DISAB. - T & D OPER.	(88.32)	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(5.74)	34.32	313.92	142.52	164.03
SHORT TERM DISAB. - T & D MAINT.	209.77	209.77	363.06	(10.50)	190.71	93.25	173.11	(3.50)	0.00	(10.76)	(10.76)	(10.76)	1,193.39
SHORT TERM DISAB. - CUSTOMER ACCTS	73.64	40.40	189.33	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	8.51	57.31	28.03	229.43
SHORT TERM DISAB. - ADMIN. & GENERAL	(37.94)	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(71.43)	69.57	(15.03)	(404.48)
SHORT TERM DISAB. - SEWER	99.16	41.33	191.16	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	29.30	(117.70)	29.30	92.50
UNIFORM EXPENSE (PLANT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98.64	11.55	0.00	110.19
UNIFORM EXPENSE (WATER)	1,799.79	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	1,439.56	2,312.29	2,816.88	23,836.91
UNIFORM EXPENSE (WWW)	442.85	316.08	482.93	760.84	375.67	515.93	318.99	366.87	303.23	278.35	249.49	227.41	4,638.64
Employee Expense	150.00	428.00	255.99	660.20	748.39	681.80	3,643.50	415.19	600.00	445.00	1,170.00	300.00	9,498.07
Insurance expense	5,009.00	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	9,018.87	13,357.65	9,018.87	146,874.92
Water Purchased - Williamson	45,071.26	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	46,086.40	31,402.25	39,516.84	471,753.93
WATER PURCHASED - PIKEVILLE	60,648.42	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	55,160.00	76,847.47	78,212.94	723,218.26
Sewage Fees	5,447.34	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	6,097.58	6,940.63	6,872.36	67,855.49
UTILITY EXPENSE	1,081.22	881.22	881.22	0.00	0.00	881.22	1,859.07	1,081.22	931.22	0.00	1,373.91	806.22	9,776.52

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	Total
LABORATORY SUPPLIES	435.89	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	1,126.15	275.72	306.00	13,152.93
LABORATORY EXPENSE	661.80	0.00	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	0.00	0.00	0.00	5,739.07
Laboratory Testing Expenses	2,153.80	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.50	4,086.75	3,331.66	7,599.65	51,893.53
Laboratory Testing Expense	4,726.95	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	3,251.75	1,921.00	2,293.25	31,375.79
CHEMICALS	9,722.91	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	1,392.00	36,302.78	0.00	188,073.00
Chemicals-WW	1,260.00	1,622.72	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	2,469.60	2,659.60	9,530.12	51,156.22
SAFETY SUPPLIES	1,263.07	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	1,056.78	1,912.06	470.96	17,504.88
SAFETY SUPPLIES-WW	0.00	176.54	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	0.00	187.65	245.86	6,771.27
Electrical Expense	120,233.51	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	145,037.88	128,566.15	142,460.07	1,462,511.08
CONTRACT SERVICES -ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,892.50	0.00	0.00	3,892.50
CONTRACT SERVICE - ACCOUNTING	2,775.00	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	3,575.00	3,616.00	2,825.00	77,920.00
CONTRACT SERVICE - LEGAL	0.00	0.00	0.00	0.00	0.00	0.00	7,558.68	0.00	0.00	2,103.75	0.00	0.00	9,662.43
ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	5.83	0.00	0.00	0.00	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	850.00	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	650.00	650.00	1,000.00	13,223.94
CONTRACT SERVICES - MANPOWER	12,977.45	22,461.96	23,133.08	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	22,610.49	16,018.90	24,365.00	21,396.10	229,181.75
CONTRACT MGMT EXP ASSUMED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,855.55	0.00	0.00	8,855.55
RENTAL OF BLDG - REAL PROPERTY	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	13,868.39	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	16,198.26	14,897.01	14,567.09	159,366.28
ADVERTISING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.60	0.00	20.60
OTHER LEGAL PSC EXPENSE	355.32	630.08	0.00	466.20	464.30	0.00	207.90	151.20	88.20	88.20	0.00	0.00	2,539.60
MOBILE PHONE EXPENSE	537.00	3,841.80	537.00	537.00	537.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,989.80
TELEPHONE/INTERNET	1,957.46	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	2,192.33	1,847.05	1,872.05	23,813.71
TELEPHONE/INTERNET	2,489.53	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	3,532.27	1,111.84	869.61	26,316.75
TELEPHONE/INTERNET	273.55	878.30	0.00	240.82	262.82	200.58	425.03	425.03	261.49	423.23	421.43	684.18	4,496.46
EDUCATION, DUES, MEETINGS, INSURANCE	523.93	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	3,839.89	5,479.50	3,012.56	44,292.03
Office Expense	20,120.60	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	15,035.38	13,118.74	17,873.41	23,749.61	22,295.60	22,506.89	217,380.57
Esasements	0.00	0.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,400.00
SETTLEMENT EXPENSES	0.00	0.00	1,065.52	0.00	0.00	0.00	0.00	0.00	26,581.33	0.00	2,500.00	1,345.50	31,492.35
SERVICE FEE EXPENSE	0.00	22.00	6,505.53	56.00	78.47	3,076.84	28.00	24.50	0.00	0.00	110.25	0.00	9,901.59
BANK SERVICE FEES EXP	141.36	129.23	132.59	134.90	162.50	148.50	116.86	153.77	157.54	121.80	593.63	182.67	2,175.35
Worker's Compensation Insurance	0.00	0.00	0.00	0.00	0.00	0.00	11,931.00	5,965.00	0.00	11,930.00	5,965.00	5,965.00	41,756.00
PSC TAX ASSESSMENT	0.00	0.00	20,724.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	40,373.15	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	46,806.01	46,093.18	47,835.28	559,157.97
MISCELLANEOUS SUPPLIES	35.44	8.86	26.58	44.30	26.58	96.94	35.44	17.72	35.44	35.44	35.44	53.16	451.34
Major Equipment R & M	6,614.16	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	3,057.12	1,960.11	1,691.21	6,787.64	55,079.62
Major Equipment R & M Sewer	79.35	373.76	533.30	0.00	374.29	0.00	31.48	0.00	486.16	379.46	196.95	0.00	2,454.75
Hand Tools R & M	1,742.29	1,283.41	776.48	460.91	1,417.39	0.00	1,587.91	1,488.14	3,562.88	4,007.15	2,291.29	2,401.46	22,730.73
Hand Tools R & M Sewer	98.94	57.87	221.20	346.49	0.00	697.76	591.12	266.69	76.90	87.51	17.99	185.71	2,648.18
PS/LS R & M	17,114.53	6,477.77	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	10,767.89	16,260.05	9,946.13	13,438.16	130,878.16
PS/LS R & M Sewer	5,599.99	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	3,575.25	3,647.94	2,107.00	7,391.97	122,200.17
Vehicle R & M	2,471.38	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	8,930.28	4,734.52	6,126.08	9,236.93	67,305.00
Vehicle R & M Sewer										175.00	296.67	394.79	1,458.08

Vehicle R & M Sewer is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	04/30/21	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	Total
General R & M	41,384.12	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	39,953.05	6,189.53	64,137.38	66,854.40	450,823.78
General R & M Sewer	2,239.72	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	526.47	541.52	1,189.78	2,556.29	32,135.73
General R & M - Telemetry	40.68	1,287.00	2,199.91	1,500.00	1,659.03	6,610.92	2,021.20	0.00	0.00	380.00	1,950.27	1,968.36	19,617.37
R & M Leak Det.	0.00	0.00	0.00	0.00	0.00	567.23	0.00	0.00	0.00	0.00	1,383.96	0.00	1,951.19
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,125.00	1,125.00	1,492.75	12,967.75
INTEREST EXPENSE - TERM DEBT	29,615.42	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	32,673.59	30,740.92	29,345.56	29,918.36	357,580.01
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	80,383.75
<b>Total Operating Expenses</b>	<u>1,024,845.61</u>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,128,174.04</u>	<u>1,070,025.18</u>	<u>1,140,474.67</u>	<u>1,148,206.11</u>	<u>13,027,007.33</u>
<b>Operating Income (Loss)</b>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(2,407,390.33)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(2,407,390.33)</u>
<b>Net Income (Loss)</b>	<u>(164,917.98)</u>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(2,407,390.33)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	3 Months Ended March 31, 2022 Actual	3 Months Ended March 31, 2022 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 1,649,606.36	\$ 1,694,365.50	\$ (44,759.14)
METERED SALES - COMMERCIAL	165,495.74	143,895.19	21,600.55
METERED SALES - INDUSTRIAL	13,677.28	14,685.75	(1,008.47)
METERED SALES - PUBLIC AUTH.	105,545.14	99,300.00	6,245.14
METERED SALES - MULTI FAMILY	75,884.77	75,236.72	648.05
FIRE PROTECTION REVENUE	375.00	349.97	25.03
CUSTOMER LATE PAYMENT CHARGES	41,385.91	46,467.00	(5,081.09)
OTHER WATER SERVICE REVENUE	6,553.82	15,719.25	(9,165.43)
SERVICE CONNECTION FEES	39,437.95	39,361.50	76.45
SERVICE CONNECTION FEES FOR WASTE WATER	(2,010.00)	55.69	(2,065.69)
SEWER REVENUE -RESIDENTIAL	399,698.58	407,253.19	(7,554.61)
SEWER REVENUE - COMMERCIAL	104,932.00	110,947.97	(6,015.97)
<b>Total Sales</b>	<u>2,600,582.55</u>	<u>2,647,637.73</u>	<u>(47,055.18)</u>
<b>Gross Profit</b>	<u>2,600,582.55</u>	<u>2,647,637.73</u>	<u>(47,055.18)</u>
<b>Operating Expenses</b>			
Undistributed	(154.83)	0.00	(154.83)
DEPRECIATION EXPENSE	761,545.26	743,999.06	17,546.20
DEPRECIATION EXPENSE - SEWER	246,444.54	254,714.06	(8,269.52)
PAYROLL TAXES - FICA & U.C.	44,199.80	48,791.81	(4,592.01)
WATER TREATMENT LABOR - OPERATIONS	36,522.50	37,235.25	(712.75)
T & D LABOR - OPERATIONS	217,947.78	241,682.06	(23,734.28)
T & D LABOR - MAINTENANCE	1,962.48	13,220.81	(11,258.33)
CUSTOMER ACCOUNTS LABOR	64,759.81	85,922.53	(21,162.72)
ADMIN. & GENERAL LABOR	30,587.94	37,240.03	(6,652.09)
SEWER LABOR	89,437.60	105,520.03	(16,082.43)
COMP COMMISSIONERS - AUTO DIST	7,500.00	7,500.00	0.00
COMPENSATION - ADMINISTRATOR	117,051.22	119,173.78	(2,122.56)
HEALTH INSURANCE - WTP OPERATIONS	8,137.74	7,945.03	192.71
HEALTH INSURANCE - T & D OPERATIONS	52,639.19	69,310.50	(16,671.31)
HEALTH INSURANCE - T & D MAINTENANCE	0.00	11.81	(11.81)
HEALTH INSURANCE - CUSTOMER ACCOUNTS	17,765.70	12,413.25	5,352.45
HEALTH INSURANCE - ADMIN. & GENERAL	10,802.85	9,752.06	1,050.79
HEALTH INSURANCE - SEWER	14,221.34	14,653.03	(431.69)
DENTAL INSURANCE - WTP OPERATIONS	116.40	212.25	(95.85)
DENTAL INSURANCE - T & D OPERATIONS	1,072.17	1,420.31	(348.14)
DENTAL INSURANCE - CUST. ACCOUNTS	153.84	687.75	(533.91)
DENTAL INSURANCE - ADMIN. & GENERAL	134.14	1,435.78	(1,301.64)
DENTAL INSURANCE - SEWER	267.20	565.50	(298.30)
VISION INSURANCE - PUMPING OPER.	(17.70)	3.00	(20.70)
VISION INSURANCE - WTP OPER.	5.52	124.31	(118.79)
VISION INSURANCE - T & D OPER.	240.07	0.00	240.07
VISION INSURANCE - CUST. ACCOUNTS	(47.16)	1,114.31	(1,161.47)
VISION INSURANCE - ADMIN. & GENERAL	(37.56)	0.00	(37.56)
VISION INSURANCE - SEWER	(34.44)	0.00	(34.44)
LIFE INSURANCE - PUMPING OPER.	(663.72)	0.00	(663.72)
LIFE INSURANCE - WTP OPER.	207.70	209.53	(1.83)
LIFE INSURANCE - T & D OPER.	1,710.34	1,437.00	273.34
LIFE INSURANCE - CUSTOMER ACCTS	601.27	645.56	(44.29)
LIFE INSURANCE - ADMIN. & GENERAL	914.79	445.78	469.01
LIFE INSURANCE - SEWER	641.91	553.50	88.41
SHORT TERM DISAB. - PUMPING OPER.	(34.20)	14.06	(48.26)
SHORT TERM DISAB. - WTP OPER.	100.17	26.06	74.11
SHORT TERM DISAB. - T & D OPER.	490.76	0.00	490.76

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	3 Months Ended March 31, 2022 Actual	3 Months Ended March 31, 2022 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D MAINT.	(32.28)	146.06	(178.34)
SHORT TERM DISAB. - CUSTOMER ACCTS	93.85	32.25	61.60
SHORT TERM DISAB. - ADMIN. & GENERAL	(16.89)	0.00	(16.89)
SHORT TERM DISAB. - SEWER	(59.10)	56.25	(115.35)
UNIFORM EXPENSE (PLANT)	110.19	0.00	110.19
UNIFORM EXPENSE (WATER)	6,568.73	5,782.78	785.95
UNIFORM EXPENSE (WW)	755.25	1,164.56	(409.31)
Employee Expense	1,915.00	3,658.50	(1,743.50)
Insurance expense	31,395.39	22,409.81	8,985.58
Water Purchased -Williamson	117,005.49	114,913.03	2,092.46
WATER PURCHASED -PIKEVILLE	210,220.41	170,058.56	40,161.85
Sewage Fees	19,910.57	21,000.00	(1,089.43)
UTILITY EXPENSE	2,180.13	2,424.56	(244.43)
LABORATORY SUPPLIES	1,707.87	2,888.25	(1,180.38)
LABORATORY EXPENSE	0.00	1,800.28	(1,800.28)
Laboratory Testing Expenses	15,018.06	11,869.31	3,148.75
Laboratory Testing Expense	7,466.00	12,098.25	(4,632.25)
CHEMICALS	37,694.78	38,382.28	(687.50)
Chemicals-WW	14,659.32	17,010.00	(2,350.68)
SAFETY SUPPLIES	3,439.80	3,697.50	(257.70)
SAFETY SUPPLIES-WW	433.51	1,868.53	(1,435.02)
Electrical Expense	416,064.10	345,228.00	70,836.10
CONTRACT SERVICES -ENGINEERING	3,892.50	0.00	3,892.50
CONTRACT SERVICE - ACCOUNTING	10,016.00	20,137.31	(10,121.31)
CONTRACT SERVICE - LEGAL	2,103.75	7,583.53	(5,479.78)
CONTRACT SERVICE-GENERAL	2,300.00	6,106.50	(3,806.50)
CONTRACT SERVICES - MANPOWER	61,780.00	0.00	61,780.00
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	45,662.36	45,000.00	662.36
AUTO & TRANSPORTATION EXPENSE	20.60	0.00	20.60
ADVERTISING	176.40	925.78	(749.38)
MOBILE PHONE EXPENSE	5,911.43	5,878.78	32.65
TELEPHONE/INTERNET	5,513.72	5,236.31	277.41
TELEPHONE/INTERNET	1,528.84	836.25	692.59
EDUCATION, DUES, MEETINGS, INSURANCE	12,331.95	12,000.00	331.95
Office Expense	68,552.10	57,842.25	10,709.85
Easements	0.00	600.00	(600.00)
SETTLEMENT EXPENSES	3,845.50	0.00	3,845.50
SERVICE FEE EXPENSE	110.25	5,014.31	(4,904.06)
BANK SERVICE FEES EXP	898.10	1,185.75	(287.65)
Worker's Compensation Insurance	23,860.00	17,289.56	6,570.44
PSC TAX ASSESSMENT	0.00	5,181.28	(5,181.28)
Retirement Expense	140,734.47	165,143.25	(24,408.78)
MISCELLANEOUS SUPPLIES	124.04	108.28	15.76
Major Equipment R & M	10,438.96	11,017.03	(578.07)
Major Equipment R & M Sewer	576.41	707.25	(130.84)
Hand Tools R & M	8,699.90	3,403.31	5,296.59
Hand Tools R & M Sewer	291.21	914.25	(623.04)
PS/LS R & M	39,644.34	32,906.25	6,738.09
PS/LS R & M Sewer	13,146.91	30,323.06	(17,176.15)
Vehicle R & M	20,097.53	16,261.31	3,836.22
Vehicle R & M Sewer	866.46	225.75	640.71
General R & M	137,181.31	185,984.53	(48,803.22)
General R & M Sewer	4,287.59	10,361.06	(6,073.47)
General R & M -Telemetry	4,298.63	4,377.56	(78.93)
R & M Leak Det.	1,383.96	150.28	1,233.68
SUPPLIES & EXPENSES TREATMENT (WW)	3,742.75	3,368.81	373.94

**MOUNTAIN WATER DISTRICT  
Income Statement**

	3 Months Ended March 31, 2022 Actual	3 Months Ended March 31, 2022 Budget	Over/(Under) Budget
<b>Total Operating Expenses</b>	<u>3,256,596.12</u>	<u>3,250,538.15</u>	<u>6,057.97</u>
<b>Operating Income (Loss)</b>	<u>(656,013.57)</u>	<u>(602,900.42)</u>	<u>(53,113.15)</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	841.75	984.47	(142.72)
INTEREST EXPENSE - TERM DEBT	(90,004.84)	(52,594.50)	(37,410.34)
INTEREST EXPENSE - TERM DEBT	<u>(12,105.00)</u>	<u>(22,314.00)</u>	<u>10,209.00</u>
<b>Total Other Income (Expenses)</b>	<u>(101,268.09)</u>	<u>(73,924.03)</u>	<u>(27,344.06)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(757,281.66)</u>	<u>(676,824.45)</u>	<u>(80,457.21)</u>
<b>Net Income (Loss)</b>	<u>\$ (757,281.66)</u>	<u>\$ (676,824.45)</u>	<u>\$ (80,457.21)</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended March 31, 2022 Actual	1 Month Ended March 31, 2022 Budget	3 Months Ended March 31, 2022 Actual	3 Months Ended March 31, 2022 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 536,323.52	\$ 564,788.50	\$ 1,649,606.36	\$ 1,694,365.50
METERED SALES - COMMERCIAL	51,817.80	47,965.09	165,495.74	143,895.19
METERED SALES - INDUSTRIAL	4,828.02	4,895.25	13,677.28	14,685.75
METERED SALES - PUBLIC AUTH.	36,386.91	33,100.00	105,545.14	99,300.00
METERED SALES - MULTI FAMILY	25,396.65	25,078.92	75,884.77	75,236.72
FIRE PROTECTION REVENUE	125.00	116.67	375.00	349.97
CUSTOMER LATE PAYMENT CHARGES	11,531.16	15,489.00	41,385.91	46,467.00
OTHER WATER SERVICE REVENUE	7,805.61	5,239.75	6,553.82	15,719.25
SERVICE CONNECTION FEES	13,269.95	13,120.50	39,437.95	39,361.50
SERVICE CONNECTION FEES FOR WASTE WATER	(360.00)	18.59	(2,010.00)	55.69
SEWER REVENUE -RESIDENTIAL	131,457.32	135,751.09	399,698.58	407,253.19
SEWER REVENUE - COMMERCIAL	34,360.20	36,982.67	104,932.00	110,947.97
<b>Total Sales</b>	<u>852,942.14</u>	<u>882,546.03</u>	<u>2,600,582.55</u>	<u>2,647,637.73</u>
<b>Gross Profit</b>	<u>852,942.14</u>	<u>882,546.03</u>	<u>2,600,582.55</u>	<u>2,647,637.73</u>
<b>Operating Expenses</b>				
Undistributed	(68.51)	0.00	(154.83)	0.00
DEPRECIATION EXPENSE	253,848.42	247,999.66	761,545.26	743,999.06
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.66	246,444.54	254,714.06
PAYROLL TAXES - FICA & U.C.	14,418.35	16,263.91	44,199.80	48,791.81
WATER TREATMENT LABOR - OPERATIONS	12,276.15	12,411.75	36,522.50	37,235.25
T & D LABOR - OPERATIONS	73,473.26	80,560.66	217,947.78	241,682.06
T & D LABOR - MAINTENANCE	0.00	4,406.91	1,962.48	13,220.81
CUSTOMER ACCOUNTS LABOR	21,483.66	28,640.83	64,759.81	85,922.53
ADMIN. & GENERAL LABOR	10,225.32	12,413.33	30,587.94	37,240.03
SEWER LABOR	29,939.74	35,173.33	89,437.60	105,520.03
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00	7,500.00	7,500.00
COMPENSATION - ADMINISTRATOR	39,286.30	39,724.58	117,051.22	119,173.78
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,648.33	8,137.74	7,945.03
HEALTH INSURANCE - T & D OPERATIONS	17,674.79	23,103.50	52,639.19	69,310.50
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.91	0.00	11.81
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	4,137.75	17,765.70	12,413.25
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,250.66	10,802.85	9,752.06
HEALTH INSURANCE - SEWER	4,725.74	4,884.33	14,221.34	14,653.03
DENTAL INSURANCE - WTP OPERATIONS	65.25	70.75	116.40	212.25
DENTAL INSURANCE - T & D OPERATIONS	697.13	473.41	1,072.17	1,420.31
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	229.25	153.84	687.75
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	478.58	134.14	1,435.78
DENTAL INSURANCE - SEWER	182.15	188.50	267.20	565.50
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(17.70)	3.00
VISION INSURANCE - WTP OPER.	1.84	41.41	5.52	124.31
VISION INSURANCE - T & D OPER.	75.97	0.00	240.07	0.00
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	371.41	(47.16)	1,114.31
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	0.00	(37.56)	0.00
VISION INSURANCE - SEWER	(11.48)	0.00	(34.44)	0.00
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(663.72)	0.00
LIFE INSURANCE - WTP OPER.	67.61	69.83	207.70	209.53
LIFE INSURANCE - T & D OPER.	542.48	479.00	1,710.34	1,437.00
LIFE INSURANCE - CUSTOMER ACCTS	217.64	215.16	601.27	645.56
LIFE INSURANCE - ADMIN. & GENERAL	295.62	148.58	914.79	445.78
LIFE INSURANCE - SEWER	213.97	184.50	641.91	553.50
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	4.66	(34.20)	14.06

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended March 31, 2022 Actual</b>	<b>1 Month Ended March 31, 2022 Budget</b>	<b>3 Months Ended March 31, 2022 Actual</b>	<b>3 Months Ended March 31, 2022 Budget</b>
SHORT TERM DISAB. - WTP OPER.	12.74	8.66	100.17	26.06
SHORT TERM DISAB. - T & D OPER.	142.52	0.00	490.76	0.00
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.66	(32.28)	146.06
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	10.75	93.85	32.25
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	0.00	(16.89)	0.00
SHORT TERM DISAB. - SEWER	29.30	18.75	(59.10)	56.25
UNIFORM EXPENSE (PLANT)	0.00	0.00	110.19	0.00
UNIFORM EXPENSE (WATER)	2,816.88	1,927.58	6,568.73	5,782.78
UNIFORM EXPENSE (WW)	227.41	388.16	755.25	1,164.56
Employee Expense	300.00	1,219.50	1,915.00	3,658.50
Insurance expense	9,018.87	7,469.91	31,395.39	22,409.81
Water Purchased -Williamson	39,516.84	38,304.33	117,005.49	114,913.03
WATER PURCHASED -PIKEVILLE	78,212.94	56,686.16	210,220.41	170,058.56
Sewage Fees	6,872.36	7,000.00	19,910.57	21,000.00
UTILITY EXPENSE	806.22	808.16	2,180.13	2,424.56
LABORATORY SUPPLIES	306.00	962.75	1,707.87	2,888.25
LABORATORY EXPENSE	0.00	600.08	0.00	1,800.28
Laboratory Testing Expenses	7,599.65	3,956.41	15,018.06	11,869.31
Laboratory Testing Expense	2,293.25	4,032.75	7,466.00	12,098.25
CHEMICALS	0.00	12,794.08	37,694.78	38,382.28
Chemicals-WW	9,530.12	5,670.00	14,659.32	17,010.00
SAFETY SUPPLIES	470.96	1,232.50	3,439.80	3,697.50
SAFETY SUPPLIES-WW	245.86	622.83	433.51	1,868.53
Electrical Expense	142,460.07	115,076.00	416,064.10	345,228.00
CONTRACT SERVICES -ENGINEERING	0.00	0.00	3,892.50	0.00
CONTRACT SERVICE - ACCOUNTING	2,825.00	6,712.41	10,016.00	20,137.31
CONTRACT SERVICE - LEGAL	0.00	2,527.83	2,103.75	7,583.53
CONTRACT SERVICE-GENERAL	1,000.00	2,035.50	2,300.00	6,106.50
CONTRACT SERVICES - MANPOWER	21,396.10	0.00	61,780.00	0.00
CONTRACT MGMNT EXP ASSUMED	0.00	0.00	8,855.55	0.00
AUTO & TRANSPORTATION EXPENSE	14,567.09	15,000.00	45,662.36	45,000.00
AUTO & TRANSPORTATION EXPENSE	0.00	0.00	20.60	0.00
ADVERTISING	88.20	308.58	176.40	925.78
MOBILE PHONE EXPENSE	1,872.05	1,959.58	5,911.43	5,878.78
TELEPHONE/INTERNET	869.61	1,745.41	5,513.72	5,236.31
TELEPHONE/INTERNET	684.18	278.75	1,528.84	836.25
EDUCATION, DUES, MEETINGS, INSURANCE	3,012.56	4,000.00	12,331.95	12,000.00
Office Expense	22,506.89	19,280.75	68,552.10	57,842.25
Easements	0.00	200.00	0.00	600.00
SETTLEMENT EXPENSES	1,345.50	0.00	3,845.50	0.00
SERVICE FEE EXPENSE	0.00	1,671.41	110.25	5,014.31
BANK SERVICE FEES EXP	182.67	395.25	898.10	1,185.75
Worker's Compensation Insurance	5,965.00	5,763.16	23,860.00	17,289.56
PSC TAX ASSESSMENT	0.00	1,727.08	0.00	5,181.28
Retirement Expense	47,835.28	55,047.75	140,734.47	165,143.25
MISCELLANEOUS SUPPLIES	53.16	36.08	124.04	108.28
Major Equipment R & M	6,787.64	3,672.33	10,438.96	11,017.03
Major Equipment R & M Sewer	0.00	235.75	576.41	707.25
Hand Tools R & M	2,401.46	1,134.41	8,699.90	3,403.31
Hand Tools R & M Sewer	185.71	304.75	291.21	914.25
PS/LS R & M	13,438.16	10,968.75	39,644.34	32,906.25
PS/LS R & M Sewer	7,391.97	10,107.66	13,146.91	30,323.06
Vehicle R & M	9,236.93	5,420.41	20,097.53	16,261.31
Vehicle R & M Sewer	394.79	75.25	866.46	225.75
General R & M	66,854.40	61,994.83	137,181.31	185,984.53
General R & M Sewer	2,556.29	3,453.66	4,287.59	10,361.06

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended March 31, 2022 Actual</b>	<b>1 Month Ended March 31, 2022 Budget</b>	<b>3 Months Ended March 31, 2022 Actual</b>	<b>3 Months Ended March 31, 2022 Budget</b>
General R & M -Telemetry	1,968.36	1,459.16	4,298.63	4,377.56
R & M Leak Det.	0.00	50.08	1,383.96	150.28
SUPPLIES & EXPENSES TREATMENT (WW)	1,492.75	1,122.91	3,742.75	3,368.81
INTEREST EXPENSE - TERM DEBT	29,918.36	17,531.50	90,004.84	52,594.50
INTEREST EXPENSE - TERM DEBT	4,035.00	7,438.00	12,105.00	22,314.00
<b>Total Operating Expenses</b>	<u>1,148,206.11</u>	<u>1,108,481.15</u>	<u>3,358,705.96</u>	<u>3,325,446.65</u>
<b>Operating Income (Loss)</b>	<u>(295,263.97)</u>	<u>(225,935.12)</u>	<u>(758,123.41)</u>	<u>(677,808.92)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>496.87</u>	<u>328.17</u>	<u>841.75</u>	<u>984.47</u>
<b>Total Other Income (Expenses)</b>	<u>496.87</u>	<u>328.17</u>	<u>841.75</u>	<u>984.47</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(294,767.10)</u>	<u>(225,606.95)</u>	<u>(757,281.66)</u>	<u>(676,824.45)</u>
<b>Net Income (Loss)</b>	<u>\$ (294,767.10)</u>	<u>\$ (225,606.95)</u>	<u>\$ (757,281.66)</u>	<u>\$ (676,824.45)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
MARCH, 2022**

- 359** Field maintenance work orders issued during the month of MARCH.  
**316** Field maintenance work orders completed during the month of MARCH.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	40	80	38	<b>206</b>
FEBRUARY	53	67	48	40	<b>208</b>
MARCH	80	76	82	78	<b>316</b>
APRIL					
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>181</b>	<b>183</b>	<b>210</b>	<b>156</b>	<b>730</b>

- 7** New PAID service tap work orders issued during the month of MARCH.  
**9** New PAID service tap work orders completed during the month of MARCH.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	0	1	1	0	<b>2</b>
FEBRUARY	1	3	0	4	<b>8</b>
MARCH	3	1	1	4	<b>9</b>
APRIL					
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>8</b>	<b>19</b>

**WATER**

- 118** Water Customer Work Orders completed during the month of MARCH.  
**2,337** Delinquent Notices Mailed during the month of MARCH.  
**249** Delinquent Work Orders Written Up during the month of MARCH.  
**159** Delinquent Accounts Disconnected during the month of MARCH.

**SEWER**

40 Sewer Customer Work Orders completed during the month of MARCH.

0 Delinquent Work Orders Written Up during the month of MARCH.

0 Delinquent Work Orders Disconnected during the month of MARCH.

2 Water Delinquent Work Orders Written Up – City of Pikeville Agreement

2 Water Delinquent Accounts Disconnected – City of Pikeville Agreement

2 Water Delinquent Accounts Reconnected – City of Pikeville Agreement

9 Water Delinquent Work Orders Written Up – City of Williamson Agreement

6 Water Delinquent Accounts Disconnected – City of Williamson Agreement

1 Water Delinquent Accounts Reconnected – City of Williamson Agreement

34 Vehicle & equipment maintenance work orders issued during the month of MARCH.

35 Vehicle & equipment maintenance work orders completed during the month of MARCH.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,373 (16,553 Taps + 820 Multi-Users)
FEBRUARY	17,361 (16,543 Taps + 818 Multi-Users)
MARCH	17,338 (16,520 Taps + 818 Multi-Users)
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,304
FEBRUARY	2,307
MARCH	2,315
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**MARCH 2021 WATER & SEWER TRENDS**

	<b># CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>\$ BILLED</b>	<b>\$ TREND/CHANGE %</b>
<b>WATER</b>	17,338	61,923,210	\$670,845.02	-1.96%
<b>SEWER</b>	2,315	8,291,975	\$173,661.69	-1.58%
<b>TOTAL BILLED</b>			<b>\$844,506.71</b>	<b>-1.89%</b>

1 Sewer tap was completed during the month of MARCH.

1 Hydrant work order was completed during the month of MARCH.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **MARCH** was **22,250,000** gallons.

**WATERLOSS** due to leaks and breaks was **3,925,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **8,658,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,487,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **5,180,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **MARCH** was **33,772,000** gallons for an unaccounted-for loss of **28.63%**.

Water loss percentage utilizing the PSC form was 32%.

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

31 Work Orders completed for Booster Pump Stations during the month of MARCH.

**WATER STORAGE TANK MAINTENANCE:**

9 Work Orders completed for Water Storage Tanks during the month of MARCH.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of MARCH.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

3 Work Orders completed for Pressure Regulator Stations during the month of MARCH.

**TELEMETRY MAINTENANCE:**

4 Work Orders completed for Telemetry during the month of MARCH.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

**3** Work Orders completed for the Russell Fork Water Plant during the month of MARCH.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of MARCH.

- 21- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**3** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of MARCH.

**LIFT STATION MAINTENANCE:**

**0** Work Orders completed for Lift Stations excluding regular maintenance during the month of MARCH.

**COLLECTION SYSTEM MAINTENANCE:**

**60** Work Orders completed for Collection Systems during the month of MARCH.

# Summary Information from the Financials

**May 23, 2022**

## **Balance Sheet as of April**

1. Cash in Bank is \$239,868.35
2. Accounts Receivable 1,048,281.89
3. Plant in place is \$167,496,439.05
4. Accounts Payable is \$239,565.86
5. Equity is 63,683,464.27

## **Income Statement –April /Year to Date**

- Revenue \$896,473
- Utility Operating Expenses \$1,105,472
- Income (Loss) \$(242,480)/ (999,762)
- Included in the loss is Depreciation of (\$335,997/ (\$1,343,986)
- Operating income was negative in the amount of (\$208,999) this month.

## **Cash Flow Statement**

- Cash increased by \$138,876

## **Additional Comments**

- Our current Operating account balance was \$234,290
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$862,259 .and \$870,961 respectively. Our O&M Reserve is \$366,463
- We are going to transfer to the sinking fund \$108,000 to ensure we have money to pay our debt service.
- The fuel expense for April was up \$6,000 from the previous months.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of April 30, 2022 and 2021**

**ASSETS**

	<b>2022</b>	<b>2021</b>
<b>Current Assets</b>		
Cash In Bank	\$ 239,868.35	\$ 365,102.00
Accounts Receivable	1,048,281.89	938,843.19
Clearing Accounts	102,853.92	8,839.87
Inventory	279,476.25	279,476.25
Other Current Assets	<u>3,179,542.52</u>	<u>3,688,100.47</u>
<b>Total Current Assets</b>	<u>4,850,022.93</u>	<u>5,280,361.78</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	4,851,468.46	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	97,862,424.37	97,765,810.81
Water General Plant	5,262,591.83	4,688,429.23
Sewer General Plant	37,477,556.78	37,280,038.90
Construction in Progress	<u>11,834,742.91</u>	<u>9,618,507.81</u>
Total Plant In Service	167,496,439.05	164,402,169.13
Less Accumulated Depreciation	<u>(75,680,832.97)</u>	<u>(71,653,341.06)</u>
<b>Net Capital Assets</b>	<u>91,815,606.08</u>	<u>92,748,828.07</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(28,396.99)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>63,919.18</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>91,879,525.26</u>	<u>92,812,747.25</u>
<b>Total Net Assets</b>	<u>\$ 96,729,548.19</u>	<u>\$ 98,093,109.03</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of April 30, 2022 and 2021**

**Liabilities and Net Assets**

	<b>2022</b>	<b>2021</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 239,565.86	\$ 164,050.47
Current Portion Due - Notes Payable	1,363,902.00	1,363,902.00
Customer Deposits	468,788.34	402,713.15
Accrued Payroll and Related Expenses	129,960.66	111,067.17
Accrued Interest - Long Term Debt	<u>365,476.43</u>	<u>263,419.01</u>
<b>Total Current Liabilities</b>	<u>2,567,693.29</u>	<u>2,305,151.80</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	3,862,173.87	3,977,954.93
Notes Payable - Ky Infrastructure Authority	4,100,864.56	4,630,092.37
Notes Payable - Rural Development	9,870,500.00	10,083,900.00
Advances for Construction	6,919,898.39	5,370,346.33
Less: Current Portion Due	<u>(1,363,902.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>31,963,575.82</u>	<u>31,272,432.63</u>
<b>Total Liabilities</b>	<u>34,531,269.11</u>	<u>33,577,584.43</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(999,761.66)	(778,212.66)
Contributions in aid of Construction	57,143,659.26	59,403,610.24
Tap-On-Fees	<u>7,539,566.67</u>	<u>7,444,535.16</u>
<b>Total Net Position</b>	<u>63,683,464.27</u>	<u>66,069,932.74</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended April 30, 2022</b>	<b>4 Months Ended April 30, 2022</b>
<b>Operating Revenue</b>	\$ 896,472.81	\$ 3,497,055.36
	<u>896,472.81</u>	<u>3,497,055.36</u>
<b>Total Operating Revenue</b>	<u>896,472.81</u>	<u>3,497,055.36</u>
<b>Operating Expenses</b>		
Water Supply Expense	17,361.94	61,846.54
Water Purchases	96,926.02	424,151.92
Electricity Expense	120,794.80	536,858.90
Repairs & Maintenance - Sewer	4,306.69	24,859.23
Repairs & Maintenance - Water	74,541.43	294,902.10
Transmission & Distribution Expense	117,410.74	400,009.98
Customer Service Expense	44,356.95	158,272.20
Administrator Expense	121.77	239.02
Sewer Expense	51,799.57	192,032.73
General & Administrative	<u>241,855.79</u>	<u>924,909.40</u>
<b>Total Operating Expenses</b>	<u>769,475.70</u>	<u>3,018,082.02</u>
Depreciation Expense	<u>335,996.60</u>	<u>1,343,986.40</u>
<b>Utility Operating Expense</b>	<u>1,105,472.30</u>	<u>4,362,068.42</u>
<b>Utility Operating Income (Loss)</b>	<u>(208,999.49)</u>	<u>(865,013.06)</u>
<b>Non Operating Revenue</b>		
Interest Income	176.23	1,017.98
Interest Expense	<u>(33,656.74)</u>	<u>(135,766.58)</u>
<b>Total Non Operating Revenue</b>	<u>(33,480.51)</u>	<u>(134,748.60)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (242,480.00)	\$ (999,761.66)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>13,849.60</u>	<u>34,084.10</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>13,849.60</u>	<u>34,084.10</u>
<b>Change in Net Position</b>	<u>(228,630.40)</u>	<u>(965,677.56)</u>
<b>Net Position, beginning of period</b>	<u>63,912,094.67</u>	<u>64,649,141.83</u>
<b>Net Position, end of period</b>	<u>\$ 63,683,464.27</u>	<u>\$ 63,683,464.27</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 4 Months Ended April 30, 2022**

	<b>1 Month Ended April 30, 2022</b>	<b>4 Months Ended April 30, 2022</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (242,480.00)	\$ (999,761.66)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	1,343,986.40
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	50,090.96	(18,113.29)
Other Current Assets	(71,091.14)	(79,559.80)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	102,982.39	18,983.75
Accrued Interest	31,716.00	94,900.25
Advances for Construction	129,895.00	273,363.44
Accrued Liabilities	(3,484.53)	(54,178.60)
Tap on Fees	13,849.60	34,084.10
Customer Deposits	(17,201.89)	4,711.27
Clearing Accounts	(108,000.00)	(103,429.31)
Total Adjustments	<u>464,752.99</u>	<u>1,514,748.21</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>222,272.99</u>	<u>514,986.55</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(12,223.64)	(399,942.68)
Construction in Progress	(2,185.00)	(268,470.92)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(14,408.64)</u>	<u>(668,413.60)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	0.00	735,791.18
Notes Payable Repayments	(68,987.87)	(711,422.97)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(68,987.87)</u>	<u>24,368.21</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	138,876.48	(129,058.84)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>100,991.87</u>	<u>368,927.19</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 239,868.35</u>	<u>\$ 239,868.35</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of April 30, 2022 and 2021**

**ASSETS:**

	<b>2022</b>	<b>2021</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 234,289.82	\$ 351,926.19
CTB-MWD Payroll Account	5,258.35	12,855.63
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>239,868.35</b>	<b>365,102.00</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	686,810.69	690,579.95
RECEIVABLE - RETURNED CHECKS	31,471.34	8,326.52
RECEIVABLE - OTHER FEES, ETC..	(85,647.46)	8,949.14
A/R - INSURANCE PROCEEDS (#139)	(1,679.77)	0.00
RECEIVABLE - SEWER REVENUE	357,061.65	254,417.49
PROVISION FOR UNCOLLECTIBLES	60,265.44	(23,429.91)
<b>Total Accounts Receivable:</b>	<b>1,048,281.89</b>	<b>938,843.19</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	102,853.92	8,839.87
<b>Total Clearing Accounts:</b>	<b>102,853.92</b>	<b>8,839.87</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	196,043.63	196,043.63
BB & T - Sinking Fund	148,602.22	400,916.53
CTB - JOHNS CREEK WATER PROJ.	100.00	3,332.84
BB&T - Special Projects	8.62	84.62
CTB - CUSTOMER DEPOSIT ESCROW	31,052.37	36,477.52
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	30,837.95	37,295.60
CTB - O & M RESERVES	366,463.13	364,172.15
Community Trust Bank - Misc Line Extension	4,902.09	4,897.19
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	24,974.21	39,257.01
CTB - R & M RESERVE	870,961.34	870,089.22
CTB - Dist Wide WW Tap Fees	49,677.80	43,596.21

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of April 30, 2022 and 2021**

MWD POMPEY ARC PROJECR	0.38	0.38
BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Various Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,837.41	2,842.69
MWD PHELPS UPGRADE ACCT.	3,516.98	6,016.98
CTB- Recycling Revenue Acct.	2,625.96	38,650.40
MWD DEPRECIATION RESERVE ACCOUNT	862,344.10	861,383.59
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	3,581.51	2,113.63
CTB-MWD Escrow Account	100.00	100.00
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	0.00	268,001.71
MWD Restricted ARPA Funding Acct.	127,916.26	0.00
New Customer Deposit Acct.	355,402.14	413,793.26
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,179,542.52</b>	<b>3,688,100.47</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of April 30, 2022 and 2021**

**LIABILITIES:**

	<b>2022</b>	<b>2021</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	11,862.92	11,862.92
FEDERAL INCOME TAX WITHHELD	2,883.44	2,883.44
KY INCOME TAX WITHHELD	2,575.72	14,488.46
ACCRUED FUTA	5,094.64	2,351.49
Accrued CERS	57,940.31	51,064.70
Accrued County Withheld	1,861.46	1,726.65
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	46,192.84	25,140.18
<b>Total Employee Related Payables</b>	<b>129,960.66</b>	<b>111,067.17</b>

**Other Current Liabilities:**

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**Notes Payable:**

Note Payable Ky. Rural Water	3,053,085.71	3,404,731.14
US Bank Big Creek Water Loan	3,605.66	46,111.47
#154 fORD f250 2017	0.00	2,448.00
# 155 CTB	2,213.70	7,320.13
CTB V# 156	0.00	6,468.60
CTB V # 157 2018 GMC Sierra	(21.71)	6,750.92
CTB 158 & 159	7,224.80	21,476.70
WELLS FARGO MINI EXCAVATOR	1,964.37	1,964.37
CTB # 161	0.00	3,151.93
CTB- 160	0.00	(6,727.01)
CTB -162	13,356.04	19,475.43
CTB- #163 2019 Ford 350	31,201.31	45,923.72
#165 Ford F-250 2021	21,934.58	29,946.99
#164 2021 Ford F-250	22,596.36	29,946.99
#166	21,241.31	29,936.99
CTB-# 167 Chevrolet Silverado 2500	30,748.03	0.00
CTB- #169 2019 Toytoa Tacoma	26,464.10	0.00
CTB- 2016 F150	26,126.85	0.00
CTB-2021 Ford F350	53,082.04	0.00
CTB- 168 2017 Toyota	24,934.44	0.00
CTB- 2021 John Deer Mini excavator	47,431.49	0.00
CTB-Line Credit for FEMA BPS Recl.	0.45	0.00
CTB-LN OF COMMITMENT - FEMA REC	0.00	211,034.39
COMMUNITY TRUST V#148	0.00	(10.68)
US Bank V#149	0.00	(1.51)
CTB-V# 150 FORD F-150	0.00	(487.77)
CTB. V# 151 FORD F-150	0.00	(3.76)
CTB AEP Line of credit	84,228.45	109,109.58
Kobelco mini excavator	0.00	9,388.31
2017 Takeunchi Skid Steer	10,313.48	0.00
CTB #174 2021 Ford F150	25,528.62	0.00
CTB # 175 2021 Ford F150	25,528.62	0.00
CTB- 177 Ford F350	46,940.12	0.00
CTB # Ford F150 2021	26,063.19	0.00
#172 CTB Ford 150	27,048.86	0.00
CTB # 173 FordF150	27,304.60	0.00
CTB Boost Pump Relocation Loan	202,028.40	0.00

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of April 30, 2022 and 2021**

<b>Total Notes Payable</b>	3,862,173.87	3,977,954.93
<b>Notes Payable - Ky Infrastructure Authority:</b>		
KIA LOAN B291-07 MULTI AREA	499,673.84	738,925.83
KIA LOAN B291-01 INDIAN CREEK	33,058.77	48,864.27
KIA LOAN F01-07 WATER PLANT	174,116.64	241,608.38
KIA LOAN A03-06 SO WMSN III	30,106.18	39,943.95
KIA Shelby III Phase II	183,551.24	201,879.87
KIA-A16-079 Grinder St	243,050.47	257,296.15
KIA-Douglas WWTP	2,937,307.42	3,101,573.92
<b>Total Notes Payable - Ky Infrastructure Authority</b>	<b>4,100,864.56</b>	<b>4,630,092.37</b>
<b>Notes Payable - Rural Development:</b>		
RD Loan -91-40 WTP	542,000.00	553,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,091,900.00
RD Belfry WW	3,584,500.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,325,000.00
RD Bond - Shelby Sewer Project	565,000.00	580,000.00
RD Bond - 91-01 Phelps Sewer	316,000.00	325,000.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	556,000.00
<b>Total Notes Payable - Rural Development</b>	<b>9,870,500.00</b>	<b>10,083,900.00</b>
<b>Contributions in Aid of Construction:</b>		
CONTRIBUTIONS - GOVT GRANTS	74,156,216.90	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	27,633,108.86	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	<b>113,094,523.90</b>	<b>113,094,523.90</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of April 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>4,518,699.33</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	4,851,468.46	4,841,727.68
Less: Accumulated Depreciation	<u>(3,067,336.98)</u>	<u>(2,702,065.73)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 1,784,131.48</b>	<b>\$ 2,139,661.95</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,836,917.68)</u>	<u>(3,563,483.36)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,370,737.02</b>	<b>\$ 6,644,171.34</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,625,685.56	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,978,439.42	6,925,881.70
WATER METERS & INSTALLATIONS	7,676,982.49	7,632,926.65
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	97,862,424.37	97,765,810.81
Less: Accumulated Depreciation	<u>(50,027,815.42)</u>	<u>(47,925,763.18)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 47,834,608.95</b>	<b>\$ 49,840,047.63</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	201,214.48	201,214.48
TRANSPORTATION EQUIPMENT	1,887,977.00	1,469,980.49
TOOLS, SHOP & GARAGE EQUIPMENT	346,217.90	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	443,348.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	5,262,591.83	4,688,429.23
Less: Accumulated Depreciation	<u>(4,170,653.92)</u>	<u>(3,869,697.98)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 1,091,937.91</b>	<b>\$ 818,731.25</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 7,895.00	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	10,192,018.11	10,192,018.11
SEWER SERVICES	494,947.54	438,242.34
SEWER METERS & INSTALLATIONS	914,972.74	815,860.14
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>152,142.40</u>	<u>122,142.32</u>
Total Cost of Sewer Plant	37,477,556.78	37,280,038.90
Less: Accumulated Depreciation	<u>(14,406,087.48)</u>	<u>(13,420,309.32)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 23,071,469.30</b>	<b>\$ 23,859,729.58</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of April 30, 2022 and 2021**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 2,090,855.64	\$ 1,069,846.21
CIP-MATERIALS & SUPPLIES	175,644.45	83,736.25
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>9,396,221.33</u>	<u>8,292,903.86</u>
Total Construction in Progress	11,834,742.91	9,618,507.81
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 11,662,721.42</b>	<b>\$ 9,446,486.32</b>
<b>Total Plant in Service</b>	<b><u>\$ 91,815,606.08</u></b>	<b><u>\$ 92,748,828.07</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>April 30, 2022</b>	<b>4 Months Ended</b> <b>April 30, 2022</b>
<b>Water Supply Expense:</b>		
WATER TREATMENT LABOR - OPERATIONS	11,828.70	48,351.20
HEALTH INSURANCE - WTP OPERATIONS	5,665.76	13,803.50
DENTAL INSURANCE - WTP OPERATIONS	65.25	181.65
VISION INSURANCE - PUMPING OPER.	(5.90)	(23.60)
VISION INSURANCE - WTP OPER.	25.80	31.32
LIFE INSURANCE - PUMPING OPER.	(221.24)	(884.96)
LIFE INSURANCE - WTP OPER.	67.61	275.31
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	(94.60)
SHORT TERM DISAB. - WTP OPER.	(3.64)	96.53
UNIFORM EXPENSE (PLANT)	0.00	110.19
<b>Total Water Supply Expenses</b>	<b>17,361.94</b>	<b>61,846.54</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	39,524.16	156,529.65
WATER PURCHASED -PIKEVILLE	57,401.86	267,622.27
<b>Total Water Purchases Expenses</b>	<b>96,926.02</b>	<b>424,151.92</b>
<b>Electricity Expense:</b>		
Electrical Expense	120,794.80	536,858.90
<b>Total Electricity Expenses</b>	<b>120,794.80</b>	<b>536,858.90</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	1,222.93	1,799.34
Hand Tools R & M Sewer	456.20	747.41
PS/LS R & M Sewer	1,365.34	14,512.25
Vehicle R & M Sewer	232.75	1,099.21
General R & M Sewer	1,029.47	5,317.06
R & M Leak Det.	0.00	1,383.96
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>4,306.69</b>	<b>24,859.23</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	7,565.18	18,004.14
Hand Tools R & M	1,089.14	9,789.04
PS/LS R & M	5,676.94	45,321.28
Vehicle R & M	4,761.24	24,858.77
General R & M	55,373.74	192,555.05
General R & M -Telemetry	75.19	4,373.82
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>74,541.43</b>	<b>294,902.10</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	71,182.63	289,130.41
T & D LABOR - MAINTENANCE	0.00	1,962.48
HEALTH INSURANCE - T & D OPERATIONS	42,722.78	95,361.97
DENTAL INSURANCE - T & D OPERATIONS	706.62	1,778.79
VISION INSURANCE - T & D OPER.	348.26	588.33
LIFE INSURANCE - T & D OPER.	602.77	2,313.11

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>4 Months Ended</b>
	<b>April 30, 2022</b>	<b>April 30, 2022</b>
SHORT TERM DISAB. - T & D OPER.	156.20	646.96
SHORT TERM DISAB. - T & D MAINT.	(10.76)	(43.04)
UNIFORM EXPENSE (WATER)	1,702.24	8,270.97
<b>Total Transmission &amp; Distribution Expenses</b>	117,410.74	400,009.98
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,449.74	86,209.55
ADMIN. & GENERAL LABOR	10,164.94	40,752.88
HEALTH INSURANCE - CUSTOMER ACCOUNTS	12,296.18	30,061.88
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	294.58
VISION INSURANCE - CUST. ACCOUNTS	59.68	12.52
LIFE INSURANCE - CUSTOMER ACCTS	217.64	818.91
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	121.88
<b>Total Customer Service Expenses</b>	44,356.95	158,272.20
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	270.94
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	(31.92)
<b>Total Administrator Expenses</b>	121.77	239.02
<b>Sewer Expense:</b>		
SEWER LABOR	29,727.40	119,165.00
HEALTH INSURANCE - SEWER	9,857.78	24,079.12
DENTAL INSURANCE - SEWER	182.15	449.35
VISION INSURANCE - SEWER	50.18	15.74
LIFE INSURANCE - SEWER	213.97	855.88
SHORT TERM DISAB. - SEWER	29.30	(29.80)
UNIFORM EXPENSE (WW)	187.34	942.59
Sewage Fees	5,008.45	24,919.02
Chemicals-WW	5,770.40	20,429.72
SAFETY SUPPLIES-WW	772.60	1,206.11
<b>Total Sewer Expenses</b>	51,799.57	192,032.73
<b>General &amp; Administrative Expense:</b>		
Undistributed	(50.58)	(205.41)
PAYROLL TAXES - FICA & U.C.	13,861.16	58,060.96
COMP COMMISSIONERS - AUTO DIST	2,500.00	10,000.00
COMPENSATION - ADMINISTRATOR	39,286.30	156,337.52
HEALTH INSURANCE - ADMIN. & GENERAL	7,578.34	18,381.19
VISION INSURANCE - ADMIN. & GENERAL	46.90	9.34
LIFE INSURANCE - ADMIN. & GENERAL	295.62	1,210.41
Employee Expense	554.59	2,469.59
Insurance expense	12,818.92	44,214.31
UTILITY EXPENSE	716.64	2,896.77
LABORATORY SUPPLIES	806.99	2,514.86
Laboratory Testing Expenses	3,223.60	18,241.66
Laboratory Testing Expense	3,203.75	10,669.75
CHEMICALS	30,216.25	67,911.03
SAFETY SUPPLIES	202.64	3,642.44
CONTRACT SERVICES -ENGINEERING	100.00	3,992.50
CONTRACT SERVICES -ACCOUNTING	529.00	12,536.00

No assurance is provided by the auditor on the contract services and accounting. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>4 Months Ended</b>
	<b>April 30, 2022</b>	<b>April 30, 2022</b>
CONTRACT SERVICE - LEGAL	0.00	2,103.75
CONTRACT SERVICE-GENERAL	650.00	2,950.00
CONTRACT SERVICES - MANPOWER	20,652.50	82,432.50
CONTRACT MGMNT EXP ASSUMED	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	20,680.57	66,342.93
AUTO & TRANSPORTATION EXPENSE	0.00	20.60
ADVERTISING	0.00	176.40
MOBILE PHONE EXPENSE	1,938.64	7,850.07
TELEPHONE/INTERNET	748.33	6,262.05
TELEPHONE/INTERNET	0.00	1,528.84
EDUCATION, DUES, MEETINGS, INSURANCE	2,106.16	14,438.11
Office Expense	18,628.78	87,180.88
SETTLEMENT EXPENSES	856.50	4,702.00
SERVICE FEE EXPENSE	29.00	139.25
BANK SERVICE FEES EXP	2,603.85	3,501.95
Worker's Compensation Insurance	5,965.00	29,825.00
Retirement Expense	47,954.90	188,689.37
MISCELLANEOUS SUPPLIES	35.44	159.48
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	4,867.75
<b>Total General &amp; Administrative Expenses</b>	<b>241,855.79</b>	<b>924,909.40</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>April 30, 2022</b>	<b>4 Months Ended</b> <b>April 30, 2022</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 545,865.30	\$ 2,195,471.66
METERED SALES - COMMERCIAL	59,750.99	225,246.73
METERED SALES - INDUSTRIAL	4,451.02	18,128.30
METERED SALES - PUBLIC AUTH.	35,635.73	141,180.87
METERED SALES - MULTI FAMILY	25,843.17	101,727.94
FIRE PROTECTION REVENUE	125.00	500.00
CUSTOMER LATE PAYMENT CHARGES	14,639.01	56,024.92
OTHER WATER SERVICE REVENUE	2,014.02	8,567.84
SERVICE CONNECTION FEES	14,980.00	54,417.95
SERVICE CONNECTION FEES FOR WASTE WATER	(390.00)	(2,400.00)
SEWER REVENUE -RESIDENTIAL	152,502.79	552,201.37
SEWER REVENUE - COMMERCIAL	41,055.78	145,987.78
 <b>Total Operating Revenue</b>	 896,472.81	 3,497,055.36

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 572,107.28	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 539,789.70	\$ 561,482.16	\$ 551,800.68	\$ 536,323.52	\$ 545,865.30	\$ 6,775,982.61
METERED SALES - COMMERCIAL	47,381.44	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	52,467.77	54,800.27	58,877.67	51,817.80	59,750.99	619,456.62
METERED SALES - INDUSTRIAL	2,121.16	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	4,111.72	4,737.54	4,828.02	4,451.02	60,326.42
METERED SALES - PUBLIC AUTH.	33,801.10	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	33,248.99	35,909.24	36,386.91	35,635.73	402,296.24
METERED SALES - MULTI FAMILY	25,333.85	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	25,082.87	25,405.25	25,396.65	25,843.17	303,521.06
FIRE PROTECTION REVENUE	125.00	125.00	125.00	125.00	150.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	15,047.63	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	15,691.98	14,162.77	11,531.16	14,639.01	178,169.11
OTHER WATER SERVICE REVENUE	3,824.59	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	153.43	79.94	(1,331.73)	7,805.61	2,014.02	25,770.25
SERVICE CONNECTION FEES	13,010.00	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	13,360.00	12,808.00	13,269.95	14,980.00	180,241.39
WASTE WATER	30.00	60.00	0.00	30.00	0.00	0.00	0.00	60.00	(1,140.00)	(510.00)	(360.00)	(390.00)	(2,220.00)
SEWER REVENUE - RESIDENTIAL	140,724.79	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	131,843.95	130,858.94	137,382.32	131,457.32	152,502.79	1,654,812.00
SEWER REVENUE - COMMERCIAL	39,515.77	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	35,335.60	35,236.20	34,360.20	41,055.78	456,281.65
<b>Total Sales</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>855,519.84</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>852,942.14</b>	<b>896,472.81</b>	<b>10,656,162.</b>
<b>Gross Profit</b>	<b>893,022.61</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>855,519.84</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>852,942.14</b>	<b>896,472.81</b>	<b>10,656,162.</b>
<b>Operating Expenses</b>													
Undistributed	17.79	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	132.38	(23.40)	(62.92)	(68.51)	(50.58)	4,700.29
DEPRECIATION EXPENSE	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	3,046,181.04
DEPRECIATION EXPENSE - SEWER	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	985,778.16
PAYROLL TAXES - FICA & U.C.	12,960.31	12,789.08	18,884.71	12,722.78	12,785.35	12,638.93	12,638.13	19,933.63	15,036.31	14,745.14	14,418.35	13,861.16	173,413.88
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	0.00	288.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	288.00
WATER TREATMENT LABOR - OPERATIONS	11,490.83	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	12,625.35	11,621.00	12,276.15	11,828.70	151,627.40
T & D LABOR - OPERATIONS	66,907.67	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,109.65	72,079.87	72,394.65	73,473.26	71,182.63	872,022.57
T & D LABOR - MAINTENANCE	3,391.66	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	1,509.60	452.88	0.00	0.00	19,713.48
CUSTOMER ACCOUNTS LABOR	21,979.10	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	21,721.74	21,554.41	21,483.66	21,449.74	282,112.32
ADMIN. & GENERAL LABOR	9,885.64	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	15,245.14	10,160.75	10,201.87	10,225.32	10,164.94	130,310.73
SEWER LABOR	27,308.34	27,810.58	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	44,681.14	29,702.91	29,794.95	29,939.74	29,727.40	378,504.63
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	28,200.00
COMPENSATION - ADMINISTRATOR	31,602.64	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	38,478.62	39,286.30	39,286.30	39,286.30	441,446.34
HEALTH INSURANCE - PUMPING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16	0.00	0.00	0.00	0.00	6,960.16
OPERATIONS													
HEALTH INSURANCE - WTP	1,399.15	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,075.47	2,712.58	2,712.58	2,712.58	5,665.76	31,721.88
HEALTH INSURANCE - T & D	16,792.80	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,494.03	17,628.10	17,336.30	17,674.79	42,722.78	222,854.10
OPERATIONS													
HEALTH INSURANCE - T & D	0.00	0.00	0.00	0.00	0.00	0.00	82.42	0.00	0.00	0.00	0.00	0.00	82.42
MAINTENANCE													
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	5,921.90	5,921.90	5,921.90	12,296.18	59,766.56

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	Total
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	3,600.95	3,600.95	3,600.95	7,578.34	40,863.12
DENTAL INSURANCE - SEWER	4,647.83	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	4,747.80	4,747.80	4,725.74	9,857.78	60,887.48
DENTAL INSURANCE - WTP OPERATIONS	25.78	85.01	77.96	85.01	85.01	85.01	85.01	157.31	(14.10)	65.25	65.25	65.25	867.75
DENTAL INSURANCE - T & D OPERATIONS	412.92	516.70	290.92	477.71	454.04	482.86	388.88	1,402.66	(273.18)	648.22	697.13	706.62	6,205.48
DENTAL INSURANCE - CUST. ACCOUNTS	245.14	245.14	154.86	284.82	144.20	226.19	(128.26)	457.13	(127.64)	140.74	140.74	140.74	1,923.80
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	191.66	121.93	191.66	3,774.70	191.66	191.66	397.88	(139.46)	136.80	136.80	136.80	5,523.75
DENTAL INSURANCE - SEWER	176.47	196.23	134.97	387.02	162.68	221.96	241.72	452.66	(97.10)	182.15	182.15	182.15	2,423.06
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	(2.95)	(8.85)	(5.90)	(5.90)	(5.90)	(5.90)	(35.40)
VISION INSURANCE - WTP OPER.	(4.55)	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	1.84	1.84	1.84	25.80	22.64
VISION INSURANCE - T & D OPER.	42.76	73.69	(25.31)	44.38	2.19	39.92	31.68	(46.96)	89.93	74.17	75.97	348.26	750.68
VISION INSURANCE - CUST. ACCOUNTS	26.87	112.49	(23.11)	26.87	26.87	35.12	4.48	(36.36)	(15.72)	(15.72)	(15.72)	59.68	185.75
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(12.52)	(12.52)	(12.52)	46.90	(235.60)
VISION INSURANCE - SEWER	12.48	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(11.48)	(11.48)	(11.48)	50.18	(187.91)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(221.24)	(221.24)	(221.24)	(221.24)	(1,304.96)
LIFE INSURANCE - WTP OPER.	71.69	156.38	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	67.61	72.48	67.61	67.61	670.05
LIFE INSURANCE - T & D OPER.	(185.40)	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	438.12	581.73	586.13	542.48	602.77	3,423.58
LIFE INSURANCE - T & D MAINT.	(15.39)	1,476.65	0.00	645.74	573.98	664.21	(41.20)	0.00	0.00	0.00	0.00	0.00	3,303.99
LIFE INSURANCE - CUSTOMER ACCTS	269.70	645.42	(192.98)	303.65	242.42	311.64	(212.88)	215.92	64.14	319.49	217.64	217.64	2,401.80
LIFE INSURANCE - ADMIN. & GENERAL	179.81	478.16	(187.14)	189.14	180.81	198.47	(145.83)	218.39	276.96	342.21	295.62	295.62	2,322.22
LIFE INSURANCE - SEWER	192.26	506.17	(146.40)	220.44	210.07	201.52	(125.03)	159.07	213.97	213.97	213.97	213.97	2,073.98
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(60.40)	86.60	(60.40)	(60.40)	(215.40)
SHORT TERM DISAB. - WTP OPER.	11.69	53.92	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	(3.64)	91.07	12.74	(3.64)	109.41
SHORT TERM DISAB. - T & D OPER.	(133.32)	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(5.74)	34.32	313.92	142.52	156.20	408.55
SHORT TERM DISAB. - T & D MAINT.	209.77	363.06	(10.50)	190.71	93.25	173.11	(3.50)	0.00	(10.76)	(10.76)	(10.76)	(10.76)	972.86
SHORT TERM DISAB. - CUSTOMER ACCTS	40.40	189.33	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	8.51	57.31	28.03	28.03	183.82
SHORT TERM DISAB. - ADMIN. & GENERAL	(9.04)	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(71.43)	69.57	(15.03)	(15.03)	(381.57)
SHORT TERM DISAB. - SEWER	41.33	191.16	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	29.30	(117.70)	29.30	29.30	22.64
UNIFORM EXPENSE (PLANT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98.64	11.55	0.00	0.00	110.19
UNIFORM EXPENSE (WATER)	1,123.04	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	1,439.56	2,312.29	2,816.88	1,702.24	23,739.36
UNIFORM EXPENSE (WW)	316.08	482.93	760.84	375.67	515.93	318.99	366.87	303.23	278.35	249.49	227.41	187.34	4,383.13
Employee Expense	428.00	255.99	660.20	748.39	681.80	3,643.50	415.19	600.00	445.00	1,170.00	300.00	554.59	9,902.66
Insurance expense	10,022.00	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	9,018.87	13,357.65	9,018.87	12,818.92	154,684.84
Water Purchased - Williamson	39,440.71	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	46,086.40	31,402.25	39,516.84	39,524.16	466,206.83
WATER PURCHASED - PIKEVILLE	60,053.48	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	55,160.00	76,847.47	78,212.94	57,401.86	719,971.70
Sewage Fees	3,882.38	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	6,097.58	6,940.63	6,872.36	5,008.45	67,416.60
UTILITY EXPENSE	881.22	881.22	0.00	0.00	881.22	1,859.07	1,081.22	931.22	0.00	1,373.91	806.22	716.64	9,411.94

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	Total
LABORATORY SUPPLIES	887.18	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	1,126.15	275.72	306.00	806.99	13,524.03
LABORATORY EXPENSE	0.00	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	0.00	0.00	0.00	0.00	5,077.27
Laboratory Testing Expenses	2,536.75	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.00	4,086.75	3,331.66	7,599.65	3,223.60	52,963.33
Laboratory Testing Expense	2,454.45	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	3,251.75	1,921.00	2,293.25	3,203.75	29,852.59
CHEMICALS	12,648.54	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	1,392.00	36,302.78	3,630.27	30,216.25	178,566.24
Chemicals-WW	1,622.72	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	2,469.60	2,659.60	9,530.12	5,770.40	55,666.62
SAFETY SUPPLIES	1,441.24	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	1,056.78	1,912.06	470.96	202.64	16,444.45
SAFETY SUPPLIES-WW	176.54	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	0.00	187.65	245.86	772.60	7,543.87
Electrical Expense	107,858.82	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	145,037.88	128,566.15	142,460.07	120,794.80	1,463,072.37
CONTRACT SERVICES -ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,892.50	0.00	0.00	100.00	3,992.50
CONTRACT SERVICE - ACCOUNTING	5,514.00	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	3,575.00	3,616.00	2,825.00	2,520.00	77,665.00
CONTRACT SERVICE - LEGAL	0.00	0.00	0.00	0.00	0.00	7,558.68	0.00	0.00	2,103.75	0.00	0.00	0.00	9,662.43
ENGINEERING	0.00	0.00	0.00	0.00	0.00	5.83	0.00	0.00	0.00	0.00	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	800.00	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	650.00	650.00	1,000.00	650.00	13,023.94
CONTRACT SERVICES - MANPOWER	22,461.96	23,133.08	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	22,610.49	16,018.90	24,365.00	21,396.10	20,652.50	236,856.80
CONTRACT MGMT EXP ASSUMED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,855.55	0.00	0.00	0.00	8,855.55
RENTAL OF BLDG - REAL PROPERTY	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	0.00	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	16,198.26	14,897.01	14,567.09	20,680.57	166,178.46
ADVERTISING	630.08	0.00	466.20	464.30	0.00	207.90	151.20	88.20	88.20	0.00	88.20	0.00	2,184.28
OTHER LEGAL PSC EXPENSE	3,841.80	537.00	537.00	537.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,452.80
MOBILE PHONE EXPENSE	2,148.29	1,763.29	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	2,192.33	1,847.05	1,872.05	1,938.64	23,794.89
TELEPHONE/INTERNET	2,764.48	2,244.58	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	3,532.27	1,111.84	869.61	748.33	24,575.55
TELEPHONE/INTERNET	878.30	0.00	240.82	262.82	200.58	425.03	425.03	261.49	423.23	421.43	684.18	0.00	4,222.91
EDUCATION, DUES, MEETINGS, INSURANCE	3,155.26	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	3,839.89	5,479.50	3,012.56	2,106.16	45,874.26
Office Expense	15,990.32	16,735.27	16,530.33	14,481.93	18,942.49	15,035.38	13,118.74	17,873.41	23,749.61	22,295.60	22,506.89	18,628.78	215,888.75
Esasements	0.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,400.00
SETTLEMENT EXPENSES	0.00	1,065.52	0.00	0.00	0.00	0.00	0.00	26,581.33	0.00	2,500.00	1,345.50	856.50	32,348.85
SERVICE FEE EXPENSE	22.00	6,505.53	56.00	78.47	3,076.84	28.00	24.50	0.00	0.00	110.25	0.00	29.00	9,930.59
BANK SERVICE FEES EXP	129.23	132.59	134.90	162.50	148.50	116.86	153.77	157.54	121.80	593.63	182.67	2,603.85	4,637.84
Worker's Compensation Insurance	0.00	0.00	0.00	0.00	0.00	11,931.00	5,965.00	0.00	11,930.00	5,965.00	5,965.00	5,965.00	47,721.00
PSC TAX ASSESSMENT	0.00	20,724.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	38,030.78	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	46,806.01	46,093.18	47,835.28	47,954.90	566,739.72
MISCELLANEOUS SUPPLIES	8.86	26.58	44.30	26.58	96.94	35.44	17.72	35.44	35.44	35.44	53.16	35.44	451.34
Major Equipment R & M	4,298.01	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	3,057.12	1,960.11	1,691.21	6,787.64	7,565.18	56,030.64
Major Equipment R & M Sewer	373.76	533.30	0.00	374.29	0.00	31.48	0.00	486.16	379.46	196.95	0.00	1,222.93	3,598.33
Hand Tools R & M	1,283.41	776.48	460.91	1,417.39	1,711.42	1,587.91	1,488.14	3,562.88	4,007.15	2,291.29	2,401.46	1,089.14	22,077.58
Hand Tools R & M Sewer	57.87	221.20	346.49	0.00	697.76	591.12	266.69	76.90	87.51	17.99	185.71	456.20	3,005.44
PS/LS R & M	6,477.77	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	10,767.89	16,260.05	9,946.13	13,438.16	5,676.94	119,440.57
PS/LS R & M Sewer	4,738.74	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	3,575.25	3,647.94	2,107.00	7,391.97	1,365.34	117,965.52
Vehicle R & M	5,457.94	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	8,930.28	4,734.52	6,126.08	9,236.93	4,761.24	69,594.86
Vehicle R & M Sewer										296.67	394.79	232.75	1,681.88

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	05/31/21	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	Total
General R & M	20,491.91	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	39,953.05	6,189.53	64,137.38	66,854.40	55,373.74	464,813.40
General R & M Sewer	4,529.16	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	526.47	541.52	1,189.78	2,556.29	1,029.47	30,925.48
General R & M - Telemetry	1,287.00	2,199.91	1,500.00	1,659.03	6,610.92	2,021.20	0.00	0.00	380.00	1,950.27	1,968.36	75.19	19,651.88
R & M Leak Det.	0.00	0.00	0.00	0.00	567.23	0.00	0.00	0.00	0.00	1,383.96	0.00	0.00	1,951.19
SUPPLIES & EXPENSES TREATMENT (WW)	1,237.50	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,125.00	1,125.00	1,492.75	1,125.00	12,967.75
INTEREST EXPENSE - TERM DEBT	29,995.65	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	32,673.59	30,740.92	29,345.56	29,918.36	29,621.74	357,586.33
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	80,383.75
<b>Total Operating Expenses</b>	<u>982,180.21</u>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,128,174.04</u>	<u>1,070,025.18</u>	<u>1,140,474.67</u>	<u>1,148,206.11</u>	<u>1,139,129.04</u>	<u>13,141,290.58</u>
<b>Operating Income (Loss)</b>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(242,656.23)</u>	<u>(2,485,128.58)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(89,157.60)</u>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(272,654.20)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(242,656.23)</u>	<u>(2,485,128.58)</u>
<b>Net Income (Loss)</b>	<u>\$(89,157.60)</u>	<u>\$(111,760.56)</u>	<u>\$(187,482.39)</u>	<u>\$(154,030.68)</u>	<u>\$(276,292.60)</u>	<u>\$(180,648.48)</u>	<u>\$(212,322.43)</u>	<u>\$(272,654.20)</u>	<u>\$(196,987.71)</u>	<u>\$(265,871.73)</u>	<u>\$(295,263.97)</u>	<u>\$(242,656.23)</u>	<u>\$(2,485,128.58)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	4 Months Ended April 30, 2022 Actual	4 Months Ended April 30, 2022 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 2,195,471.66	\$ 2,259,154.00	\$ (63,682.34)
METERED SALES - COMMERCIAL	225,246.73	191,860.28	33,386.45
METERED SALES - INDUSTRIAL	18,128.30	19,581.00	(1,452.70)
METERED SALES - PUBLIC AUTH.	141,180.87	132,400.00	8,780.87
METERED SALES - MULTI FAMILY	101,727.94	100,315.64	1,412.30
FIRE PROTECTION REVENUE	500.00	466.64	33.36
CUSTOMER LATE PAYMENT CHARGES	56,024.92	61,956.00	(5,931.08)
OTHER WATER SERVICE REVENUE	8,567.84	20,959.00	(12,391.16)
SERVICE CONNECTION FEES	54,417.95	52,482.00	1,935.95
SERVICE CONNECTION FEES FOR WASTE WATER	(2,400.00)	74.28	(2,474.28)
SEWER REVENUE -RESIDENTIAL	552,201.37	543,004.28	9,197.09
SEWER REVENUE - COMMERCIAL	145,987.78	147,930.64	(1,942.86)
<b>Total Sales</b>	<u>3,497,055.36</u>	<u>3,530,183.76</u>	<u>(33,128.40)</u>
<b>Gross Profit</b>	<u>3,497,055.36</u>	<u>3,530,183.76</u>	<u>(33,128.40)</u>
<b>Operating Expenses</b>			
Undistributed	(205.41)	0.00	(205.41)
DEPRECIATION EXPENSE	1,015,393.68	991,998.72	23,394.96
DEPRECIATION EXPENSE - SEWER	328,592.72	339,618.72	(11,026.00)
PAYROLL TAXES - FICA & U.C.	58,060.96	65,055.72	(6,994.76)
WATER TREATMENT LABOR - OPERATIONS	48,351.20	49,647.00	(1,295.80)
T & D LABOR - OPERATIONS	289,130.41	322,242.72	(33,112.31)
T & D LABOR - MAINTENANCE	1,962.48	17,627.72	(15,665.24)
CUSTOMER ACCOUNTS LABOR	86,209.55	114,563.36	(28,353.81)
ADMIN. & GENERAL LABOR	40,752.88	49,653.36	(8,900.48)
SEWER LABOR	119,165.00	140,693.36	(21,528.36)
COMP COMMISSIONERS - AUTO DIST	10,000.00	10,000.00	0.00
COMPENSATION - ADMINISTRATOR	156,337.52	158,898.36	(2,560.84)
HEALTH INSURANCE - WTP OPERATIONS	13,803.50	10,593.36	3,210.14
HEALTH INSURANCE - T & D OPERATIONS	95,361.97	92,414.00	2,947.97
HEALTH INSURANCE - T & D MAINTENANCE	0.00	15.72	(15.72)
HEALTH INSURANCE - CUSTOMER ACCOUNTS	30,061.88	16,551.00	13,510.88
HEALTH INSURANCE - ADMIN. & GENERAL	18,381.19	13,002.72	5,378.47
HEALTH INSURANCE - SEWER	24,079.12	19,537.36	4,541.76
DENTAL INSURANCE - WTP OPERATIONS	181.65	283.00	(101.35)
DENTAL INSURANCE - T & D OPERATIONS	1,778.79	1,893.72	(114.93)
DENTAL INSURANCE - CUST. ACCOUNTS	294.58	917.00	(622.42)
DENTAL INSURANCE - ADMIN. & GENERAL	270.94	1,914.36	(1,643.42)
DENTAL INSURANCE - SEWER	449.35	754.00	(304.65)
VISION INSURANCE - PUMPING OPER.	(23.60)	4.00	(27.60)
VISION INSURANCE - WTP OPER.	31.32	165.72	(134.40)
VISION INSURANCE - T & D OPER.	588.33	0.00	588.33
VISION INSURANCE - CUST. ACCOUNTS	12.52	1,485.72	(1,473.20)
VISION INSURANCE - ADMIN. & GENERAL	9.34	0.00	9.34
VISION INSURANCE - SEWER	15.74	0.00	15.74
LIFE INSURANCE - PUMPING OPER.	(884.96)	0.00	(884.96)
LIFE INSURANCE - WTP OPER.	275.31	279.36	(4.05)
LIFE INSURANCE - T & D OPER.	2,313.11	1,916.00	397.11
LIFE INSURANCE - CUSTOMER ACCTS	818.91	860.72	(41.81)
LIFE INSURANCE - ADMIN. & GENERAL	1,210.41	594.36	616.05
LIFE INSURANCE - SEWER	855.88	738.00	117.88
SHORT TERM DISAB. - PUMPING OPER.	(94.60)	18.72	(113.32)
SHORT TERM DISAB. - WTP OPER.	96.53	34.72	61.81
SHORT TERM DISAB. - T & D OPER.	646.96	0.00	646.96

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	4 Months Ended April 30, 2022 Actual	4 Months Ended April 30, 2022 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D MAINT.	(43.04)	194.72	(237.76)
SHORT TERM DISAB. - CUSTOMER ACCTS	121.88	43.00	78.88
SHORT TERM DISAB. - ADMIN. & GENERAL	(31.92)	0.00	(31.92)
SHORT TERM DISAB. - SEWER	(29.80)	75.00	(104.80)
UNIFORM EXPENSE (PLANT)	110.19	0.00	110.19
UNIFORM EXPENSE (WATER)	8,270.97	7,710.36	560.61
UNIFORM EXPENSE (WW)	942.59	1,552.72	(610.13)
Employee Expense	2,469.59	4,878.00	(2,408.41)
Insurance expense	44,214.31	29,879.72	14,334.59
Water Purchased -Williamson	156,529.65	153,217.36	3,312.29
WATER PURCHASED -PIKEVILLE	267,622.27	226,744.72	40,877.55
Sewage Fees	24,919.02	28,000.00	(3,080.98)
UTILITY EXPENSE	2,896.77	3,232.72	(335.95)
LABORATORY SUPPLIES	2,514.86	3,851.00	(1,336.14)
LABORATORY EXPENSE	0.00	2,400.36	(2,400.36)
Laboratory Testing Expenses	18,241.66	15,825.72	2,415.94
Laboratory Testing Expense	10,669.75	16,131.00	(5,461.25)
CHEMICALS	67,911.03	51,176.36	16,734.67
Chemicals-WW	20,429.72	22,680.00	(2,250.28)
SAFETY SUPPLIES	3,642.44	4,930.00	(1,287.56)
SAFETY SUPPLIES-WW	1,206.11	2,491.36	(1,285.25)
Electrical Expense	536,858.90	460,304.00	76,554.90
CONTRACT SERVICES -ENGINEERING	3,992.50	0.00	3,992.50
CONTRACT SERVICE - ACCOUNTING	12,536.00	26,849.72	(14,313.72)
CONTRACT SERVICE - LEGAL	2,103.75	10,111.36	(8,007.61)
CONTRACT SERVICE-GENERAL	2,950.00	8,142.00	(5,192.00)
CONTRACT SERVICES - MANPOWER	82,432.50	0.00	82,432.50
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	66,342.93	60,000.00	6,342.93
AUTO & TRANSPORTATION EXPENSE	20.60	0.00	20.60
ADVERTISING	176.40	1,234.36	(1,057.96)
MOBILE PHONE EXPENSE	7,850.07	7,838.36	11.71
TELEPHONE/INTERNET	6,262.05	6,981.72	(719.67)
TELEPHONE/INTERNET	1,528.84	1,115.00	413.84
EDUCATION, DUES, MEETINGS, INSURANCE	14,438.11	16,000.00	(1,561.89)
Office Expense	87,180.88	77,123.00	10,057.88
Easements	0.00	800.00	(800.00)
SETTLEMENT EXPENSES	4,702.00	0.00	4,702.00
SERVICE FEE EXPENSE	139.25	6,685.72	(6,546.47)
BANK SERVICE FEES EXP	3,501.95	1,581.00	1,920.95
Worker's Compensation Insurance	29,825.00	23,052.72	6,772.28
PSC TAX ASSESSMENT	0.00	6,908.36	(6,908.36)
Retirement Expense	188,689.37	220,191.00	(31,501.63)
MISCELLANEOUS SUPPLIES	159.48	144.36	15.12
Major Equipment R & M	18,004.14	14,689.36	3,314.78
Major Equipment R & M Sewer	1,799.34	943.00	856.34
Hand Tools R & M	9,789.04	4,537.72	5,251.32
Hand Tools R & M Sewer	747.41	1,219.00	(471.59)
PS/LS R & M	45,321.28	43,875.00	1,446.28
PS/LS R & M Sewer	14,512.25	40,430.72	(25,918.47)
Vehicle R & M	24,858.77	21,681.72	3,177.05
Vehicle R & M Sewer	1,099.21	301.00	798.21
General R & M	192,555.05	247,979.36	(55,424.31)
General R & M Sewer	5,317.06	13,814.72	(8,497.66)
General R & M -Telemetry	4,373.82	5,836.72	(1,462.90)
R & M Leak Det.	1,383.96	200.36	1,183.60
SUPPLIES & EXPENSES TREATMENT (WW)	4,867.75	4,491.72	376.03

**MOUNTAIN WATER DISTRICT  
Income Statement**

	4 Months Ended April 30, 2022 Actual	4 Months Ended April 30, 2022 Budget	Over/(Under) Budget
<b>Total Operating Expenses</b>	<u>4,362,068.42</u>	<u>4,334,049.80</u>	<u>28,018.62</u>
<b>Operating Income (Loss)</b>	<u>(865,013.06)</u>	<u>(803,866.04)</u>	<u>(61,147.02)</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	1,017.98	1,312.64	(294.66)
INTEREST EXPENSE - TERM DEBT	(119,626.58)	(70,126.00)	(49,500.58)
INTEREST EXPENSE - TERM DEBT	<u>(16,140.00)</u>	<u>(29,752.00)</u>	<u>13,612.00</u>
<b>Total Other Income (Expenses)</b>	<u>(134,748.60)</u>	<u>(98,565.36)</u>	<u>(36,183.24)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(999,761.66)</u>	<u>(902,431.40)</u>	<u>(97,330.26)</u>
<b>Net Income (Loss)</b>	<u>\$ (999,761.66)</u>	<u>\$ (902,431.40)</u>	<u>\$ (97,330.26)</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended April 30, 2022 Actual	1 Month Ended April 30, 2022 Budget	4 Months Ended April 30, 2022 Actual	4 Months Ended April 30, 2022 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 545,865.30	\$ 564,788.50	\$ 2,195,471.66	\$ 2,259,154.00
METERED SALES - COMMERCIAL	59,750.99	47,965.09	225,246.73	191,860.28
METERED SALES - INDUSTRIAL	4,451.02	4,895.25	18,128.30	19,581.00
METERED SALES - PUBLIC AUTH.	35,635.73	33,100.00	141,180.87	132,400.00
METERED SALES - MULTI FAMILY	25,843.17	25,078.92	101,727.94	100,315.64
FIRE PROTECTION REVENUE	125.00	116.67	500.00	466.64
CUSTOMER LATE PAYMENT CHARGES	14,639.01	15,489.00	56,024.92	61,956.00
OTHER WATER SERVICE REVENUE	2,014.02	5,239.75	8,567.84	20,959.00
SERVICE CONNECTION FEES	14,980.00	13,120.50	54,417.95	52,482.00
SERVICE CONNECTION FEES FOR WASTE WATER	(390.00)	18.59	(2,400.00)	74.28
SEWER REVENUE -RESIDENTIAL	152,502.79	135,751.09	552,201.37	543,004.28
SEWER REVENUE - COMMERCIAL	41,055.78	36,982.67	145,987.78	147,930.64
<b>Total Sales</b>	<u>896,472.81</u>	<u>882,546.03</u>	<u>3,497,055.36</u>	<u>3,530,183.76</u>
<b>Gross Profit</b>	<u>896,472.81</u>	<u>882,546.03</u>	<u>3,497,055.36</u>	<u>3,530,183.76</u>
<b>Operating Expenses</b>				
Undistributed	(50.58)	0.00	(205.41)	0.00
DEPRECIATION EXPENSE	253,848.42	247,999.66	1,015,393.68	991,998.72
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.66	328,592.72	339,618.72
PAYROLL TAXES - FICA & U.C.	13,861.16	16,263.91	58,060.96	65,055.72
WATER TREATMENT LABOR - OPERATIONS	11,828.70	12,411.75	48,351.20	49,647.00
T & D LABOR - OPERATIONS	71,182.63	80,560.66	289,130.41	322,242.72
T & D LABOR - MAINTENANCE	0.00	4,406.91	1,962.48	17,627.72
CUSTOMER ACCOUNTS LABOR	21,449.74	28,640.83	86,209.55	114,563.36
ADMIN. & GENERAL LABOR	10,164.94	12,413.33	40,752.88	49,653.36
SEWER LABOR	29,727.40	35,173.33	119,165.00	140,693.36
COMP COMMISSIONERS - AUTO DIST	2,500.00	2,500.00	10,000.00	10,000.00
COMPENSATION - ADMINISTRATOR	39,286.30	39,724.58	156,337.52	158,898.36
HEALTH INSURANCE - WTP OPERATIONS	5,665.76	2,648.33	13,803.50	10,593.36
HEALTH INSURANCE - T & D OPERATIONS	42,722.78	23,103.50	95,361.97	92,414.00
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.91	0.00	15.72
HEALTH INSURANCE - CUSTOMER ACCOUNTS	12,296.18	4,137.75	30,061.88	16,551.00
HEALTH INSURANCE - ADMIN. & GENERAL	7,578.34	3,250.66	18,381.19	13,002.72
HEALTH INSURANCE - SEWER	9,857.78	4,884.33	24,079.12	19,537.36
DENTAL INSURANCE - WTP OPERATIONS	65.25	70.75	181.65	283.00
DENTAL INSURANCE - T & D OPERATIONS	706.62	473.41	1,778.79	1,893.72
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	229.25	294.58	917.00
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	478.58	270.94	1,914.36
DENTAL INSURANCE - SEWER	182.15	188.50	449.35	754.00
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(23.60)	4.00
VISION INSURANCE - WTP OPER.	25.80	41.41	31.32	165.72
VISION INSURANCE - T & D OPER.	348.26	0.00	588.33	0.00
VISION INSURANCE - CUST. ACCOUNTS	59.68	371.41	12.52	1,485.72
VISION INSURANCE - ADMIN. & GENERAL	46.90	0.00	9.34	0.00
VISION INSURANCE - SEWER	50.18	0.00	15.74	0.00
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(884.96)	0.00
LIFE INSURANCE - WTP OPER.	67.61	69.83	275.31	279.36
LIFE INSURANCE - T & D OPER.	602.77	479.00	2,313.11	1,916.00
LIFE INSURANCE - CUSTOMER ACCTS	217.64	215.16	818.91	860.72
LIFE INSURANCE - ADMIN. & GENERAL	295.62	148.58	1,210.41	594.36
LIFE INSURANCE - SEWER	213.97	184.50	855.88	738.00
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	4.66	(94.60)	18.72

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended April 30, 2022 Actual</b>	<b>1 Month Ended April 30, 2022 Budget</b>	<b>4 Months Ended April 30, 2022 Actual</b>	<b>4 Months Ended April 30, 2022 Budget</b>
SHORT TERM DISAB. - WTP OPER.	(3.64)	8.66	96.53	34.72
SHORT TERM DISAB. - T & D OPER.	156.20	0.00	646.96	0.00
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.66	(43.04)	194.72
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	10.75	121.88	43.00
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	0.00	(31.92)	0.00
SHORT TERM DISAB. - SEWER	29.30	18.75	(29.80)	75.00
UNIFORM EXPENSE (PLANT)	0.00	0.00	110.19	0.00
UNIFORM EXPENSE (WATER)	1,702.24	1,927.58	8,270.97	7,710.36
UNIFORM EXPENSE (WW)	187.34	388.16	942.59	1,552.72
Employee Expense	554.59	1,219.50	2,469.59	4,878.00
Insurance expense	12,818.92	7,469.91	44,214.31	29,879.72
Water Purchased -Williamson	39,524.16	38,304.33	156,529.65	153,217.36
WATER PURCHASED -PIKEVILLE	57,401.86	56,686.16	267,622.27	226,744.72
Sewage Fees	5,008.45	7,000.00	24,919.02	28,000.00
UTILITY EXPENSE	716.64	808.16	2,896.77	3,232.72
LABORATORY SUPPLIES	806.99	962.75	2,514.86	3,851.00
LABORATORY EXPENSE	0.00	600.08	0.00	2,400.36
Laboratory Testing Expenses	3,223.60	3,956.41	18,241.66	15,825.72
Laboratory Testing Expense	3,203.75	4,032.75	10,669.75	16,131.00
CHEMICALS	30,216.25	12,794.08	67,911.03	51,176.36
Chemicals-WW	5,770.40	5,670.00	20,429.72	22,680.00
SAFETY SUPPLIES	202.64	1,232.50	3,642.44	4,930.00
SAFETY SUPPLIES-WW	772.60	622.83	1,206.11	2,491.36
Electrical Expense	120,794.80	115,076.00	536,858.90	460,304.00
CONTRACT SERVICES -ENGINEERING	100.00	0.00	3,992.50	0.00
CONTRACT SERVICE - ACCOUNTING	2,520.00	6,712.41	12,536.00	26,849.72
CONTRACT SERVICE - LEGAL	0.00	2,527.83	2,103.75	10,111.36
CONTRACT SERVICE-GENERAL	650.00	2,035.50	2,950.00	8,142.00
CONTRACT SERVICES - MANPOWER	20,652.50	0.00	82,432.50	0.00
CONTRACT MGMNT EXP ASSUMED	0.00	0.00	8,855.55	0.00
AUTO & TRANSPORTATION EXPENSE	20,680.57	15,000.00	66,342.93	60,000.00
AUTO & TRANSPORTATION EXPENSE	0.00	0.00	20.60	0.00
ADVERTISING	0.00	308.58	176.40	1,234.36
MOBILE PHONE EXPENSE	1,938.64	1,959.58	7,850.07	7,838.36
TELEPHONE/INTERNET	748.33	1,745.41	6,262.05	6,981.72
TELEPHONE/INTERNET	0.00	278.75	1,528.84	1,115.00
EDUCATION, DUES, MEETINGS, INSURANCE	2,106.16	4,000.00	14,438.11	16,000.00
Office Expense	18,628.78	19,280.75	87,180.88	77,123.00
Easements	0.00	200.00	0.00	800.00
SETTLEMENT EXPENSES	856.50	0.00	4,702.00	0.00
SERVICE FEE EXPENSE	29.00	1,671.41	139.25	6,685.72
BANK SERVICE FEES EXP	2,603.85	395.25	3,501.95	1,581.00
Worker's Compensation Insurance	5,965.00	5,763.16	29,825.00	23,052.72
PSC TAX ASSESSMENT	0.00	1,727.08	0.00	6,908.36
Retirement Expense	47,954.90	55,047.75	188,689.37	220,191.00
MISCELLANEOUS SUPPLIES	35.44	36.08	159.48	144.36
Major Equipment R & M	7,565.18	3,672.33	18,004.14	14,689.36
Major Equipment R & M Sewer	1,222.93	235.75	1,799.34	943.00
Hand Tools R & M	1,089.14	1,134.41	9,789.04	4,537.72
Hand Tools R & M Sewer	456.20	304.75	747.41	1,219.00
PS/LS R & M	5,676.94	10,968.75	45,321.28	43,875.00
PS/LS R & M Sewer	1,365.34	10,107.66	14,512.25	40,430.72
Vehicle R & M	4,761.24	5,420.41	24,858.77	21,681.72
Vehicle R & M Sewer	232.75	75.25	1,099.21	301.00
General R & M	55,373.74	61,994.83	192,555.05	247,979.36
General R & M Sewer	1,029.47	3,453.66	5,317.06	13,814.72

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended April 30, 2022 Actual</b>	<b>1 Month Ended April 30, 2022 Budget</b>	<b>4 Months Ended April 30, 2022 Actual</b>	<b>4 Months Ended April 30, 2022 Budget</b>
General R & M -Telemetry	75.19	1,459.16	4,373.82	5,836.72
R & M Leak Det.	0.00	50.08	1,383.96	200.36
SUPPLIES & EXPENSES TREATMENT (WW)	1,125.00	1,122.91	4,867.75	4,491.72
INTEREST EXPENSE - TERM DEBT	29,621.74	17,531.50	119,626.58	70,126.00
INTEREST EXPENSE - TERM DEBT	4,035.00	7,438.00	16,140.00	29,752.00
<b>Total Operating Expenses</b>	<u>1,139,129.04</u>	<u>1,108,481.15</u>	<u>4,497,835.00</u>	<u>4,433,927.80</u>
<b>Operating Income (Loss)</b>	<u>(242,656.23)</u>	<u>(225,935.12)</u>	<u>(1,000,779.64)</u>	<u>(903,744.04)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>176.23</u>	<u>328.17</u>	<u>1,017.98</u>	<u>1,312.64</u>
<b>Total Other Income (Expenses)</b>	<u>176.23</u>	<u>328.17</u>	<u>1,017.98</u>	<u>1,312.64</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(242,480.00)</u>	<u>(225,606.95)</u>	<u>(999,761.66)</u>	<u>(902,431.40)</u>
<b>Net Income (Loss)</b>	<u>\$ (242,480.00)</u>	<u>\$ (225,606.95)</u>	<u>\$ (999,761.66)</u>	<u>\$ (902,431.40)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
APRIL, 2022**

- 373** Field maintenance work orders issued during the month of APRIL.
- 294** Field maintenance work orders completed during the month of APRIL.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	40	80	38	<b>206</b>
FEBRUARY	53	67	48	40	<b>208</b>
MARCH	80	76	82	78	<b>316</b>
APRIL	84	55	88	67	<b>294</b>
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>265</b>	<b>238</b>	<b>298</b>	<b>223</b>	<b>1024</b>

- 14** New PAID service tap work orders issued during the month of APRIL.
- 13** New PAID service tap work orders completed during the month of APRIL.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	0	1	1	0	<b>2</b>
FEBRUARY	1	3	0	4	<b>8</b>
MARCH	3	1	1	4	<b>9</b>
APRIL	8	1	1	3	<b>13</b>
MAY					
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>12</b>	<b>6</b>	<b>3</b>	<b>11</b>	<b>32</b>

**WATER**

- 74** Water Customer Work Orders completed during the month of APRIL.
- 2,663** Delinquent Notices Mailed during the month of APRIL.
- 359** Delinquent Work Orders Written Up during the month of APRIL.
- 194** Delinquent Accounts Disconnected during the month of APRIL.

**SEWER**

- 33 Sewer Customer Work Orders completed during the month of APRIL.
  - 1 Delinquent Work Orders Written Up during the month of APRIL.
  - 0 Delinquent Work Orders Disconnected during the month of APRIL.
  
  - 0 Water Delinquent Work Orders Written Up – City of Pikeville Agreement
  - 0 Water Delinquent Accounts Disconnected – City of Pikeville Agreement
  - 0 Water Delinquent Accounts Reconnected – City of Pikeville Agreement
  
  - 12 Water Delinquent Work Orders Written Up – City of Williamson Agreement
  - 0 Water Delinquent Accounts Disconnected – City of Williamson Agreement\*
  - 0 Water Delinquent Accounts Reconnected – City of Williamson Agreement\*
- \* Total count of disc/recon by Williamson is unknown until invoice received the 1<sup>st</sup> of the following month.

- 17 Vehicle & equipment maintenance work orders issued during the month of APRIL.
- 16 Vehicle & equipment maintenance work orders completed during the month of APRIL.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,373 (16,553 Taps + 820 Multi-Users)
FEBRUARY	17,361 (16,543 Taps + 818 Multi-Users)
MARCH	17,338 (16,520 Taps + 818 Multi-Users)
APRIL	17,339 (16,530 Taps + 809 Multi-Users)
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,304
FEBRUARY	2,307
MARCH	2,315
APRIL	2,317
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	

**APRIL 2021 WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,339	63,813,310	\$683,356.02	1.86%
<b>SEWER</b>	2,317	9,862,425	\$196,616.69	13.22%
<b>TOTAL BILLED</b>			<b>\$879,972.71</b>	<b>4.20%</b>

0 Sewer tap was completed during the month of APRIL.

15 Hydrant work order was completed during the month of APRIL.

**WATERLOSS SUMMARY:**

- TOTAL ACCOUNTED WATER LOSS** for **APRIL** was **23,047,000** gallons.
- WATERLOSS** due to leaks and breaks was **2,215,000** gallons.
- WATERLOSS** due to flushing, fire department usage, etc. was **11,268,000** gallons.
- WATERLOSS** due to Water Treatment Plant Use was **4,489,000** gallons.
- WATERLOSS** due to storage tank overflow was **0** gallons.
- WATERLOSS** due to customer usage/other was **5,075,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **APRIL** was **20,464,000** gallons for an unaccounted-for loss of **19.07%**.

**Water loss percentage utilizing the PSC form was 23.2%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

38 Work Orders completed for Booster Pump Stations during the month of APRIL.

**WATER STORAGE TANK MAINTENANCE:**

9 Work Orders completed for Water Storage Tanks during the month of APRIL.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of APRIL.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

0 Work Orders completed for Pressure Regulator Stations during the month of APRIL.

**TELEMETRY MAINTENANCE:**

**1** Work Orders completed for Telemetry during the month of APRIL.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

**18** Work Orders completed for the Russell Fork Water Plant during the month of APRIL.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of APRIL.

- 15- Special Bacteriological Samples
- **3**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**1** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of APRIL.

**LIFT STATION MAINTENANCE:**

**1** Work Orders completed for Lift Stations excluding regular maintenance during the month of APRIL.

**COLLECTION SYSTEM MAINTENANCE:**

**40** Work Orders completed for Collection Systems during the month of APRIL.

# **Summary Information from the Financials**

**June 29, 2022**

## **Balance Sheet as of May**

- Cash in Bank is \$249,739.20
- Accounts Receivable 1,177,479.58
- Plant in place is \$167,849,882.32
- Accounts Payable is \$219,382.34
- Equity is 69,360,239.20

## **Income Statement –May /Year to Date**

- Revenue \$928,511.54
- Utility Operating Expenses \$1,007,926
- Income (Loss) \$(113,831)/ (1,072,158)
- Included in the loss is Depreciation of (\$336,340/ (\$1,680,327)
- Operating income was negative in the amount of (\$79,415) this month.

## **Cash Flow Statement**

- Cash increased by \$10,214.64

## **Additional Comments**

- Our current Operating account balance was \$246,039.13
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$862,432 .and \$870,961 respectively. Our O&M Reserve is \$366,463
- We transfer to the sinking fund \$118,000 to ensure we have money to pay our debt service.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of May 31, 2022 and 2021**

**ASSETS**

	<b>2022</b>	<b>2021</b>
<b>Current Assets</b>		
Cash In Bank	\$ 249,739.20	\$ 360,123.96
Accounts Receivable	1,177,479.58	1,040,721.34
Clearing Accounts	62,736.94	8,839.87
Inventory	382,078.62	279,476.25
Other Current Assets	<u>3,361,685.98</u>	<u>3,772,610.14</u>
<b>Total Current Assets</b>	<u>5,233,720.32</u>	<u>5,461,771.56</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	6,046,312.80	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	98,341,776.25	97,782,306.63
Water General Plant	5,418,592.17	4,731,771.23
Sewer General Plant	46,142,861.35	37,310,038.98
Construction in Progress	<u>1,692,685.05</u>	<u>9,729,545.21</u>
Total Plant In Service	167,849,882.32	164,603,044.43
Less Accumulated Depreciation	<u>(76,183,506.25)</u>	<u>(71,988,993.87)</u>
<b>Net Capital Assets</b>	<u>91,666,376.07</u>	<u>92,614,050.56</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(31,837.34)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>60,478.83</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>91,726,854.90</u>	<u>92,677,969.74</u>
<b>Total Net Assets</b>	<u>\$ 96,960,575.22</u>	<u>\$ 98,139,741.30</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of May 31, 2022 and 2021**

**Liabilities and Net Assets**

	<b>2022</b>	<b>2021</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 219,382.34	\$ 204,926.10
Current Portion Due - Notes Payable	1,284,253.00	1,363,902.00
Customer Deposits	452,225.03	410,544.88
Accrued Payroll and Related Expenses	102,669.60	113,469.09
Accrued Interest - Long Term Debt	<u>214,617.25</u>	<u>295,135.01</u>
<b>Total Current Liabilities</b>	<u>2,273,147.22</u>	<u>2,387,977.08</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	4,016,938.60	3,995,993.99
Notes Payable - Ky Infrastructure Authority	4,100,864.56	4,630,092.37
Notes Payable - Rural Development	9,873,500.00	10,083,900.00
Advances for Construction	1,479,801.51	5,397,375.06
Less: Current Portion Due	<u>(1,284,253.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>26,760,892.67</u>	<u>31,317,500.42</u>
<b>Total Liabilities</b>	<u>29,034,039.89</u>	<u>33,705,477.50</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,072,157.76)	(867,138.66)
Contributions in aid of Construction	62,874,467.79	59,403,610.24
Tap-On-Fees	<u>7,557,929.17</u>	<u>7,452,200.36</u>
<b>Total Net Position</b>	<u>69,360,239.20</u>	<u>65,988,671.94</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended May 31, 2022</b>	<b>5 Months Ended May 31, 2022</b>
<b>Operating Revenue</b>	\$ <u>928,511.54</u>	\$ <u>4,425,566.90</u>
<b>Total Operating Revenue</b>	<u>928,511.54</u>	<u>4,425,566.90</u>
<b>Operating Expenses</b>		
Water Supply Expense	14,315.04	73,184.44
Water Purchases	90,353.46	514,505.38
Electricity Expense	96,414.12	633,273.02
Repairs & Maintenance - Sewer	3,887.74	28,746.97
Repairs & Maintenance - Water	49,128.42	344,030.52
Transmission & Distribution Expense	95,493.70	472,622.71
Customer Service Expense	38,196.28	190,018.80
Administrator Expense	102.01	341.03
Sewer Expense	40,172.65	227,114.74
General & Administrative	<u>243,522.55</u>	<u>1,164,395.14</u>
<b>Total Operating Expenses</b>	<u>671,585.97</u>	<u>3,648,232.75</u>
Depreciation Expense	<u>336,340.39</u>	<u>1,680,326.79</u>
<b>Utility Operating Expense</b>	<u>1,007,926.36</u>	<u>5,328,559.54</u>
<b>Utility Operating Income (Loss)</b>	<u>(79,414.82)</u>	<u>(902,992.64)</u>
<b>Non Operating Revenue</b>		
Interest Income	196.79	1,214.77
Interest Expense	<u>(34,613.31)</u>	<u>(170,379.89)</u>
<b>Total Non Operating Revenue</b>	<u>(34,416.52)</u>	<u>(169,165.12)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (113,831.34)	\$ (1,072,157.76)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>18,362.50</u>	<u>52,446.60</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>18,362.50</u>	<u>52,446.60</u>
<b>Change in Net Position</b>	<u>(95,468.84)</u>	<u>(1,019,711.16)</u>
<b>Net Position, beginning of period</b>	<u>69,455,708.04</u>	<u>70,379,950.36</u>
<b>Net Position, end of period</b>	\$ <u><u>69,360,239.20</u></u>	\$ <u><u>69,360,239.20</u></u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 5 Months Ended May 31, 2022**

	<b>1 Month Ended May 31, 2022</b>	<b>5 Months Ended May 31, 2022</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (113,831.34)	\$ (1,072,157.76)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	336,340.39	1,680,326.79
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(21,408.93)	(39,522.22)
Other Current Assets	(227,045.97)	(306,605.77)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(30,611.57)	(53,063.06)
Accrued Interest	31,716.00	126,616.25
Advances for Construction	262,302.55	535,665.99
Accrued Liabilities	7,374.97	(46,803.63)
Tap on Fees	18,362.50	52,446.60
Customer Deposits	8,772.06	13,483.33
Clearing Accounts	39,819.75	(63,609.56)
Total Adjustments	<u>425,621.75</u>	<u>1,898,934.72</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>311,790.41</u>	<u>826,776.96</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(10,112.93)	(410,055.61)
Construction in Progress	(266,820.93)	(535,291.85)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(276,933.86)</u>	<u>(945,347.46)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	875.88	736,667.06
Notes Payable Repayments	(25,517.79)	(736,940.76)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(24,641.91)</u>	<u>(273.70)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	10,214.64	(118,844.20)
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>239,868.35</u>	<u>368,927.19</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 249,739.20</u>	<u>\$ 249,739.20</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of May 31, 2022 and 2021**

**ASSETS:**

	<b>2022</b>	<b>2021</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 246,039.13	\$ 345,800.26
CTB-MWD Payroll Account	3,379.89	14,003.52
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>249,739.20</b>	<b>360,123.96</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	898,850.51	755,166.49
RECEIVABLE - RETURNED CHECKS	10,374.12	12,885.34
RECEIVABLE - OTHER FEES, ETC..	(13,013.78)	10,678.60
RECEIVABLE - SEWER REVENUE	281,364.17	285,420.82
PROVISION FOR UNCOLLECTIBLES	(95.44)	(23,429.91)
<b>Total Accounts Receivable:</b>	<b>1,177,479.58</b>	<b>1,040,721.34</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	62,736.94	8,839.87
<b>Total Clearing Accounts:</b>	<b>62,736.94</b>	<b>8,839.87</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	182,193.49	196,043.63
BB & T - Sinking Fund	321,471.97	484,416.53
CTB - JOHNS CREEK WATER PROJ.	44,160.40	3,332.84
BB&T - Special Projects	7.72	65.62
CTB - CUSTOMER DEPOSIT ESCROW	0.00	31,052.37
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	31,260.88	37,022.80
CTB - O & M RESERVES	366,463.13	370,772.15
Community Trust Bank - Misc Line Extension	4,902.51	4,897.61
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	28,314.48	34,977.93
CTB - R & M RESERVE	870,961.34	870,089.22
CTB - Dist Wide WW Tap Fees	54,877.80	43,196.21
MWD POMPEY ARC PROJECR	0.38	0.38

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of May 31, 2022 and 2021**

BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Variou Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,837.41	2,842.69
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	3,000.96	39,261.96
MWD DEPRECIATION RESERVE ACCOUNT	862,431.99	861,456.75
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	3,581.51	2,047.67
CTB-MWD Escrow Account	100.00	100.00
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	0.00	268,001.71
MWD Restricted ARPA Funding Acct.	127,932.55	0.00
New Customer Deposit Acct.	356,076.06	420,479.78
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,361,685.98</b>	<b>3,772,610.14</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of May 31, 2022 and 2021**

**LIABILITIES:**

	<b>2022</b>	<b>2021</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	(115.88)	11,862.92
FEDERAL INCOME TAX WITHHELD	0.00	2,883.44
KY INCOME TAX WITHHELD	40.11	14,373.42
ACCRUED FUTA	2,362.02	2,363.88
Accrued CERS	60,083.34	50,614.64
Accrued County Withheld	3,715.19	3,475.25
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	35,035.49	26,346.21
<b>Total Employee Related Payables</b>	<b>102,669.60</b>	<b>113,469.09</b>

**Other Current Liabilities:**

**Notes Payable:**

Created while posting txs	0.00	343.79
Note Payable Ky. Rural Water	3,159,791.99	3,374,688.95
US Bank Big Creek Water Loan	0.00	42,615.60
#154 fORD f250 2017	0.00	1,666.97
# 155 CTB	0.00	6,818.77
CTB V# 156	0.00	5,919.81
CTB V # 157 2018 GMC Sierra	0.00	6,184.28
CTB 158 & 159	6,007.04	20,311.95
WELLS FARGO MINI EXCAVATOR	0.00	1,964.37
CTB # 161	0.00	3,151.93
CTB- 160	0.00	(6,727.01)
CTB -162	13,414.45	18,980.75
CTB- #163 2019 Ford 350	30,775.08	43,793.14
#165 Ford F-250 2021	21,254.18	29,288.11
#164 2021 Ford F-250	21,254.18	29,288.11
#166	20,568.90	29,278.11
CTB-# 167 Chevrolet Silverado 2500	29,158.05	38,576.92
CTB- #169 2019 Toytoa Tacoma	25,266.79	0.00
CTB- 2016 F150	25,533.98	0.00
CTB-2021 Ford F350	51,887.80	0.00
CTB- 168 2017 Toyota	24,337.32	0.00
CTB- 2021 John Deer Mini excavator	121,158.29	0.00
CTB-LN OF COMMITMENT - FEMA REC	0.00	211,034.39
COMMUNITY TRUST V#148	0.00	(10.68)
US Bank V#149	0.00	(1.51)
CTB-V# 150 FORD F-150	0.00	(487.77)
CTB. V# 151 FORD F-150	0.00	(3.76)
CTB AEP Line of credit	82,490.41	107,098.05
Kobelco mini excavator	0.00	7,470.40
2017 Takeunchi Skid Steer	10,038.56	24,750.32
CTB #174 2021 Ford F150	24,990.96	0.00
CTB # 175 2021 Ford F150	24,990.96	0.00
CTB- 177 Ford F350	45,951.89	0.00
CTB # Ford F150 2021	25,527.13	0.00
#172 CTB Ford 150	26,479.86	0.00
CTB # 173 FordF150	26,729.71	0.00
CTB Boost Pump Relocation Loan	199,331.07	0.00

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of May 31, 2022 and 2021**

<b>Total Notes Payable</b>	4,016,938.60	3,995,993.99
<b>Notes Payable - Ky Infrastructure Authority:</b>		
KIA LOAN B291-07 MULTI AREA	499,673.84	738,925.83
KIA LOAN B291-01 INDIAN CREEK	33,058.77	48,864.27
KIA LOAN F01-07 WATER PLANT	174,116.64	241,608.38
KIA LOAN A03-06 SO WMSN III	30,106.18	39,943.95
KIA Shelby III Phase II	183,551.24	201,879.87
KIA-A16-079 Grinder St	243,050.47	257,296.15
KIA-Douglas WWTP	2,937,307.42	3,101,573.92
<b>Total Notes Payable - Ky Infrastructure Authority</b>	<b>4,100,864.56</b>	<b>4,630,092.37</b>
<b>Notes Payable - Rural Development:</b>		
RD Loan -91-40 WTP	545,000.00	553,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,091,900.00
RD Belfry WW	3,584,500.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,325,000.00
RD Bond - Shelby Sewer Project	565,000.00	580,000.00
RD Bond - 91-01 Phelps Sewer	316,000.00	325,000.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	556,000.00
<b>Total Notes Payable - Rural Development</b>	<b>9,873,500.00</b>	<b>10,083,900.00</b>
<b>Contributions in Aid of Construction:</b>		
CONTRIBUTIONS - GOVT GRANTS	75,074,108.06	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	32,417,388.70	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)
<b>Total Contributions in Aid of Construction</b>	<b>118,796,694.90</b>	<b>113,094,523.90</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of May 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>5,713,543.67</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	6,046,312.80	4,841,727.68
Less: Accumulated Depreciation	<u>(2,882,910.17)</u>	<u>(2,732,189.86)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 3,163,402.63</b>	<b>\$ 2,109,537.82</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,873,877.90)</u>	<u>(3,586,208.22)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,333,776.80</b>	<b>\$ 6,621,446.48</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,923,514.52	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,979,671.49	6,929,617.58
WATER METERS & INSTALLATIONS	7,857,273.34	7,645,686.59
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	98,341,776.25	97,782,306.63
Less: Accumulated Depreciation	<u>(50,476,057.23)</u>	<u>(48,100,934.20)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 47,865,719.02</b>	<b>\$ 49,681,372.43</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	223,813.48	201,214.48
TRANSPORTATION EQUIPMENT	1,867,505.34	1,513,322.49
TOOLS, SHOP & GARAGE EQUIPMENT	363,340.90	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	580,098.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	5,418,592.17	4,731,771.23
Less: Accumulated Depreciation	<u>(4,201,970.46)</u>	<u>(3,895,182.60)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 1,216,621.71</b>	<b>\$ 836,588.63</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 15,030.46	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	18,806,080.13	10,192,018.11
SEWER SERVICES	521,333.93	438,242.34
SEWER METERS & INSTALLATIONS	915,348.05	815,860.14
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>169,487.79</u>	<u>152,142.40</u>
Total Cost of Sewer Plant	46,142,861.35	37,310,038.98
Less: Accumulated Depreciation	<u>(14,576,669.00)</u>	<u>(13,502,457.50)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 31,566,192.35</b>	<b>\$ 23,807,581.48</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of May 31, 2022 and 2021**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 350,689.37	\$ 1,097,470.38
CIP-MATERIALS & SUPPLIES	26,003.71	84,720.75
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>1,143,970.48</u>	<u>8,375,332.59</u>
Total Construction in Progress	1,692,685.05	9,729,545.21
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 1,520,663.56</b>	<b>\$ 9,557,523.72</b>
<b>Total Plant in Service</b>	<b><u>\$ 91,666,376.07</u></b>	<b><u>\$ 92,614,050.56</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>May 31, 2022</b>	<b>5 Months Ended</b> <b>May 31, 2022</b>
<b>Water Supply Expense:</b>		
WATER TREATMENT LABOR - OPERATIONS	11,735.50	60,086.70
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	13,562.90
DENTAL INSURANCE - WTP OPERATIONS	88.69	270.34
VISION INSURANCE - PUMPING OPER.	(5.90)	(29.50)
VISION INSURANCE - WTP OPER.	1.84	9.20
LIFE INSURANCE - PUMPING OPER.	(221.24)	(1,106.20)
LIFE INSURANCE - WTP OPER.	67.61	342.92
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	(155.00)
SHORT TERM DISAB. - WTP OPER.	(3.64)	92.89
UNIFORM EXPENSE (PLANT)	0.00	110.19
<b>Total Water Supply Expenses</b>	<b>14,315.04</b>	<b>73,184.44</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	35,193.46	191,723.11
WATER PURCHASED -PIKEVILLE	55,160.00	322,782.27
<b>Total Water Purchases Expenses</b>	<b>90,353.46</b>	<b>514,505.38</b>
<b>Electricity Expense:</b>		
Electrical Expense	96,414.12	633,273.02
<b>Total Electricity Expenses</b>	<b>96,414.12</b>	<b>633,273.02</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	0.00	1,799.34
Hand Tools R & M Sewer	53.26	800.67
PS/LS R & M Sewer	2,723.61	17,235.86
Vehicle R & M Sewer	42.99	1,142.20
General R & M Sewer	1,067.88	6,384.94
R & M Leak Det.	0.00	1,383.96
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>3,887.74</b>	<b>28,746.97</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	524.92	18,529.06
Hand Tools R & M	405.76	10,194.80
PS/LS R & M	12,224.89	57,546.17
Vehicle R & M	3,246.37	28,105.14
General R & M	29,280.08	221,835.13
General R & M -Telemetry	3,446.40	7,820.22
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>49,128.42</b>	<b>344,030.52</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	71,100.43	360,230.84
T & D LABOR - MAINTENANCE	0.00	1,962.48
HEALTH INSURANCE - T & D OPERATIONS	20,558.22	93,296.51
DENTAL INSURANCE - T & D OPERATIONS	652.98	2,431.77
VISION INSURANCE - T & D OPER.	80.93	411.97
LIFE INSURANCE - T & D OPER.	572.11	2,885.22

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>5 Months Ended</b>
	<b>May 31, 2022</b>	<b>May 31, 2022</b>
SHORT TERM DISAB. - T & D OPER.	142.08	789.04
SHORT TERM DISAB. - T & D MAINT.	(10.76)	(53.80)
UNIFORM EXPENSE (WATER)	2,397.71	10,668.68
<b>Total Transmission &amp; Distribution Expenses</b>	<b>95,493.70</b>	<b>472,622.71</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,663.43	107,872.98
ADMIN. & GENERAL LABOR	10,240.26	50,993.14
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	29,609.50
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	435.32
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	(78.60)
LIFE INSURANCE - CUSTOMER ACCTS	217.64	1,036.55
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	149.91
<b>Total Customer Service Expenses</b>	<b>38,196.28</b>	<b>190,018.80</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	117.04	387.98
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	(46.95)
<b>Total Administrator Expenses</b>	<b>102.01</b>	<b>341.03</b>
<b>Sewer Expense:</b>		
SEWER LABOR	29,344.45	148,509.45
HEALTH INSURANCE - SEWER	4,828.80	23,878.94
DENTAL INSURANCE - SEWER	182.15	631.50
VISION INSURANCE - SEWER	(11.48)	(57.40)
LIFE INSURANCE - SEWER	213.97	1,069.85
SHORT TERM DISAB. - SEWER	29.30	(0.50)
UNIFORM EXPENSE (WW)	468.76	1,411.35
Sewage Fees	4,207.74	29,126.76
Chemicals-WW	773.88	21,203.60
SAFETY SUPPLIES-WW	135.08	1,341.19
<b>Total Sewer Expenses</b>	<b>40,172.65</b>	<b>227,114.74</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	(60.24)	(265.65)
PAYROLL TAXES - FICA & U.C.	13,724.14	71,785.10
COMP COMMISSIONERS - AUTO DIST	2,000.00	12,000.00
COMPENSATION - ADMINISTRATOR	39,286.30	195,623.82
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	18,004.75
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(62.60)
LIFE INSURANCE - ADMIN. & GENERAL	295.62	1,506.03
Employee Expense	132.45	2,602.04
Insurance expense	9,018.87	53,233.18
UTILITY EXPENSE	1,474.83	4,371.60
LABORATORY SUPPLIES	1,405.39	3,920.25
LABORATORY EXPENSE	264.06	264.06
Laboratory Testing Expenses	3,514.18	21,755.84
Laboratory Testing Expense	2,900.47	13,570.22
CHEMICALS	27,369.49	95,280.52
SAFETY SUPPLIES	433.65	4,076.09
CONTRACT SERVICES AND ENGINEERING	0.00	3,992.50

No assurance is provided by the auditor on these disclosures. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>5 Months Ended</b>
	<b>May 31, 2022</b>	<b>May 31, 2022</b>
CONTRACT SERVICE - ACCOUNTING	9,464.00	22,000.00
CONTRACT SERVICE - LEGAL	0.00	2,103.75
CONTRACT SERVICE-GENERAL	800.00	3,750.00
CONTRACT SERVICES - MANPOWER	24,259.40	106,691.90
CONTRACT MGMNT EXP ASSUMED	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	17,375.77	83,718.70
AUTO & TRANSPORTATION EXPENSE	0.00	20.60
ADVERTISING	219.30	395.70
MOBILE PHONE EXPENSE	2,711.87	10,561.94
TELEPHONE/INTERNET	1,815.62	8,077.67
TELEPHONE/INTERNET	598.20	2,127.04
EDUCATION, DUES, MEETINGS, INSURANCE	4,055.43	18,493.54
Office Expense	18,369.96	105,550.84
SETTLEMENT EXPENSES	367.50	5,069.50
SERVICE FEE EXPENSE	489.00	628.25
BANK SERVICE FEES EXP	134.26	3,636.21
Telephone Expense	236.85	236.85
Worker's Compensation Insurance	3,769.00	33,594.00
Retirement Expense	50,519.58	239,208.95
Rate Study Expense	664.12	664.12
MISCELLANEOUS SUPPLIES	75.05	234.53
SUPPLIES & EXPENSES TREATMENT (WW)	2,250.00	7,117.75
<b>Total General &amp; Administrative Expenses</b>	<b>243,522.55</b>	<b>1,164,395.14</b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>May 31, 2022</b>	<b>5 Months Ended</b> <b>May 31, 2022</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 596,114.94	\$ 2,791,586.60
METERED SALES - COMMERCIAL	52,861.22	278,107.95
METERED SALES - INDUSTRIAL	4,239.90	22,368.20
METERED SALES - PUBLIC AUTH.	36,363.58	177,544.45
METERED SALES - MULTI FAMILY	24,362.50	126,090.44
FIRE PROTECTION REVENUE	125.00	625.00
CUSTOMER LATE PAYMENT CHARGES	15,315.02	71,339.94
OTHER WATER SERVICE REVENUE	7,746.59	16,314.43
SERVICE CONNECTION FEES	13,250.00	67,667.95
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	(2,400.00)
SEWER REVENUE -RESIDENTIAL	141,660.44	693,861.81
SEWER REVENUE - COMMERCIAL	36,472.35	182,460.13
<b>Total Operating Revenue</b>	<b>928,511.54</b>	<b>4,425,566.90</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 608,836.64	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 760,686.27	\$ 561,482.16	\$ 551,800.68	\$ 536,323.52	\$ 545,865.30	\$ 596,114.94	\$ 7,020,886.84
METERED SALES - COMMERCIAL	49,119.16	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	60,837.95	54,800.27	58,877.67	51,817.80	59,750.99	52,861.22	633,306.58
METERED SALES - INDUSTRIAL	5,107.00	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	4,111.72	4,737.54	4,828.02	4,451.02	4,239.90	62,445.16
METERED SALES - PUBLIC AUTH.	31,050.97	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	33,248.99	35,909.24	36,386.91	35,635.73	36,363.58	404,858.72
METERED SALES - MULTI FAMILY	25,610.22	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	25,082.87	25,405.25	25,396.65	25,843.17	24,362.50	302,549.71
FIRE PROTECTION REVENUE	125.00	125.00	125.00	150.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	15,552.00	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	15,691.98	14,162.77	11,531.16	14,639.01	15,315.02	178,436.50
OTHER WATER SERVICE REVENUE	3,548.38	5,236.60	447.97	520.42	815.52	2,655.50	84.63	79.94	(1,331.73)	7,805.61	2,014.02	7,746.59	29,623.45
SERVICE CONNECTION FEES	19,054.00	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	13,360.00	12,808.00	13,269.95	14,980.00	13,250.00	180,481.39
WASTE WATER	60.00	0.00	30.00	0.00	0.00	0.00	60.00	(1,140.00)	(510.00)	(360.00)	(390.00)	0.00	(2,250.00)
SEWER REVENUE - RESIDENTIAL	138,766.45	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	68,677.52	130,858.94	137,382.32	131,457.32	152,502.79	141,660.44	1,592,581.22
SEWER REVENUE - COMMERCIAL	41,558.96	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	35,335.60	35,236.20	34,360.20	41,055.78	36,472.35	453,238.23
<b>Total Sales</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>1,021,551.36</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>852,942.14</b>	<b>896,472.81</b>	<b>928,511.54</b>	<b>10,857,682.22</b>

<b>Gross Profit</b>	<b>938,388.78</b>	<b>944,929.18</b>	<b>906,872.15</b>	<b>899,266.21</b>	<b>874,988.30</b>	<b>846,119.92</b>	<b>1,021,551.36</b>	<b>873,037.47</b>	<b>874,602.94</b>	<b>852,942.14</b>	<b>896,472.81</b>	<b>928,511.54</b>	<b>10,857,682.22</b>
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**Operating Expenses**

Undistributed	0.00	(19.02)	2,421.69	2,176.97	103.85	72.04	(6,924.98)	(23.40)	(62.92)	(68.51)	(50.58)	(60.24)	(2,435.10)
DEPRECIATION EXPENSE	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	343,383.54	253,848.42	253,848.42	253,848.42	253,848.42	254,192.21	3,136,059.95
AMORTIZATION EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	170,581.52	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	1,074,211.50
PAYROLL TAXES - FICA & U.C.	12,789.08	18,884.71	12,722.78	12,785.35	12,638.93	12,638.13	(167.28)	15,036.31	14,745.14	14,418.35	13,861.16	13,724.14	154,076.80
GAIN (LOSS) ON DISPOSITIONS	0.00	0.00	0.00	0.00	0.00	0.00	(5,823.34)	0.00	0.00	0.00	0.00	0.00	(5,823.34)
PUMPING LABOR - OPERATIONS	0.00	0.00	0.00	288.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	288.00
WATER TREATMENT LABOR - OPERATIONS	12,043.68	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	12,625.35	11,621.00	12,276.15	11,828.70	11,735.50	151,872.07
T & D LABOR - OPERATIONS	62,221.95	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,277.65	72,079.87	72,394.65	73,473.26	71,182.63	71,100.43	876,383.33
T & D LABOR - MAINTENANCE	3,452.86	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	1,509.60	452.88	0.00	0.00	0.00	16,321.82
CUSTOMER ACCOUNTS LABOR	23,024.26	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	21,721.74	21,554.41	21,483.66	21,449.74	21,663.43	281,796.65
ADMIN. & GENERAL LABOR	9,924.06	14,766.37	9,963.96	9,885.70	9,967.76	9,919.92	15,245.14	10,160.75	10,201.87	10,225.32	10,164.94	10,240.26	130,665.35
SEWER LABOR	27,810.58	43,648.98	2,300.00	28,812.31	28,712.74	28,239.84	46,832.80	29,702.91	29,794.95	29,939.74	29,727.40	29,344.45	382,692.40
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,000.00	27,900.00
COMPENSATION - ADMINISTRATOR	31,602.64	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	38,478.62	39,286.30	39,286.30	39,286.30	39,286.30	449,130.00
HEALTH INSURANCE - PUMPING	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16	0.00	0.00	0.00	0.00	0.00	6,960.16
OPERATIONS	2,363.12	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,039.59	2,712.58	2,712.58	2,712.58	2,712.58	2,712.58	30,046.25
HEALTH INSURANCE - WTP	18,259.91	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,566.07	17,628.10	17,336.30	17,674.79	20,099.10	20,558.22	204,067.88
OPERATIONS	0.00	0.00	0.00	0.00	0.00	82.42	0.00	0.00	0.00	0.00	0.00	0.00	82.42
HEALTH INSURANCE - T & D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MAINTENANCE													

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	Total
HEALTH INSURANCE - CUSTOMER ACCOUNTS	4,087.26	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	5,921.90	5,921.90	5,921.90	5,921.90	5,921.90	55,226.92
HEALTH INSURANCE - ADMIN. & GENERAL	3,206.60	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	3,600.95	3,600.95	3,600.95	3,600.95	3,600.95	37,280.08
HEALTH INSURANCE - SEWER OPERATIONS	4,647.83	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	4,747.80	4,747.80	4,725.74	4,828.80	4,828.80	56,039.47
DENTAL INSURANCE - WTP OPERATIONS	85.01	77.96	85.01	85.01	85.01	85.01	157.31	(14.10)	65.25	65.25	65.25	65.25	930.66
DENTAL INSURANCE - T & D OPERATIONS	516.70	290.92	477.71	454.04	482.86	388.88	1,395.61	(273.18)	648.22	697.13	706.62	652.98	6,438.49
DENTAL INSURANCE - CUST. ACCOUNTS	245.14	154.86	284.82	144.20	226.19	(128.26)	457.13	(127.64)	140.74	140.74	140.74	140.74	1,819.40
DENTAL INSURANCE - ADMIN. & GENERAL	191.66	121.93	191.66	3,774.70	191.66	191.66	397.88	(139.46)	136.80	136.80	136.80	117.04	5,449.13
DENTAL INSURANCE - SEWER OPERATIONS	196.23	134.97	387.02	162.68	221.96	241.72	452.66	(97.10)	182.15	182.15	182.15	182.15	2,428.74
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	(2.95)	(8.85)	(5.90)	(5.90)	(5.90)	(5.90)	(5.90)	(41.30)
VISION INSURANCE - WTP OPER.	(4.55)	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	1.84	1.84	1.84	1.84	1.84	5.07
VISION INSURANCE - T & D OPER.	73.69	(25.31)	44.38	2.19	39.92	31.68	(46.96)	89.93	74.17	75.97	90.97	80.93	531.56
VISION INSURANCE - CUST. ACCOUNTS	112.49	(23.11)	26.87	26.87	35.12	4.48	(36.36)	(15.72)	(15.72)	(15.72)	(15.72)	(15.72)	67.76
VISION INSURANCE - ADMIN. & GENERAL	(24.66)	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(12.52)	(12.52)	(12.52)	(12.52)	(12.52)	(282.88)
VISION INSURANCE - SEWER OPER.	(73.14)	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(11.48)	(11.48)	(11.48)	(11.48)	(11.48)	(273.53)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(221.24)	(221.24)	(221.24)	(221.24)	(221.24)	(1,526.20)
LIFE INSURANCE - WTP OPER.	156.38	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	67.61	72.48	67.61	67.61	67.61	665.97
LIFE INSURANCE - T & D OPER.	(185.40)	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	434.12	581.73	586.13	542.48	602.77	572.11	4,177.09
LIFE INSURANCE - T & D MAINT.	1,476.65	0.00	645.74	573.98	664.21	(41.20)	0.00	0.00	0.00	0.00	0.00	0.00	3,319.38
LIFE INSURANCE - CUSTOMER ACCTS	645.42	(192.98)	303.65	242.42	311.64	(212.88)	215.92	64.14	319.49	217.64	217.64	217.64	2,349.74
LIFE INSURANCE - ADMIN. & GENERAL	478.16	(187.14)	189.14	180.81	198.47	(145.83)	218.39	276.96	342.21	295.62	295.62	295.62	2,438.03
LIFE INSURANCE - SEWER OPER.	506.17	(146.40)	220.44	210.07	201.52	(125.03)	159.07	213.97	213.97	213.97	213.97	213.97	2,095.69
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(60.40)	86.60	(60.40)	(60.40)	(60.40)	(275.80)
SHORT TERM DISAB. - WTP OPER.	53.92	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	(3.64)	91.07	12.74	(3.64)	(3.64)	94.08
SHORT TERM DISAB. - T & D OPER.	(138.21)	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(13.44)	34.32	313.92	142.52	156.20	142.08	676.25
SHORT TERM DISAB. - T & D MAINT.	363.06	(10.50)	190.71	93.25	173.11	(3.50)	0.00	(10.76)	(10.76)	(10.76)	(10.76)	(10.76)	752.33
SHORT TERM DISAB. - CUSTOMER ACCTS	189.33	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	8.51	57.31	28.03	28.03	28.03	171.45
SHORT TERM DISAB. - ADMIN. & GENERAL	104.76	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(71.43)	69.57	(15.03)	(15.03)	(15.03)	(387.56)
SHORT TERM DISAB. - SEWER OPER.	191.16	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	29.30	(117.70)	29.30	29.30	29.30	10.61
UNIFORM EXPENSE (PLANT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98.64	11.55	0.00	0.00	0.00	110.19
UNIFORM EXPENSE (WATER)	1,910.58	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	1,439.56	2,312.29	2,816.88	1,702.24	2,397.71	25,014.03
UNIFORM EXPENSE (VWV)	482.93	760.84	375.67	515.93	318.99	366.87	303.23	278.35	249.49	227.41	187.34	468.76	4,535.81
Employee Expense	255.99	660.20	748.39	681.80	3,643.50	415.19	600.00	445.00	1,170.00	300.00	554.59	132.45	9,607.11
Insurance expense	5,013.00	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	9,018.87	13,357.65	9,018.87	12,818.92	9,018.87	153,681.71
Water Purchased - Williamson	38,828.39	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	46,086.40	31,402.25	39,516.84	39,524.16	35,193.46	461,959.58
WATER PURCHASED - PIKEVILLE	57,835.26	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	55,160.00	76,847.47	78,212.94	57,401.86	55,160.00	715,078.22
Sewage Fees	4,747.65	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	6,097.58	6,940.63	6,872.36	5,008.45	4,207.74	67,741.96
No assurance is provided on these financial statements. Management has elected to omit disclosures required by accounting principles generally accepted in the United States of America.													

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	Total
UTILITY EXPENSE	881.22	0.00	0.00	881.22	1,859.07	1,081.22	3,481.22	0.00	1,373.91	806.22	716.64	1,474.83	12,555.55
LABORATORY SUPPLIES	1,876.68	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	1,126.15	275.72	306.00	806.99	1,405.39	14,042.24
LABORATORY EXPENSE	0.00	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	0.00	0.00	0.00	0.00	264.06	5,341.33
Laboratory Testing Expenses	6,341.37	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.00	4,086.75	3,331.66	7,599.65	3,223.60	3,514.18	53,940.76
Laboratory Testing Expense	2,760.08	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	3,251.75	1,921.00	2,293.25	3,203.75	2,900.47	30,298.61
CHEMICALS	24,889.45	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	1,392.00	36,302.78	0.00	30,216.25	27,369.49	193,287.29
Chemicals-WW	0.00	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	2,469.60	2,659.60	9,530.12	5,770.40	773.88	54,817.78
SAFETY SUPPLIES	624.44	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	1,056.78	1,912.06	470.96	202.64	433.65	15,436.86
SAFETY SUPPLIES-WW	779.27	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	0.00	187.65	245.86	772.60	135.08	7,502.41
Electrical Expense	111,530.88	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	145,037.88	128,566.15	142,460.07	120,794.80	96,414.12	1,451,627.67
CONTRACT SERVICES -ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,892.50	0.00	0.00	100.00	0.00	3,992.50
CONTRACT SERVICE - ACCOUNTING	10,514.00	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	3,575.00	3,616.00	2,825.00	2,520.00	9,464.00	81,615.00
CONTRACT SERVICE - LEGAL	0.00	0.00	0.00	0.00	7,558.68	0.00	0.00	2,103.75	0.00	0.00	0.00	0.00	9,662.43
ENGINEERING	0.00	0.00	0.00	0.00	5.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	1,440.00	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	650.00	650.00	1,000.00	650.00	800.00	13,023.94
CONTRACT SERVICES - MANPOWER	23,133.08	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	22,610.49	16,018.90	24,365.00	21,396.10	20,652.50	24,259.40	238,654.24
CONTRACT MGMT EXP ASSUMED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,855.55	0.00	0.00	0.00	0.00	8,855.55
RENTAL OF BLDG - REAL PROPERTY	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
AUTO & TRANSPORTATION EXPENSE	14,011.88	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	16,198.26	14,897.01	14,567.09	20,680.57	17,375.77	183,554.23
ADVERTISING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.60	0.00	0.00	0.00	20.60
Bad Debts Charged to Expense	0.00	466.20	464.30	0.00	207.90	151.20	88.20	88.20	0.00	88.20	0.00	219.30	1,773.50
OTHER LEGAL PSC EXPENSE	537.00	0.00	0.00	0.00	0.00	0.00	60,360.88	0.00	0.00	0.00	0.00	0.00	60,360.88
MOBILE PHONE EXPENSE	1,763.29	537.00	537.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,611.00
TELEPHONE/INTERNET	2,244.58	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	2,192.33	1,847.05	1,872.05	1,938.64	2,711.87	24,358.47
TELEPHONE/INTERNET	0.00	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	3,532.27	1,111.84	869.61	748.33	1,815.62	23,626.69
EDUCATION, DUES, MEETINGS, INSURANCE	2,432.85	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	3,839.89	5,479.50	3,012.56	2,106.16	4,055.43	46,774.43
Office Expense	16,735.27	16,530.33	14,481.93	18,942.49	15,035.38	13,118.74	17,873.41	23,749.61	22,295.60	22,506.89	18,628.78	18,369.96	218,268.29
Essements	0.00	0.00	2,400.00	0.00	0.00	0.00	4,345.58	0.00	0.00	0.00	0.00	0.00	6,745.58
SETTLEMENT EXPENSES	1,065.52	0.00	0.00	0.00	0.00	0.00	26,581.33	0.00	2,500.00	1,345.50	856.50	367.50	32,716.35
SERVICE FEE EXPENSE	6,505.53	56.00	78.47	3,076.84	28.00	24.50	0.00	0.00	110.25	0.00	29.00	489.00	10,397.59
BANK SERVICE FEES EXP	132.59	134.90	162.50	148.50	116.86	153.77	8,832.56	121.80	593.63	182.67	2,603.85	134.26	13,317.89
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236.85	236.85
Worker's Compensation Insurance	0.00	0.00	0.00	0.00	0.00	5,965.00	0.00	11,930.00	5,965.00	5,965.00	5,965.00	3,769.00	51,490.00
PSC TAX ASSESSMENT	20,724.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,724.79
Retirement Expense	52,324.88	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	46,806.01	46,093.18	47,835.28	47,954.90	50,519.58	579,228.52
Rate Study Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	664.12	664.12
MISCELLANEOUS SUPPLIES	26.58	44.30	26.58	96.94	35.44	17.72	4,158.87	35.44	35.44	53.16	35.44	75.05	4,640.96
Major Equipment R & M	1,033.21	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	9,876.12	1,960.11	1,691.21	6,787.64	7,565.18	524.92	59,076.55
Major Equipment R & M Sewer	533.30	0.00	374.29	0.00	31.48	0.00	486.16	379.46	196.95	0.00	1,222.93	0.00	3,224.57
Hand Tools R & M	776.48	460.91	1,417.39	1,711.42	1,587.91	1,488.14	3,562.88	4,007.15	2,291.29	2,401.46	1,089.14	405.76	21,199.93
Hand Tools R & M Sewer													
Hand Tools R & M Sewer provided on these financial statements													53.26
Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.													3,000.83

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	06/30/21	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	Total
PS/LS R & M	14,525.68	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	10,767.89	16,260.05	9,946.13	13,438.16	5,676.94	12,224.89	125,187.69
PS/LS R & M Sewer	5,229.78	12,017.05	12,990.46	43,804.98	10,688.91	10,408.10	3,575.25	3,647.94	2,107.00	7,391.97	1,365.34	2,723.61	115,950.39
Vehicle R & M	4,028.84	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	8,948.07	4,734.52	6,126.08	9,236.93	4,761.24	3,246.37	67,401.08
Vehicle R & M Sewer	0.00	437.94	0.00	5.75	24.29	99.30	0.00	175.00	296.67	394.79	232.75	42.99	1,709.48
General R & M	2,317.73	37,426.99	22,350.23	51,277.10	38,677.36	59,763.98	6,431.31	6,189.53	64,137.38	66,854.40	55,373.74	29,280.08	440,079.83
General R & M Sewer	4,257.58	2,518.54	847.83	4,738.65	7,775.99	414.20	4,704.54	541.52	1,189.78	2,556.29	1,029.47	1,067.88	31,642.27
General R & M - Telemetry	2,199.91	1,500.00	1,659.03	6,610.92	2,021.20	0.00	0.00	380.00	1,950.27	1,968.36	75.19	3,446.40	21,811.28
R & M Leak Det.	0.00	0.00	0.00	567.23	0.00	0.00	0.00	0.00	1,383.96	0.00	0.00	0.00	1,951.19
SUPPLIES & EXPENSES TREATMENT (MW)	1,125.00	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,125.00	1,125.00	1,492.75	1,125.00	2,250.00	13,980.25
INTEREST EXPENSE - TERM DEBT	29,626.20	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	(27,367.40)	30,740.92	29,345.56	29,918.36	29,621.74	30,578.31	298,128.00
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	(6,792.46)	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	69,556.29
<b>Total Operating Expenses</b>	<u>1,050,149.34</u>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,265,617.89</u>	<u>1,070,025.18</u>	<u>1,140,474.67</u>	<u>1,148,206.11</u>	<u>1,097,693.80</u>	<u>1,042,539.67</u>	<u>13,297,659.20</u>
<b>Operating Income (Loss)</b>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(244,066.53)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(201,220.99)</u>	<u>(114,028.13)</u>	<u>(2,439,976.20)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>												
<b>Net Income (Loss) Before Taxes</b>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(244,066.53)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(201,220.99)</u>	<u>(114,028.13)</u>	<u>(2,439,976.20)</u>
<b>Net Income (Loss)</b>	<u>(111,760.56)</u>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(244,066.53)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(201,220.99)</u>	<u>(114,028.13)</u>	<u>(2,439,976.20)</u>

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## MOUNTAIN WATER DISTRICT Income Statement

	5 Months Ended May 31, 2022 Actual	5 Months Ended May 31, 2022 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 2,791,586.60	\$ 2,823,942.50	\$ (32,355.90)
METERED SALES - COMMERCIAL	278,107.95	239,825.37	38,282.58
METERED SALES - INDUSTRIAL	22,368.20	24,476.25	(2,108.05)
METERED SALES - PUBLIC AUTH.	177,544.45	165,500.00	12,044.45
METERED SALES - MULTI FAMILY	126,090.44	125,394.56	695.88
FIRE PROTECTION REVENUE	625.00	583.31	41.69
CUSTOMER LATE PAYMENT CHARGES	71,339.94	77,445.00	(6,105.06)
OTHER WATER SERVICE REVENUE	16,314.43	26,198.75	(9,884.32)
SERVICE CONNECTION FEES	67,667.95	65,602.50	2,065.45
SERVICE CONNECTION FEES FOR WASTE WATER	(2,400.00)	92.87	(2,492.87)
SEWER REVENUE -RESIDENTIAL	693,861.81	678,755.37	15,106.44
SEWER REVENUE - COMMERCIAL	182,460.13	184,913.31	(2,453.18)
<b>Total Sales</b>	<u>4,425,566.90</u>	<u>4,412,729.79</u>	<u>12,837.11</u>
<b>Gross Profit</b>	<u>4,425,566.90</u>	<u>4,412,729.79</u>	<u>12,837.11</u>
<b>Operating Expenses</b>			
Undistributed	(265.65)	0.00	(265.65)
DEPRECIATION EXPENSE	1,269,585.89	1,239,998.38	29,587.51
DEPRECIATION EXPENSE - SEWER	410,740.90	424,523.38	(13,782.48)
PAYROLL TAXES - FICA & U.C.	71,785.10	81,319.63	(9,534.53)
WATER TREATMENT LABOR - OPERATIONS	60,086.70	62,058.75	(1,972.05)
T & D LABOR - OPERATIONS	360,230.84	402,803.38	(42,572.54)
T & D LABOR - MAINTENANCE	1,962.48	22,034.63	(20,072.15)
CUSTOMER ACCOUNTS LABOR	107,872.98	143,204.19	(35,331.21)
ADMIN. & GENERAL LABOR	50,993.14	62,066.69	(11,073.55)
SEWER LABOR	148,509.45	175,866.69	(27,357.24)
COMP COMMISSIONERS - AUTO DIST	12,000.00	12,500.00	(500.00)
COMPENSATION - ADMINISTRATOR	195,623.82	198,622.94	(2,999.12)
HEALTH INSURANCE - WTP OPERATIONS	13,562.90	13,241.69	321.21
HEALTH INSURANCE - T & D OPERATIONS	93,296.51	115,517.50	(22,220.99)
HEALTH INSURANCE - T & D MAINTENANCE	0.00	19.63	(19.63)
HEALTH INSURANCE - CUSTOMER ACCOUNTS	29,609.50	20,688.75	8,920.75
HEALTH INSURANCE - ADMIN. & GENERAL	18,004.75	16,253.38	1,751.37
HEALTH INSURANCE - SEWER	23,878.94	24,421.69	(542.75)
DENTAL INSURANCE - WTP OPERATIONS	270.34	353.75	(83.41)
DENTAL INSURANCE - T & D OPERATIONS	2,431.77	2,367.13	64.64
DENTAL INSURANCE - CUST. ACCOUNTS	435.32	1,146.25	(710.93)
DENTAL INSURANCE - ADMIN. & GENERAL	387.98	2,392.94	(2,004.96)
DENTAL INSURANCE - SEWER	631.50	942.50	(311.00)
VISION INSURANCE - PUMPING OPER.	(29.50)	5.00	(34.50)
VISION INSURANCE - WTP OPER.	9.20	207.13	(197.93)
VISION INSURANCE - T & D OPER.	411.97	0.00	411.97
VISION INSURANCE - CUST. ACCOUNTS	(78.60)	1,857.13	(1,935.73)
VISION INSURANCE - ADMIN. & GENERAL	(62.60)	0.00	(62.60)
VISION INSURANCE - SEWER	(57.40)	0.00	(57.40)
LIFE INSURANCE - PUMPING OPER.	(1,106.20)	0.00	(1,106.20)
LIFE INSURANCE - WTP OPER.	342.92	349.19	(6.27)
LIFE INSURANCE - T & D OPER.	2,885.22	2,395.00	490.22
LIFE INSURANCE - CUSTOMER ACCTS	1,036.55	1,075.88	(39.33)
LIFE INSURANCE - ADMIN. & GENERAL	1,506.03	742.94	763.09
LIFE INSURANCE - SEWER	1,069.85	922.50	147.35
SHORT TERM DISAB. - PUMPING OPER.	(155.00)	23.38	(178.38)
SHORT TERM DISAB. - WTP OPER.	92.89	43.38	49.51
SHORT TERM DISAB. - T & D OPER.	789.04	0.00	789.04

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	5 Months Ended May 31, 2022 Actual	5 Months Ended May 31, 2022 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D MAINT.	(53.80)	243.38	(297.18)
SHORT TERM DISAB. - CUSTOMER ACCTS	149.91	53.75	96.16
SHORT TERM DISAB. - ADMIN. & GENERAL	(46.95)	0.00	(46.95)
SHORT TERM DISAB. - SEWER	(0.50)	93.75	(94.25)
UNIFORM EXPENSE (PLANT)	110.19	0.00	110.19
UNIFORM EXPENSE (WATER)	10,668.68	9,637.94	1,030.74
UNIFORM EXPENSE (WW)	1,411.35	1,940.88	(529.53)
Employee Expense	2,602.04	6,097.50	(3,495.46)
Insurance expense	53,233.18	37,349.63	15,883.55
Water Purchased -Williamson	191,723.11	191,521.69	201.42
WATER PURCHASED -PIKEVILLE	322,782.27	283,430.88	39,351.39
Sewage Fees	29,126.76	35,000.00	(5,873.24)
UTILITY EXPENSE	4,371.60	4,040.88	330.72
LABORATORY SUPPLIES	3,920.25	4,813.75	(893.50)
LABORATORY EXPENSE	264.06	3,000.44	(2,736.38)
Laboratory Testing Expenses	21,755.84	19,782.13	1,973.71
Laboratory Testing Expense	13,570.22	20,163.75	(6,593.53)
CHEMICALS	95,280.52	63,970.44	31,310.08
Chemicals-WW	21,203.60	28,350.00	(7,146.40)
SAFETY SUPPLIES	4,076.09	6,162.50	(2,086.41)
SAFETY SUPPLIES-WW	1,341.19	3,114.19	(1,773.00)
Electrical Expense	633,273.02	575,380.00	57,893.02
CONTRACT SERVICES -ENGINEERING	3,992.50	0.00	3,992.50
CONTRACT SERVICE - ACCOUNTING	22,000.00	33,562.13	(11,562.13)
CONTRACT SERVICE - LEGAL	2,103.75	12,639.19	(10,535.44)
CONTRACT SERVICE-GENERAL	3,750.00	10,177.50	(6,427.50)
CONTRACT SERVICES - MANPOWER	106,691.90	0.00	106,691.90
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	83,718.70	75,000.00	8,718.70
AUTO & TRANSPORTATION EXPENSE	20.60	0.00	20.60
ADVERTISING	395.70	1,542.94	(1,147.24)
MOBILE PHONE EXPENSE	10,561.94	9,797.94	764.00
TELEPHONE/INTERNET	8,077.67	8,727.13	(649.46)
TELEPHONE/INTERNET	2,127.04	1,393.75	733.29
EDUCATION, DUES, MEETINGS, INSURANCE	18,493.54	20,000.00	(1,506.46)
Office Expense	105,550.84	96,403.75	9,147.09
Easements	0.00	1,000.00	(1,000.00)
SETTLEMENT EXPENSES	5,069.50	0.00	5,069.50
SERVICE FEE EXPENSE	628.25	8,357.13	(7,728.88)
BANK SERVICE FEES EXP	3,636.21	1,976.25	1,659.96
Telephone Expense	236.85	0.00	236.85
Worker's Compensation Insurance	33,594.00	28,815.88	4,778.12
PSC TAX ASSESSMENT	0.00	8,635.44	(8,635.44)
Retirement Expense	239,208.95	275,238.75	(36,029.80)
Rate Study Expense	664.12	0.00	664.12
MISCELLANEOUS SUPPLIES	234.53	180.44	54.09
Major Equipment R & M	18,529.06	18,361.69	167.37
Major Equipment R & M Sewer	1,799.34	1,178.75	620.59
Hand Tools R & M	10,194.80	5,672.13	4,522.67
Hand Tools R & M Sewer	800.67	1,523.75	(723.08)
PS/LS R & M	57,546.17	54,843.75	2,702.42
PS/LS R & M Sewer	17,235.86	50,538.38	(33,302.52)
Vehicle R & M	28,105.14	27,102.13	1,003.01
Vehicle R & M Sewer	1,142.20	376.25	765.95
General R & M	221,835.13	309,974.19	(88,139.06)
General R & M Sewer	6,384.94	17,268.38	(10,883.44)
General R & M -Telemetry	7,820.22	7,295.88	524.34
R & M Leak Det.	1,383.96	250.44	1,133.52

**MOUNTAIN WATER DISTRICT  
Income Statement**

	<b>5 Months Ended May 31, 2022 Actual</b>	<b>5 Months Ended May 31, 2022 Budget</b>	<b>Over/(Under) Budget</b>
SUPPLIES & EXPENSES TREATMENT (WW)	<u>7,117.75</u>	<u>5,614.63</u>	<u>1,503.12</u>
<b>Total Operating Expenses</b>	<u>5,328,559.54</u>	<u>5,417,561.45</u>	<u>(89,001.91)</u>
<b>Operating Income (Loss)</b>	<u>(902,992.64)</u>	<u>(1,004,831.66)</u>	<u>101,839.02</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	1,214.77	1,640.81	(426.04)
INTEREST EXPENSE - TERM DEBT	(150,204.89)	(87,657.50)	(62,547.39)
INTEREST EXPENSE - TERM DEBT	<u>(20,175.00)</u>	<u>(37,190.00)</u>	<u>17,015.00</u>
<b>Total Other Income (Expenses)</b>	<u>(169,165.12)</u>	<u>(123,206.69)</u>	<u>(45,958.43)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,072,157.76)</u>	<u>(1,128,038.35)</u>	<u>55,880.59</u>
<b>Net Income (Loss)</b>	<u><u>\$ (1,072,157.76)</u></u>	<u><u>\$ (1,128,038.35)</u></u>	<u><u>\$ 55,880.59</u></u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended May 31, 2022 Actual	1 Month Ended May 31, 2022 Budget	5 Months Ended May 31, 2022 Actual	5 Months Ended May 31, 2022 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 596,114.94	\$ 564,788.50	\$ 2,791,586.60	\$ 2,823,942.50
METERED SALES - COMMERCIAL	52,861.22	47,965.09	278,107.95	239,825.37
METERED SALES - INDUSTRIAL	4,239.90	4,895.25	22,368.20	24,476.25
METERED SALES - PUBLIC AUTH.	36,363.58	33,100.00	177,544.45	165,500.00
METERED SALES - MULTI FAMILY	24,362.50	25,078.92	126,090.44	125,394.56
FIRE PROTECTION REVENUE	125.00	116.67	625.00	583.31
CUSTOMER LATE PAYMENT CHARGES	15,315.02	15,489.00	71,339.94	77,445.00
OTHER WATER SERVICE REVENUE	7,746.59	5,239.75	16,314.43	26,198.75
SERVICE CONNECTION FEES	13,250.00	13,120.50	67,667.95	65,602.50
SERVICE CONNECTION FEES FOR WASTE WATER	0.00	18.59	(2,400.00)	92.87
SEWER REVENUE -RESIDENTIAL	141,660.44	135,751.09	693,861.81	678,755.37
SEWER REVENUE - COMMERCIAL	36,472.35	36,982.67	182,460.13	184,913.31
<b>Total Sales</b>	<u>928,511.54</u>	<u>882,546.03</u>	<u>4,425,566.90</u>	<u>4,412,729.79</u>
<b>Gross Profit</b>	<u>928,511.54</u>	<u>882,546.03</u>	<u>4,425,566.90</u>	<u>4,412,729.79</u>
<b>Operating Expenses</b>				
Undistributed	(60.24)	0.00	(265.65)	0.00
DEPRECIATION EXPENSE	254,192.21	247,999.66	1,269,585.89	1,239,998.38
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.66	410,740.90	424,523.38
PAYROLL TAXES - FICA & U.C.	13,724.14	16,263.91	71,785.10	81,319.63
WATER TREATMENT LABOR - OPERATIONS	11,735.50	12,411.75	60,086.70	62,058.75
T & D LABOR - OPERATIONS	71,100.43	80,560.66	360,230.84	402,803.38
T & D LABOR - MAINTENANCE	0.00	4,406.91	1,962.48	22,034.63
CUSTOMER ACCOUNTS LABOR	21,663.43	28,640.83	107,872.98	143,204.19
ADMIN. & GENERAL LABOR	10,240.26	12,413.33	50,993.14	62,066.69
SEWER LABOR	29,344.45	35,173.33	148,509.45	175,866.69
COMP COMMISSIONERS - AUTO DIST	2,000.00	2,500.00	12,000.00	12,500.00
COMPENSATION - ADMINISTRATOR	39,286.30	39,724.58	195,623.82	198,622.94
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,648.33	13,562.90	13,241.69
HEALTH INSURANCE - T & D OPERATIONS	20,558.22	23,103.50	93,296.51	115,517.50
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.91	0.00	19.63
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	4,137.75	29,609.50	20,688.75
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,250.66	18,004.75	16,253.38
HEALTH INSURANCE - SEWER	4,828.80	4,884.33	23,878.94	24,421.69
DENTAL INSURANCE - WTP OPERATIONS	88.69	70.75	270.34	353.75
DENTAL INSURANCE - T & D OPERATIONS	652.98	473.41	2,431.77	2,367.13
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	229.25	435.32	1,146.25
DENTAL INSURANCE - ADMIN. & GENERAL	117.04	478.58	387.98	2,392.94
DENTAL INSURANCE - SEWER	182.15	188.50	631.50	942.50
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(29.50)	5.00
VISION INSURANCE - WTP OPER.	1.84	41.41	9.20	207.13
VISION INSURANCE - T & D OPER.	80.93	0.00	411.97	0.00
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	371.41	(78.60)	1,857.13
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	0.00	(62.60)	0.00
VISION INSURANCE - SEWER	(11.48)	0.00	(57.40)	0.00
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(1,106.20)	0.00
LIFE INSURANCE - WTP OPER.	67.61	69.83	342.92	349.19
LIFE INSURANCE - T & D OPER.	572.11	479.00	2,885.22	2,395.00
LIFE INSURANCE - CUSTOMER ACCTS	217.64	215.16	1,036.55	1,075.88
LIFE INSURANCE - ADMIN. & GENERAL	295.62	148.58	1,506.03	742.94
LIFE INSURANCE - SEWER	213.97	184.50	1,069.85	922.50
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	4.66	(155.00)	23.38

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended May 31, 2022 Actual</b>	<b>1 Month Ended May 31, 2022 Budget</b>	<b>5 Months Ended May 31, 2022 Actual</b>	<b>5 Months Ended May 31, 2022 Budget</b>
SHORT TERM DISAB. - WTP OPER.	(3.64)	8.66	92.89	43.38
SHORT TERM DISAB. - T & D OPER.	142.08	0.00	789.04	0.00
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.66	(53.80)	243.38
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	10.75	149.91	53.75
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	0.00	(46.95)	0.00
SHORT TERM DISAB. - SEWER	29.30	18.75	(0.50)	93.75
UNIFORM EXPENSE (PLANT)	0.00	0.00	110.19	0.00
UNIFORM EXPENSE (WATER)	2,397.71	1,927.58	10,668.68	9,637.94
UNIFORM EXPENSE (WW)	468.76	388.16	1,411.35	1,940.88
Employee Expense	132.45	1,219.50	2,602.04	6,097.50
Insurance expense	9,018.87	7,469.91	53,233.18	37,349.63
Water Purchased -Williamson	35,193.46	38,304.33	191,723.11	191,521.69
WATER PURCHASED -PIKEVILLE	55,160.00	56,686.16	322,782.27	283,430.88
Sewage Fees	4,207.74	7,000.00	29,126.76	35,000.00
UTILITY EXPENSE	1,474.83	808.16	4,371.60	4,040.88
LABORATORY SUPPLIES	1,405.39	962.75	3,920.25	4,813.75
LABORATORY EXPENSE	264.06	600.08	264.06	3,000.44
Laboratory Testing Expenses	3,514.18	3,956.41	21,755.84	19,782.13
Laboratory Testing Expense	2,900.47	4,032.75	13,570.22	20,163.75
CHEMICALS	27,369.49	12,794.08	95,280.52	63,970.44
Chemicals-WW	773.88	5,670.00	21,203.60	28,350.00
SAFETY SUPPLIES	433.65	1,232.50	4,076.09	6,162.50
SAFETY SUPPLIES-WW	135.08	622.83	1,341.19	3,114.19
Electrical Expense	96,414.12	115,076.00	633,273.02	575,380.00
CONTRACT SERVICES -ENGINEERING	0.00	0.00	3,992.50	0.00
CONTRACT SERVICE - ACCOUNTING	9,464.00	6,712.41	22,000.00	33,562.13
CONTRACT SERVICE - LEGAL	0.00	2,527.83	2,103.75	12,639.19
CONTRACT SERVICE-GENERAL	800.00	2,035.50	3,750.00	10,177.50
CONTRACT SERVICES - MANPOWER	24,259.40	0.00	106,691.90	0.00
CONTRACT MGMNT EXP ASSUMED	0.00	0.00	8,855.55	0.00
AUTO & TRANSPORTATION EXPENSE	17,375.77	15,000.00	83,718.70	75,000.00
AUTO & TRANSPORTATION EXPENSE	0.00	0.00	20.60	0.00
ADVERTISING	219.30	308.58	395.70	1,542.94
MOBILE PHONE EXPENSE	2,711.87	1,959.58	10,561.94	9,797.94
TELEPHONE/INTERNET	1,815.62	1,745.41	8,077.67	8,727.13
TELEPHONE/INTERNET	598.20	278.75	2,127.04	1,393.75
EDUCATION, DUES, MEETINGS, INSURANCE	4,055.43	4,000.00	18,493.54	20,000.00
Office Expense	18,369.96	19,280.75	105,550.84	96,403.75
Easements	0.00	200.00	0.00	1,000.00
SETTLEMENT EXPENSES	367.50	0.00	5,069.50	0.00
SERVICE FEE EXPENSE	489.00	1,671.41	628.25	8,357.13
BANK SERVICE FEES EXP	134.26	395.25	3,636.21	1,976.25
Telephone Expense	236.85	0.00	236.85	0.00
Worker's Compensation Insurance	3,769.00	5,763.16	33,594.00	28,815.88
PSC TAX ASSESSMENT	0.00	1,727.08	0.00	8,635.44
Retirement Expense	50,519.58	55,047.75	239,208.95	275,238.75
Rate Study Expense	664.12	0.00	664.12	0.00
MISCELLANEOUS SUPPLIES	75.05	36.08	234.53	180.44
Major Equipment R & M	524.92	3,672.33	18,529.06	18,361.69
Major Equipment R & M Sewer	0.00	235.75	1,799.34	1,178.75
Hand Tools R & M	405.76	1,134.41	10,194.80	5,672.13
Hand Tools R & M Sewer	53.26	304.75	800.67	1,523.75
PS/LS R & M	12,224.89	10,968.75	57,546.17	54,843.75
PS/LS R & M Sewer	2,723.61	10,107.66	17,235.86	50,538.38
Vehicle R & M	3,246.37	5,420.41	28,105.14	27,102.13
Vehicle R & M Sewer	42.99	75.25	1,142.20	376.25

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended May 31, 2022 Actual</b>	<b>1 Month Ended May 31, 2022 Budget</b>	<b>5 Months Ended May 31, 2022 Actual</b>	<b>5 Months Ended May 31, 2022 Budget</b>
General R & M	29,280.08	61,994.83	221,835.13	309,974.19
General R & M Sewer	1,067.88	3,453.66	6,384.94	17,268.38
General R & M -Telemetry	3,446.40	1,459.16	7,820.22	7,295.88
R & M Leak Det.	0.00	50.08	1,383.96	250.44
SUPPLIES & EXPENSES TREATMENT (WW)	2,250.00	1,122.91	7,117.75	5,614.63
INTEREST EXPENSE - TERM DEBT	30,578.31	17,531.50	150,204.89	87,657.50
INTEREST EXPENSE - TERM DEBT	4,035.00	7,438.00	20,175.00	37,190.00
<b>Total Operating Expenses</b>	<u>1,042,539.67</u>	<u>1,108,481.15</u>	<u>5,498,939.43</u>	<u>5,542,408.95</u>
<b>Operating Income (Loss)</b>	<u>(114,028.13)</u>	<u>(225,935.12)</u>	<u>(1,073,372.53)</u>	<u>(1,129,679.16)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>196.79</u>	<u>328.17</u>	<u>1,214.77</u>	<u>1,640.81</u>
<b>Total Other Income (Expenses)</b>	<u>196.79</u>	<u>328.17</u>	<u>1,214.77</u>	<u>1,640.81</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(113,831.34)</u>	<u>(225,606.95)</u>	<u>(1,072,157.76)</u>	<u>(1,128,038.35)</u>
<b>Net Income (Loss)</b>	<u>\$ (113,831.34)</u>	<u>\$ (225,606.95)</u>	<u>\$ (1,072,157.76)</u>	<u>\$ (1,128,038.35)</u>

# MOUNTAIN WATER DISTRICT

## MONTHLY OPERATING REPORT

### MAY, 2022

**363** Field maintenance work orders issued during the month of MAY.

**320** Field maintenance work orders completed during the month of MAY.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	40	80	38	<b>206</b>
FEBRUARY	53	67	48	40	<b>208</b>
MARCH	80	76	82	78	<b>316</b>
APRIL	84	55	88	67	<b>294</b>
MAY	65	60	93	102	<b>320</b>
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>330</b>	<b>298</b>	<b>391</b>	<b>325</b>	<b>1344</b>

**18** New PAID service tap work orders issued during the month of MAY.

**11** New PAID service tap work orders completed during the month of MAY.

#### **NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	0	1	1	0	<b>2</b>
FEBRUARY	1	3	0	4	<b>8</b>
MARCH	3	1	1	4	<b>9</b>
APRIL	8	1	1	3	<b>13</b>
MAY	1	4	1	5	<b>11</b>
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>13</b>	<b>10</b>	<b>4</b>	<b>16</b>	<b>43</b>

#### **WATER**

**80** Water Customer Work Orders completed during the month of MAY.

**2,644** Delinquent Notices Mailed during the month of MAY.

**315** Delinquent Work Orders Written Up during the month of MAY.

**181** Delinquent Accounts Disconnected during the month of MAY.

**SEWER**

- 53 Sewer Customer Work Orders completed during the month of MAY.
- 5 Delinquent Work Orders Written Up during the month of MAY.
- 0 Delinquent Work Orders Disconnected during the month of MAY.
  
- 6 Water Delinquent Work Orders Written Up – City of Pikeville Agreement
- 5 Water Delinquent Accounts Disconnected – City of Pikeville Agreement
- 3 Water Delinquent Accounts Reconnected – City of Pikeville Agreement
  
- 14 Water Delinquent Work Orders Written Up – City of Williamson Agreement
- 12 Water Delinquent Accounts Disconnected – City of Williamson Agreement\*
- 11 Water Delinquent Accounts Reconnected – City of Williamson Agreement\*
  - \* Total count of disc/recon by Williamson is unknown until invoice received the 1<sup>st</sup> of the following month.

- 18** Vehicle & equipment maintenance work orders issued during the month of MAY.
- 18** Vehicle & equipment maintenance work orders completed during the month of MAY.

**TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

**WATER CUSTOMERS**

JANUARY	17,373 (16,553 Taps + 820 Multi-Users)
FEBRUARY	17,361 (16,543 Taps + 818 Multi-Users)
MARCH	17,338 (16,520 Taps + 818 Multi-Users)
APRIL	17,339 (16,530 Taps + 809 Multi-Users)
MAY	17,368 (16,561 Taps + 807 Multi-Users)
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**SEWER CUSTOMERS**

JANUARY	2,304
FEBRUARY	2,307
MARCH	2,315
APRIL	2,317
MAY	2,320
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

MAY 2021

**WATER & SEWER TRENDS**

	# CUSTOMERS	GALLONS SOLD	\$ BILLED	\$ TREND/CHANGE %
<b>WATER</b>	17,368	68,691,020	\$719,038.51	5.22%
<b>SEWER</b>	2,320	9,585,515	\$192,635.95	-2.02%
<b>TOTAL BILLED</b>			<b>\$911,674.46</b>	<b>3.60%</b>

1 Sewer tap was completed during the month of MAY.

6 Hydrant work orders were completed during the month of MAY.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for **MAY** was **25,334,000** gallons.

**WATERLOSS** due to leaks and breaks was **3,071,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **14,725,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **5,190,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **2,348,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for **MAY** was **22,553** gallons for an unaccounted-for loss of **19.35%**.

Water loss percentage utilizing the PSC form was 22.1%.

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

27 Work Orders completed for Booster Pump Stations during the month of MAY.

**WATER STORAGE TANK MAINTENANCE:**

11 Work Orders completed for Water Storage Tanks during the month of MAY.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of MAY.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

8 Work Orders completed for Pressure Regulator Stations during the month of MAY.

**TELEMETRY MAINTENANCE:**

11 Work Orders completed for Telemetry during the month of MAY.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

**11** Work Orders completed for the Russell Fork Water Plant during the month of MAY.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of MAY.

- 9- Special Bacteriological Samples
- 2- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**4** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of MAY.

**LIFT STATION MAINTENANCE:**

**3** Work Orders completed for Lift Stations excluding regular maintenance during the month of MAY.

**COLLECTION SYSTEM MAINTENANCE:**

**78** Work Orders completed for Collection Systems during the month of MAY.

# **Summary Information from the Financials**

**July 27, 2022**

## **Balance Sheet as of June**

- Cash in Bank is \$104,226.62
- Accounts Receivable 1,233,350.07
- Plant in place is \$168,100,609
- Accounts Payable is \$291,787.29
- Equity is 69,167,420.37

## **Income Statement –June /Year to Date**

- Revenue \$915,495
- Utility Operating Expenses \$1,076,675
- Income (Loss) \$(194,696)/ (1,272,877)
- Included in the loss is Depreciation of (\$335,997/ (\$2,016,323)
- Operating income was negative in the amount of (\$161,180) this month.

## **Cash Flow Statement**

- Cash decreased by (\$145,512.58)

## **Additional Comments**

- Our current Operating account balance was \$93,876.35
- We are currently fully funded in the KIA Reserve and the RD Reserve. Our current balances are \$862,517 .and \$871,178 respectively. Our O&M Reserve is \$366,554
- We will transfer to the sinking fund \$75,000 to ensure we have money to pay our debt service.

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of June 30, 2022 and 2021**

**ASSETS**

	<b>2022</b>	<b>2021</b>
<b>Current Assets</b>		
Cash In Bank	\$ 104,226.62	\$ 383,680.75
Accounts Receivable	1,233,350.07	1,014,283.05
Clearing Accounts	33,487.00	69,142.67
Inventory	382,078.62	279,476.25
Other Current Assets	<u>3,231,368.64</u>	<u>3,536,500.62</u>
<b>Total Current Assets</b>	<u>4,984,510.95</u>	<u>5,283,083.34</u>
<b>Non Current Assets</b>		
<b>Restricted Cash</b>		
<b>Capital Assets</b>		
Water Supply Plant	6,046,312.80	4,841,727.68
Water Treatment Plant	10,207,654.70	10,207,654.70
Transmission & Distribution Plant	98,358,772.31	97,789,618.46
Water General Plant	5,418,592.17	4,727,776.23
Sewer General Plant	46,174,677.88	37,364,955.68
Construction in Progress	<u>1,894,599.14</u>	<u>9,866,087.57</u>
Total Plant In Service	168,100,609.00	164,797,820.32
Less Accumulated Depreciation	<u>(76,519,502.85)</u>	<u>(72,324,990.47)</u>
<b>Net Capital Assets</b>	<u>91,581,106.15</u>	<u>92,472,829.85</u>
<b>Other Assets</b>		
Bond Refinancing Cost	92,316.17	92,316.17
Less Accumulated Amortization	<u>(31,837.34)</u>	<u>(28,396.99)</u>
<b>Total Other Assets</b>	<u>60,478.83</u>	<u>63,919.18</u>
<b>Total Non Current Assets</b>	<u>91,641,584.98</u>	<u>92,536,749.03</u>
<b>Total Net Assets</b>	<u>\$ 96,626,095.93</u>	<u>\$ 97,819,832.37</u>
<b>Deferred Outflow of Resources</b>		
Deferred Pension Contributions	<u>\$ 2,062,579.14</u>	<u>\$ 2,062,579.14</u>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Net Position**  
**As of June 30, 2022 and 2021**

**Liabilities and Net Assets**

	<b>2022</b>	<b>2021</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 291,787.29	\$ 237,166.88
Current Portion Due - Notes Payable	1,284,253.00	1,363,902.00
Customer Deposits	459,831.32	418,343.39
Accrued Payroll and Related Expenses	101,255.25	115,280.26
Accrued Interest - Long Term Debt	<u>219,639.69</u>	<u>292,005.34</u>
<b>Total Current Liabilities</b>	<u>2,356,766.55</u>	<u>2,426,697.87</u>
<b>Long-Term Liabilities</b>		
Net Pension Liability	8,574,041.00	8,574,041.00
Notes Payable	3,942,072.78	3,954,289.29
Notes Payable - Ky Infrastructure Authority	3,832,400.30	4,366,751.33
Notes Payable - Rural Development	9,873,500.00	10,083,900.00
Advances for Construction	1,599,367.04	5,449,514.05
Less: Current Portion Due	<u>(1,284,253.00)</u>	<u>(1,363,902.00)</u>
<b>Total Long-Term Liabilities</b>	<u>26,537,128.12</u>	<u>31,064,593.67</u>
<b>Total Liabilities</b>	<u>28,893,894.67</u>	<u>33,491,291.54</u>
<b>Deferred Inflows of Resources</b>		
Deferred Pension Investment Earnings	508,171.00	508,171.00
<b>Net Position</b>		
Current Year Net Income (Loss)	(1,272,876.59)	(978,366.38)
Contributions in aid of Construction	62,874,467.79	59,403,610.24
Tap-On-Fees	<u>7,565,829.17</u>	<u>7,457,705.11</u>
<b>Total Net Position</b>	<u>69,167,420.37</u>	<u>65,882,948.97</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**

	<b>1 Month Ended June 30, 2022</b>	<b>6 Months Ended June 30, 2022</b>
<b>Operating Revenue</b>	\$ 915,495.07	\$ 5,341,061.97
	<u>915,495.07</u>	<u>5,341,061.97</u>
<b>Total Operating Revenue</b>	<u>915,495.07</u>	<u>5,341,061.97</u>
<b>Operating Expenses</b>		
Water Supply Expense	17,427.21	90,611.65
Water Purchases	100,265.55	614,770.93
Electricity Expense	166,928.81	800,201.83
Repairs & Maintenance - Sewer	3,589.08	31,904.25
Repairs & Maintenance - Water	52,729.83	396,365.35
Transmission & Distribution Expense	95,637.87	568,260.58
Customer Service Expense	38,290.15	228,308.95
Administrator Expense	121.77	462.80
Sewer Expense	41,501.30	268,616.04
General & Administrative	<u>224,187.17</u>	<u>1,395,431.46</u>
<b>Total Operating Expenses</b>	<u>740,678.74</u>	<u>4,394,933.84</u>
Depreciation Expense	<u>335,996.60</u>	<u>2,016,323.39</u>
<b>Utility Operating Expense</b>	<u>1,076,675.34</u>	<u>6,411,257.23</u>
<b>Utility Operating Income (Loss)</b>	<u>(161,180.27)</u>	<u>(1,070,195.26)</u>
<b>Non Operating Revenue</b>		
Interest Income	497.56	1,712.33
Interest Expense	<u>(34,013.77)</u>	<u>(204,393.66)</u>
<b>Total Non Operating Revenue</b>	<u>(33,516.21)</u>	<u>(202,681.33)</u>
<b>Income (Loss) before Capital Contributions</b>	\$ (194,696.48)	\$ (1,272,876.59)
<b>Capital Contributions and Other Changes in Net Position</b>		
Capital contributions from:		
Customers through Tap-on Fees	<u>7,900.00</u>	<u>60,346.60</u>
<b>Total Capital Contributions and Other Changes in Net Position</b>	<u>7,900.00</u>	<u>60,346.60</u>
<b>Change in Net Position</b>	<u>(186,796.48)</u>	<u>(1,212,529.99)</u>
<b>Net Position, beginning of period</b>	<u>69,354,216.85</u>	<u>70,379,950.36</u>
<b>Net Position, end of period</b>	<u>\$ 69,167,420.37</u>	<u>\$ 69,167,420.37</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Cash Flows**  
**For the 1 Month and 6 Months Ended June 30, 2022**

	<b>1 Month Ended June 30, 2022</b>	<b>6 Months Ended June 30, 2022</b>
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ (194,696.48)	\$ (1,272,876.59)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and Amortization	335,996.60	2,016,323.39
Losses (Gains) on Sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(55,870.49)	(95,392.71)
Other Current Assets	130,317.34	(176,288.43)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	66,382.60	19,341.89
Accrued Interest	5,022.44	131,638.69
Advances for Construction	119,565.53	655,231.52
Accrued Liabilities	(1,414.35)	(48,217.98)
Tap on Fees	7,900.00	60,346.60
Customer Deposits	7,606.29	21,089.62
Clearing Accounts	29,249.94	(34,359.62)
Total Adjustments	<u>644,755.90</u>	<u>2,549,712.97</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>450,059.42</u>	<u>1,276,836.38</u>
<b>Cash Flows from Investing Activities</b>		
Capital Expenditures	(48,812.59)	(458,868.20)
Construction in Progress	(201,914.09)	(737,205.94)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(250,726.68)</u>	<u>(1,196,074.14)</u>
<b>Cash Flows from Financing Activities</b>		
Notes Payable Borrowings	0.00	736,667.06
Notes Payable Repayments	(344,845.32)	(1,081,786.08)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(344,845.32)</u>	<u>(345,119.02)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>(145,512.58)</u>	<u>(264,356.78)</u>
<b>Beginning Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>249,739.20</u>	<u>368,927.19</u>
<b>Ending Cash and Cash Equivalents (Restricted Cash Omitted)</b>	<u>\$ 104,226.62</u>	<u>\$ 104,226.62</u>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of June 30, 2022 and 2021**

**ASSETS:**

	<b>2022</b>	<b>2021</b>
<b>Operating Cash:</b>		
CTB - Operating Account	\$ 93,876.35	\$ 360,246.02
CTB-MWD Payroll Account	10,030.09	23,114.55
Petty Cash	320.18	320.18
<b>Total Operating Cash</b>	<b>104,226.62</b>	<b>383,680.75</b>
<b>Cash Reserves - Restricted:</b>		
<b>Accounts Receivable:</b>		
RECEIVABLE - WATER SALES	934,481.06	732,878.62
RECEIVABLE - RETURNED CHECKS	12,260.47	14,904.55
RECEIVABLE - OTHER FEES, ETC..	(14,663.44)	12,976.39
RECEIVABLE - SEWER REVENUE	301,367.42	276,953.40
PROVISION FOR UNCOLLECTIBLES	(95.44)	(23,429.91)
<b>Total Accounts Receivable:</b>	<b>1,233,350.07</b>	<b>1,014,283.05</b>
<b>Clearing Accounts:</b>		
MWD INTERCOMPANY TRANSFERS	33,487.00	69,142.67
<b>Total Clearing Accounts:</b>	<b>33,487.00</b>	<b>69,142.67</b>
<b>Prepaid Expenses:</b>		
<b>Receivable - UMG R &amp; M:</b>		
<b>FEMA Receivable - 2010 Flood:</b>		
<b>Other Current Assets:</b>		
Regions Bank Escrow	182,193.49	196,043.63
BB & T - Sinking Fund	144,278.15	272,249.58
CTB - JOHNS CREEK WATER PROJ.	100.00	3,332.84
BB&T - Special Projects	7.72	46.62
CTB - CUSTOMER DEPOSIT ESCROW	0.00	31,052.37
CTB - FEMA Receivables	3,733.20	3,733.20
CTB-SEWER CUSTOMER DEPOSIT ACCT.	31,547.72	39,011.58
CTB - O & M RESERVES	366,554.49	377,463.14
Community Trust Bank - Misc Line Extension	4,902.91	4,898.01
CTB - PHELPS SEWER PROJECT	5,371.93	5,371.93
CTB - DIST. WIDE TAP FEES	24,688.18	34,158.66
CTB - R & M RESERVE	871,178.49	870,306.14
CTB - Dist Wide WW Tap Fees	56,177.80	34,602.80
MWD POMPEY ARC PROJECR	0.38	0.38

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule Assets**  
**As of June 30, 2022 and 2021**

BIG CREEK SEWER-COAL SETTLEMENT	5,401.24	5,401.24
CTB-Variou Short Line Ext.	90.96	90.96
CTB.Long Fork Of Virgie Sewer Project Acct.	90.03	90.03
M.W.D. Belfry Pond Sewer	2,837.41	2,842.69
MWD PHELPS UPGRADE ACCT.	3,516.98	3,516.98
CTB- Recycling Revenue Acct.	4,084.56	39,261.96
MWD DEPRECIATION RESERVE ACCOUNT	862,517.06	861,527.55
CTB. PCFC Projects	81,457.55	82,979.70
CTB - R & M REIMBURSEMENT ACCT.	4,408.31	2,347.73
CTB-MWD Escrow Account	100.00	100.00
MWD INSURANCE SWEEP ACCOUNT	824.51	743.25
MWD Meter Replacement Project	10.00	229,704.61
MWD Restricted ARPA Funding Acct.	125,740.59	0.00
New Customer Deposit Acct.	381,980.67	434,998.04
Prepaid Expense-WC	66,949.31	0.00
OTHER DEFERRED DEBTS	625.00	625.00
<b>Total Other Current Assets</b>	<b>3,231,368.64</b>	<b>3,536,500.62</b>

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of June 30, 2022 and 2021**

**LIABILITIES:**

	<b>2022</b>	<b>2021</b>
<b>Employee Related Payables:</b>		
FICA TAXES WITHHELD	60.07	(691.48)
FEDERAL INCOME TAX WITHHELD	0.00	(3,472.14)
KY INCOME TAX WITHHELD	4,302.36	17,994.65
ACCRUED FUTA	2,377.31	2,384.57
Accrued CERS	60,396.09	61,809.16
Accrued County Withheld	0.00	5,199.02
ACCRUED GARNISHMENT WTH	1,549.33	1,549.33
TAXES COLLECTED ON CUST. BILLS	32,570.09	30,507.15
<b>Total Employee Related Payables</b>	<b>101,255.25</b>	<b>115,280.26</b>

**Other Current Liabilities:**

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**Notes Payable:**

Created while posting txs	0.00	343.79
Note Payable Ky. Rural Water	3,116,661.74	3,344,646.76
US Bank Big Creek Water Loan	0.00	39,113.29
#154 fORD f250 2017	0.00	884.04
# 155 CTB	0.00	6,316.09
CTB V# 156	0.00	4,818.06
CTB V # 157 2018 GMC Sierra	0.00	5,044.46
CTB 158 & 159	4,785.62	19,144.64
WELLS FARGO MINI EXCAVATOR	0.00	1,964.37
CTB # 161	0.00	3,151.93
CTB -162	58.41	18,482.11
CTB- #163 2019 Ford 350	28,990.18	42,725.20
#165 Ford F-250 2021	20,573.49	28,629.91
#164 2021 Ford F-250	21,254.18	28,629.91
#166	19,886.13	28,619.91
CTB-# 167 Chevrolet Silverado 2500	28,362.79	38,576.92
CTB- #169 2019 Toytoa Tacoma	25,266.79	0.00
CTB- 2016 F150	24,941.80	0.00
CTB-2021 Ford F350	50,717.34	0.00
CTB- 168 2017 Toyota	23,738.91	0.00
CTB- 2021 John Deer Mini excavator	120,134.88	0.00
CTB-LN OF COMMITMENT - FEMA REC	0.00	211,034.39
CTB AEP Line of credit	80,398.62	105,091.05
Kobelco mini excavator	0.00	3,634.58
2017 Takeunchi Skid Steer	8,726.12	23,437.88
CTB #174 2021 Ford F150	24,453.76	0.00
CTB # 175 2021 Ford F150	24,453.76	0.00
CTB- 177 Ford F350	44,964.52	0.00
CTB # Ford F150 2021	24,992.21	0.00
#172 CTB Ford 150	25,911.17	0.00
CTB # 173 FordF150	26,155.81	0.00
CTB Boost Pump Relocation Loan	196,644.55	0.00
<b>Total Notes Payable</b>	<b>3,942,072.78</b>	<b>3,954,289.29</b>

**Notes Payable - Ky Infrastructure Authority:**

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**MOUNTAIN WATER DISTRICT**  
**Statement of Net Assets - Supporting Schedule - Liabilities**  
**As of June 30, 2022 and 2021**

KIA LOAN B291-07 MULTI AREA	377,439.74	620,160.88
KIA LOAN B291-01 INDIAN CREEK	24,977.77	41,020.35
KIA LOAN F01-07 WATER PLANT	139,914.52	208,013.69
KIA LOAN A03-06 SO WMSN III	25,150.72	35,036.98
KIA Shelby III Phase II	174,318.13	192,738.41
KIA-A16-079 Grinder St	235,887.54	250,186.64
KIA-Douglas WWTP	2,854,711.88	3,019,594.38

<b>Total Notes Payable - Ky Infrastructure Authority</b>	3,832,400.30	4,366,751.33
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**Notes Payable - Rural Development:**

RD Loan -91-40 WTP	545,000.00	553,000.00
RD Bond91-45 Radio Read	3,033,000.00	3,091,900.00
RD Belfry WW	3,584,500.00	3,653,000.00
RD Bond 91-33	1,293,000.00	1,325,000.00
RD Bond - Shelby Sewer Project	565,000.00	580,000.00
RD Bond - 91-01 Phelps Sewer	316,000.00	325,000.00
RD BOND 91-24 RUSSELL FK WTP	537,000.00	556,000.00

<b>Total Notes Payable - Rural Development</b>	9,873,500.00	10,083,900.00
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**Contributions in Aid of Construction:**

CONTRIBUTIONS - GOVT GRANTS	75,074,108.06	74,156,216.90
CONTRIBUTIONS IN AID - SEWER	32,417,388.70	27,633,108.86
CONTRIBUTIONS - OTHER AID	9,421,688.88	9,421,688.88
CONTRIBUTION IN AID - SEWER	1,883,509.26	1,883,509.26
INTERFUND TRANSFER (AUDIT)	58,131.56	58,131.56
INTERFUND TRANSFER (AUDIT)	(58,131.56)	(58,131.56)

<b>Total Contributions in Aid of Construction</b>	118,796,694.90	113,094,523.90
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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Water Supply Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 37,942.57	\$ 37,942.57
STRUCTURES AND IMPROVEMENTS	235,689.25	235,689.25
COLLECTING\IMPOUND RESERVOIRS	59,137.31	59,137.31
PUMPING EQUIPMENT	<u>5,713,543.67</u>	<u>4,508,958.55</u>
Total Cost of Water Supply Plant	6,046,312.80	4,841,727.68
Less: Accumulated Depreciation	<u>(2,913,378.09)</u>	<u>(2,762,657.78)</u>
<b>Net Cost of Water Supply Plant</b>	<b>\$ 3,132,934.71</b>	<b>\$ 2,079,069.90</b>
<b>Water Treatment Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 2,400.00	\$ 2,400.00
STRUCTURES AND IMPROVEMENTS	116,996.68	116,996.68
WATER TREATMENT PLANT	<u>10,088,258.02</u>	<u>10,088,258.02</u>
Total Cost of Water Treatment Plant	10,207,654.70	10,207,654.70
Less: Accumulated Depreciation	<u>(3,896,602.76)</u>	<u>(3,608,933.08)</u>
<b>Net Cost of Water Treatment Plant</b>	<b>\$ 6,311,051.94</b>	<b>\$ 6,598,721.62</b>
<b>Water Transmission &amp; Distribution Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 381,193.87	\$ 381,193.87
DISTRIBUTION RESERVOIRS/STANDS	9,923,514.52	9,625,685.56
TRANSMISSION/DISTRIBUTION MAINS	71,945,325.64	71,945,325.64
WATER SERVICES	6,991,002.20	6,934,492.13
WATER METERS & INSTALLATIONS	7,862,938.69	7,648,123.87
HYDRANTS	<u>1,254,797.39</u>	<u>1,254,797.39</u>
Total Cost of Water Transmission & Distribution Plant	98,358,772.31	97,789,618.46
Less: Accumulated Depreciation	<u>(50,651,228.25)</u>	<u>(48,276,105.22)</u>
<b>Net Cost of Water Trans. &amp; Dist. Plant</b>	<b>\$ 47,707,544.06</b>	<b>\$ 49,513,513.24</b>
<b>Water General Plant in Service:</b>		
LAND AND LAND RIGHTS	\$ 157,103.54	\$ 157,103.54
STRUCTURES AND IMPROVEMENTS	351,050.19	351,050.19
OFFICE FURNITURE & EQUIPMENT	223,813.48	201,214.48
TRANSPORTATION EQUIPMENT	1,867,505.34	1,509,327.49
TOOLS, SHOP & GARAGE EQUIPMENT	363,340.90	317,801.81
LABORATORY EQUIPMENT	1,485.57	1,485.57
POWER OPERATED EQUIPMENT	580,098.37	315,598.37
COMMUNICATION EQUIPMENT	<u>1,874,194.78</u>	<u>1,874,194.78</u>
Total Cost of Water General Plant	5,418,592.17	4,727,776.23
Less: Accumulated Depreciation	<u>(4,227,455.08)</u>	<u>(3,920,667.22)</u>
<b>Net Cost of Water General Plant</b>	<b>\$ 1,191,137.09</b>	<b>\$ 807,109.01</b>
<b>Sewer Plant in Service:</b>		
STRUCTURES AND IMPROVEMENTS	\$ 15,030.46	\$ 7,895.00
COLLECTION SEWERS	25,584,226.70	25,584,226.70
PUMPING EQUIPMENT	48,358.53	48,358.53
TREATMENT AND DISPOSAL EQUIP.	18,806,080.13	10,192,018.11
SEWER SERVICES	525,185.08	455,984.14
SEWER METERS & INSTALLATIONS	943,313.43	853,035.04
OFFICE FURNITURE & EQUIPMENT	57,846.22	57,846.22
TRANSPORTATION EQUIPMENT	25,149.54	13,449.54
TOOLS & MISC. EQUIPMENT	<u>169,487.79</u>	<u>152,142.40</u>
Total Cost of Sewer Plant	46,174,677.88	37,364,955.68
Less: Accumulated Depreciation	<u>(14,658,817.18)</u>	<u>(13,584,605.68)</u>
<b>Net Cost of Sewer Plant</b>	<b>\$ 31,515,860.70</b>	<b>\$ 23,780,350.00</b>

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**MOUNTAIN WATER DISTRICT**  
**Supporting Schedule - Plant in Service**  
**As of June 30, 2022 and 2021**

<b>Construction in Progress:</b>		
CONSTRUCTION IN PROGRESS	\$ 439,617.42	\$ 1,181,863.37
CIP-MATERIALS & SUPPLIES	26,003.71	84,720.75
RATE CASE EXPENSE IN PROGRESS	172,021.49	172,021.49
CONSTRUCTION IN PROGRESS	<u>1,256,956.52</u>	<u>8,427,481.96</u>
Total Construction in Progress	1,894,599.14	9,866,087.57
Less: Accumulated Depreciation	<u>(172,021.49)</u>	<u>(172,021.49)</u>
<b>Net Construction in Progress</b>	<b>\$ 1,722,577.65</b>	<b>\$ 9,694,066.08</b>
<b>Total Plant in Service</b>	<b><u>\$ 91,581,106.15</u></b>	<b><u>\$ 92,472,829.85</u></b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>June 30, 2022</b>	<b>6 Months Ended</b> <b>June 30, 2022</b>
<b>Water Supply Expense:</b>		
WATER TREATMENT LABOR - OPERATIONS	14,847.67	74,934.37
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	16,275.48
DENTAL INSURANCE - WTP OPERATIONS	88.69	359.03
VISION INSURANCE - PUMPING OPER.	(5.90)	(35.40)
VISION INSURANCE - WTP OPER.	1.84	11.04
LIFE INSURANCE - PUMPING OPER.	(221.24)	(1,327.44)
LIFE INSURANCE - WTP OPER.	67.61	410.53
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	(215.40)
SHORT TERM DISAB. - WTP OPER.	(3.64)	89.25
UNIFORM EXPENSE (PLANT)	0.00	110.19
<b>Total Water Supply Expenses</b>	<b>17,427.21</b>	<b>90,611.65</b>
<b>Water Purchases:</b>		
Water Purchased -Williamson	40,966.57	232,689.68
WATER PURCHASED -PIKEVILLE	59,298.98	382,081.25
<b>Total Water Purchases Expenses</b>	<b>100,265.55</b>	<b>614,770.93</b>
<b>Electricity Expense:</b>		
Electrical Expense	166,928.81	800,201.83
<b>Total Electricity Expenses</b>	<b>166,928.81</b>	<b>800,201.83</b>
<b>Repairs &amp; Maintenance - Sewer Expense:</b>		
Major Equipment R & M Sewer	95.29	1,894.63
Hand Tools R & M Sewer	50.96	851.63
PS/LS R & M Sewer	7,218.85	24,022.91
Vehicle R & M Sewer	24.43	1,166.63
General R & M Sewer	(3,800.45)	2,584.49
R & M Leak Det.	0.00	1,383.96
<b>Total Repairs &amp; Maint. - Sewer Expenses</b>	<b>3,589.08</b>	<b>31,904.25</b>
<b>Repairs &amp; Maintenance - Water Expense:</b>		
Major Equipment R & M	4,082.56	22,611.62
Hand Tools R & M	920.38	11,115.18
PS/LS R & M	5,244.29	62,395.46
Vehicle R & M	3,195.82	31,300.96
General R & M	34,312.33	256,147.46
General R & M -Telemetry	4,974.45	12,794.67
<b>Total Repairs &amp; Maint. - Water Expenses</b>	<b>52,729.83</b>	<b>396,365.35</b>
<b>Transmission &amp; Distribution Expense:</b>		
T & D LABOR - OPERATIONS	73,910.22	434,141.06
T & D LABOR - MAINTENANCE	0.00	1,962.48
HEALTH INSURANCE - T & D OPERATIONS	18,010.76	111,307.27
DENTAL INSURANCE - T & D OPERATIONS	621.27	3,053.04
VISION INSURANCE - T & D OPER.	87.53	499.50
LIFE INSURANCE - T & D OPER.	587.44	3,472.66

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b>	<b>6 Months Ended</b>
	<b>June 30, 2022</b>	<b>June 30, 2022</b>
SHORT TERM DISAB. - T & D OPER.	151.09	940.13
SHORT TERM DISAB. - T & D MAINT.	(10.76)	(64.56)
UNIFORM EXPENSE (WATER)	2,280.32	12,949.00
<b>Total Transmission &amp; Distribution Expenses</b>	<b>95,637.87</b>	<b>568,260.58</b>
<b>Customer Service Expense:</b>		
CUSTOMER ACCOUNTS LABOR	21,897.05	129,770.03
ADMIN. & GENERAL LABOR	10,100.51	61,093.65
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	35,531.40
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	576.06
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	(94.32)
LIFE INSURANCE - CUSTOMER ACCTS	217.64	1,254.19
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	177.94
<b>Total Customer Service Expenses</b>	<b>38,290.15</b>	<b>228,308.95</b>
<b>Administrator Expense:</b>		
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	524.78
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	(61.98)
<b>Total Administrator Expenses</b>	<b>121.77</b>	<b>462.80</b>
<b>Sewer Expense:</b>		
SEWER LABOR	30,141.61	178,651.06
HEALTH INSURANCE - SEWER	4,828.80	28,707.74
DENTAL INSURANCE - SEWER	182.15	813.65
VISION INSURANCE - SEWER	(11.48)	(68.88)
LIFE INSURANCE - SEWER	213.97	1,283.82
SHORT TERM DISAB. - SEWER	29.30	28.80
UNIFORM EXPENSE (WW)	252.02	1,663.37
Sewage Fees	2,187.23	31,313.99
Chemicals-WW	3,534.60	24,738.20
SAFETY SUPPLIES-WW	143.10	1,484.29
<b>Total Sewer Expenses</b>	<b>41,501.30</b>	<b>268,616.04</b>
<b>General &amp; Administrative Expense:</b>		
Undistributed	(448.94)	(714.59)
PAYROLL TAXES - FICA & U.C.	14,263.24	86,048.34
COMP COMMISSIONERS - AUTO DIST	2,300.00	14,300.00
COMPENSATION - ADMINISTRATOR	39,366.76	234,990.58
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	21,605.70
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	(75.12)
LIFE INSURANCE - ADMIN. & GENERAL	295.62	1,801.65
Employee Expense	241.87	2,843.91
Insurance expense	9,018.87	62,252.05
UTILITY EXPENSE	806.22	5,177.82
LABORATORY SUPPLIES	1,509.49	5,429.74
LABORATORY EXPENSE	0.00	264.06
Laboratory Testing Expenses	6,485.10	28,240.94
Laboratory Testing Expense	0.00	13,570.22
CHEMICALS	4,835.08	100,115.60
SAFETY SUPPLIES	1,775.89	5,851.98
CONTRACT SERVICES-ENGINEERING	0.00	3,992.50

No assurance is provided by the auditor on the above information. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Schedule of Operating Expenses**

	<b>1 Month Ended</b> <b>June 30, 2022</b>	<b>6 Months Ended</b> <b>June 30, 2022</b>
CONTRACT SERVICE - ACCOUNTING	10,747.00	32,747.00
CONTRACT SERVICE - LEGAL	0.00	2,103.75
CONTRACT SERVICE-GENERAL	1,179.00	4,929.00
CONTRACT SERVICES - MANPOWER	23,250.15	136,791.20
CONTRACT MGMNT EXP ASSUMED	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	19,812.98	103,531.68
AUTO & TRANSPORTATION EXPENSE	0.00	20.60
ADVERTISING	182.70	578.40
MOBILE PHONE EXPENSE	1,976.87	12,538.81
TELEPHONE/INTERNET	1,232.32	9,309.99
TELEPHONE/INTERNET	404.12	2,531.16
EDUCATION, DUES, MEETINGS, INSURANCE	1,053.10	19,546.64
Office Expense	23,327.57	128,878.41
SETTLEMENT EXPENSES	856.50	5,926.00
SERVICE FEE EXPENSE	0.00	628.25
BANK SERVICE FEES EXP	207.08	3,843.29
Telephone Expense	0.00	236.85
Worker's Compensation Insurance	5,965.00	39,559.00
Retirement Expense	49,908.25	289,117.20
Rate Study Expense	0.00	664.12
MISCELLANEOUS SUPPLIES	46.90	281.43
SUPPLIES & EXPENSES TREATMENT (WW)	0.00	7,117.75
<b>Total General &amp; Administrative Expenses</b>	<b>224,187.17</b>	<b>1,395,431.46</b>

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**MOUNTAIN WATER DISTRICT**  
**Schedule of Revenues**

	<b>1 Month Ended</b> <b>June 30, 2022</b>	<b>6 Months Ended</b> <b>June 30, 2022</b>
<b>Operating Revenue:</b>		
METERED SALES - RESIDENTIAL	\$ 586,553.42	\$ 3,378,140.02
METERED SALES - COMMERCIAL	52,753.52	330,861.47
METERED SALES - INDUSTRIAL	6,230.46	28,598.66
METERED SALES - PUBLIC AUTH.	33,914.64	211,459.09
METERED SALES - MULTI FAMILY	23,512.79	149,603.23
FIRE PROTECTION REVENUE	125.00	750.00
CUSTOMER LATE PAYMENT CHARGES	18,696.22	90,036.16
OTHER WATER SERVICE REVENUE	684.94	16,999.37
SERVICE CONNECTION FEES	12,195.07	79,863.02
SERVICE CONNECTION FEES FOR WASTE WATER	(570.00)	(2,970.00)
SEWER REVENUE -RESIDENTIAL	142,444.37	836,306.18
SEWER REVENUE - COMMERCIAL	38,954.64	221,414.77
	915,495.07	5,341,061.97
<b>Total Operating Revenue</b>	<b>915,495.07</b>	<b>5,341,061.97</b>

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	06/30/22	Total
<b>Sales</b>													
METERED SALES - RESIDENTIAL	\$ 601,710.02	\$ 586,725.75	\$ 569,672.49	\$ 558,318.50	\$ 543,350.57	\$ 760,686.27	\$ 561,482.16	\$ 551,800.68	\$ 536,323.52	\$ 545,865.30	\$ 596,114.94	\$ 586,553.42	\$6,998,603.62
METERED SALES - COMMERCIAL	47,167.37	51,956.13	52,540.10	49,622.19	43,955.73	60,837.95	54,800.27	58,877.67	51,817.80	59,750.99	52,861.22	52,753.52	636,940.94
METERED SALES - INDUSTRIAL	5,815.76	5,740.36	5,627.26	6,886.44	5,989.18	4,910.96	4,111.72	4,737.54	4,828.02	4,451.02	4,239.90	6,230.46	63,568.62
METERED SALES - PUBLIC AUTH.	32,612.56	30,673.36	35,311.68	32,751.71	32,445.79	32,468.20	33,248.99	35,909.24	36,386.91	35,635.73	36,363.58	33,914.64	407,722.39
METERED SALES - MULTI FAMILY	25,498.45	25,671.05	24,675.69	25,526.99	24,586.80	24,890.07	25,082.87	25,405.25	25,396.65	25,843.17	24,362.50	23,512.79	300,452.28
FIRE PROTECTION REVENUE	125.00	125.00	150.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,525.00
CUSTOMER LATE PAYMENT CHARGES	17,628.81	16,062.43	16,020.84	16,413.45	11,304.16	14,114.87	15,691.98	14,162.77	11,531.16	14,639.01	15,315.02	18,696.22	181,580.72
OTHER WATER SERVICE REVENUE	5,236.60	447.97	520.42	815.52	2,655.50	84.63	79.94	(1,331.73)	7,805.61	2,014.02	7,746.59	684.94	26,760.01
SERVICE CONNECTION FEES	16,860.00	17,155.00	14,202.17	15,425.00	14,820.00	15,297.27	13,360.00	12,808.00	13,269.95	14,980.00	13,250.00	12,195.07	173,622.46
WASTE WATER SERVICE CONNECTION FEES FOR	0.00	30.00	0.00	0.00	0.00	60.00	(1,140.00)	(510.00)	(360.00)	(390.00)	0.00	(570.00)	(2,880.00)
SEWER REVENUE - RESIDENTIAL	149,324.55	133,707.28	144,836.04	132,685.40	130,722.17	68,677.52	130,858.94	137,382.32	131,457.32	152,502.79	141,660.44	142,444.37	1,596,259.14
SEWER REVENUE - COMMERCIAL	42,950.06	38,577.82	35,709.52	36,418.10	36,165.02	39,398.62	35,335.60	35,236.20	34,360.20	41,055.78	36,472.35	38,954.64	450,633.91
<b>Total Sales</b>	<u>944,929.18</u>	<u>906,872.15</u>	<u>899,266.21</u>	<u>874,988.30</u>	<u>846,119.92</u>	<u>1,021,551.36</u>	<u>873,037.47</u>	<u>874,602.94</u>	<u>852,942.14</u>	<u>896,472.81</u>	<u>928,511.54</u>	<u>915,495.07</u>	<u>10,834,789.00</u>

<b>Gross Profit</b>	944,929.18	906,872.15	899,266.21	874,988.30	846,119.92	1,021,551.36	873,037.47	874,602.94	852,942.14	896,472.81	928,511.54	915,495.07	10,834,789.00
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**Operating Expenses**

Undistributed	(19.02)	2,421.69	2,176.97	103.85	72.04	(6,924.98)	(23.40)	(62.92)	(68.51)	(50.58)	(60.24)	(448.94)	(2,884.04)
DEPRECIATION EXPENSE	253,848.42	253,848.42	253,848.42	253,848.42	253,848.42	343,383.54	253,848.42	253,848.42	253,848.42	253,848.42	254,192.21	253,848.42	3,136,059.95
AMORTIZATION EXPENSE	0.00	0.00	0.00	0.00	0.00	3,440.35	0.00	0.00	0.00	0.00	0.00	0.00	3,440.35
DEPRECIATION EXPENSE - SEWER	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	170,581.52	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	82,148.18	1,074,211.50
PAYROLL TAXES - FICA & U.C.	18,884.71	12,722.78	12,785.55	12,638.93	12,638.13	(167.28)	15,036.31	14,745.14	14,418.35	13,861.16	13,724.14	14,263.24	155,550.96
GAIN (LOSS) ON DISPOSITIONS	0.00	0.00	0.00	0.00	0.00	(5,823.34)	0.00	0.00	0.00	0.00	0.00	0.00	(5,823.34)
PUMPING LABOR - OPERATIONS	0.00	0.00	288.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	288.00
WATER TREATMENT LABOR - OPERATIONS	16,794.46	11,238.94	11,376.48	10,748.34	11,453.54	18,129.93	12,625.35	11,621.00	12,276.15	11,828.70	11,735.50	14,847.67	154,676.06
T & D LABOR - OPERATIONS	91,281.91	62,158.57	63,205.45	64,287.43	64,719.53	108,277.65	72,079.87	72,394.65	73,473.26	71,182.63	71,100.43	73,910.22	888,071.60
T & D LABOR - MAINTENANCE	4,811.50	3,019.20	2,825.78	0.00	0.00	250.00	1,509.60	452.88	0.00	0.00	0.00	0.00	12,868.96
CUSTOMER ACCOUNTS LABOR	33,417.49	21,074.42	21,859.73	22,080.03	21,683.40	30,784.34	21,721.74	21,554.41	21,483.66	21,449.74	21,663.43	21,897.05	280,669.44
ADMIN. & GENERAL LABOR	14,766.37	9,963.96	9,885.70	9,967.76	9,919.22	15,245.14	10,160.75	10,201.87	10,225.32	10,164.94	10,240.26	10,100.51	130,841.80
SEWER LABOR	43,648.98	30,125.70	28,812.31	28,712.74	28,239.84	46,832.80	29,702.91	29,794.95	29,939.74	29,727.40	29,344.45	30,141.61	385,023.43
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,100.00	2,100.00	2,300.00	2,300.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,300.00	27,900.00
COMPENSATION - ADMINISTRATOR	47,403.96	31,602.64	31,602.64	31,647.66	31,602.64	48,044.00	38,478.62	39,286.30	39,286.30	39,286.30	39,286.30	39,366.76	456,894.12
HEALTH INSURANCE - PUMPING	0.00	0.00	0.00	0.00	0.00	6,960.16	0.00	0.00	0.00	0.00	0.00	0.00	6,960.16
OPERATIONS HEALTH INSURANCE - WTP	2,254.78	2,363.12	2,363.12	2,363.12	2,736.50	2,039.59	2,712.58	2,712.58	2,712.58	2,712.58	2,712.58	2,712.58	30,395.71
OPERATIONS HEALTH INSURANCE - T & D	14,558.00	16,498.20	15,562.05	16,744.63	13,582.51	15,566.07	17,628.10	17,336.30	17,674.79	20,099.10	20,558.22	18,010.76	203,818.73
OPERATIONS HEALTH INSURANCE - T & D MAINTENANCE	0.00	0.00	0.00	0.00	82.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82.42

*No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.*

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	06/30/22	Total
HEALTH INSURANCE - CUSTOMER ACCOUNTS	3,787.15	4,087.26	4,097.26	4,259.02	5,978.04	(678.57)	5,921.90	5,921.90	5,921.90	5,921.90	5,921.90	5,921.90	57,061.56
HEALTH INSURANCE - ADMIN. & GENERAL	3,018.38	3,206.60	(376.44)	3,206.60	3,600.95	3,412.64	3,600.95	3,600.95	3,600.95	3,600.95	3,600.95	3,600.95	37,674.43
HEALTH INSURANCE - SEWER OPERATIONS	4,496.97	5,786.90	3,280.38	4,647.83	4,726.50	4,574.12	4,747.80	4,747.80	4,725.74	4,828.80	4,828.80	4,828.80	56,220.44
DENTAL INSURANCE - WTP OPERATIONS	77.96	85.01	85.01	85.01	85.01	157.31	(14.10)	65.25	65.25	65.25	88.69	88.69	934.34
DENTAL INSURANCE - T & D OPERATIONS	290.92	477.71	454.04	482.86	388.88	1,395.61	(273.18)	648.22	697.13	706.62	652.98	621.27	6,543.06
DENTAL INSURANCE - CUST. ACCOUNTS	154.86	284.82	144.20	226.19	(128.26)	457.13	(127.64)	140.74	140.74	140.74	140.74	140.74	1,715.00
DENTAL INSURANCE - ADMIN. & GENERAL	121.93	191.66	3,774.70	191.66	191.66	397.88	(139.46)	136.80	136.80	136.80	117.04	136.80	5,394.27
DENTAL INSURANCE - SEWER OPERATIONS	134.97	387.02	162.68	221.96	241.72	452.66	(97.10)	182.15	182.15	182.15	182.15	182.15	2,414.66
VISION INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	(2.95)	(8.85)	(5.90)	(5.90)	(5.90)	(5.90)	(5.90)	(5.90)	(47.20)
VISION INSURANCE - WTP OPER.	(15.61)	(4.55)	(4.55)	(4.55)	20.37	9.31	1.84	1.84	1.84	1.84	1.84	1.84	11.46
VISION INSURANCE - T & D OPER.	(25.31)	44.38	2.19	39.92	31.68	(46.96)	89.93	74.17	75.97	90.97	80.93	87.53	545.40
VISION INSURANCE - CUST. ACCOUNTS	(23.11)	26.87	26.87	35.12	4.48	(36.36)	(15.72)	(15.72)	(15.72)	(15.72)	(15.72)	(15.72)	(60.45)
VISION INSURANCE - ADMIN. & GENERAL	(60.63)	(24.66)	(24.66)	(24.66)	(12.52)	(48.49)	(12.52)	(12.52)	(12.52)	(12.52)	(12.52)	(12.52)	(270.74)
VISION INSURANCE - SEWER OPERATIONS	(27.06)	(79.04)	(5.63)	6.09	(0.39)	(36.96)	(11.48)	(11.48)	(11.48)	(11.48)	(11.48)	(11.48)	(211.87)
LIFE INSURANCE - PUMPING OPER.	0.00	0.00	0.00	0.00	(105.00)	(315.00)	(221.24)	(221.24)	(221.24)	(221.24)	(221.24)	(221.24)	(1,747.44)
LIFE INSURANCE - WTP OPER.	(19.50)	71.69	71.69	71.69	(12.10)	(16.80)	67.61	72.48	67.61	67.61	67.61	67.61	577.20
LIFE INSURANCE - T & D OPER.	(284.30)	(179.20)	(185.40)	(173.00)	1,865.05	434.12	581.73	586.13	542.48	602.77	572.11	587.44	4,949.93
LIFE INSURANCE - T & D MAINT.	0.00	645.74	573.98	664.21	(41.20)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,842.73
LIFE INSURANCE - CUSTOMER ACCTS	(192.98)	303.65	242.42	311.64	(212.88)	215.92	64.14	319.49	217.64	217.64	217.64	217.64	1,921.96
LIFE INSURANCE - ADMIN. & GENERAL	(187.14)	189.14	180.81	198.47	(145.83)	218.39	276.96	342.21	295.62	295.62	295.62	295.62	2,255.49
LIFE INSURANCE - SEWER OPER.	(146.40)	220.44	210.07	201.52	(125.03)	159.07	213.97	213.97	213.97	213.97	213.97	213.97	1,803.49
SHORT TERM DISAB. - PUMPING OPER.	0.00	0.00	0.00	0.00	(30.20)	(90.60)	(60.40)	86.60	(60.40)	(60.40)	(60.40)	(60.40)	(336.20)
SHORT TERM DISAB. - WTP OPER.	(45.81)	11.69	11.69	11.69	(30.61)	(11.38)	(3.64)	91.07	12.74	(3.64)	(3.64)	(3.64)	36.52
SHORT TERM DISAB. - T & D OPER.	(225.48)	(78.07)	(113.83)	(4.60)	460.84	(13.44)	34.32	313.92	142.52	156.20	142.08	151.09	965.55
SHORT TERM DISAB. - T & D MAINT.	(10.50)	190.71	93.25	173.11	(3.50)	0.00	(10.76)	(10.76)	(10.76)	(10.76)	(10.76)	(10.76)	378.51
SHORT TERM DISAB. - CUSTOMER ACCTS	(160.39)	59.76	29.53	54.85	(121.01)	(30.53)	8.51	57.31	28.03	28.03	28.03	28.03	10.15
SHORT TERM DISAB. - ADMIN. & GENERAL	(212.46)	19.16	(9.04)	47.36	(182.49)	(107.90)	(71.43)	69.57	(15.03)	(15.03)	(15.03)	(15.03)	(507.35)
SHORT TERM DISAB. - SEWER OPERATIONS	(161.40)	41.33	41.33	41.11	(112.87)	(29.55)	29.30	(117.70)	29.30	29.30	29.30	29.30	(151.25)
UNIFORM EXPENSE (PLANT)	0.00	0.00	0.00	0.00	0.00	0.00	98.64	11.55	0.00	0.00	0.00	0.00	110.19
UNIFORM EXPENSE (WATER)	2,373.75	1,959.06	2,049.90	3,119.44	849.39	2,083.23	1,439.56	2,312.29	2,816.88	1,702.24	2,397.71	2,280.32	25,383.77
UNIFORM EXPENSE (VWV)	760.84	375.67	515.93	318.99	366.87	303.23	278.35	249.49	227.41	187.34	468.76	252.02	4,304.90
Employee Expense	660.20	748.39	681.80	3,643.50	415.19	600.00	445.00	1,170.00	300.00	554.59	132.45	241.87	9,592.99
Insurance expense	24,290.00	23,769.00	19,826.14	8,248.40	8,248.40	11,053.59	9,018.87	13,357.65	9,018.87	12,818.92	9,018.87	9,018.87	157,687.58
Water Purchased - Williamson	43,535.88	36,340.88	43,903.72	40,761.05	27,662.83	39,203.72	46,086.40	31,402.25	39,516.84	39,524.16	35,193.46	40,966.57	464,097.76
WATER PURCHASED - PIKEVILLE	55,160.00	56,542.94	56,235.62	56,202.13	55,160.00	55,160.00	55,160.00	76,847.47	78,212.94	57,401.86	55,160.00	59,298.98	716,541.94
Sewage Fees	5,807.01	6,522.22	4,727.05	7,001.76	3,897.33	5,912.18	6,097.58	6,940.63	6,872.36	5,008.45	4,207.74	2,187.23	65,181.54
<i>No assurance is provided on these financial statements. Management has elected to omit disclosures required by accounting principles generally accepted in the United States of America.</i>													

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	06/30/22	Total
UTILITY EXPENSE	0.00	0.00	881.22	1,859.07	1,081.22	3,481.22	0.00	1,373.91	806.22	716.64	1,474.83	806.22	12,480.55
LABORATORY SUPPLIES	1,115.48	1,532.13	0.00	1,907.34	2,039.78	1,650.58	1,126.15	275.72	306.00	806.99	1,405.39	806.99	13,675.05
LABORATORY EXPENSE	1,021.56	1,195.11	0.00	493.29	1,932.31	435.00	0.00	0.00	0.00	0.00	264.06	0.00	5,341.33
Laboratory Testing Expenses	2,817.00	4,243.70	5,040.65	4,705.75	4,202.45	4,834.00	4,086.75	3,331.66	7,599.65	3,223.30	3,514.18	6,485.10	54,084.49
Laboratory Testing Expense	3,273.75	2,633.00	2,064.55	2,870.50	3,126.51	0.00	3,251.75	1,921.00	2,293.25	3,203.75	2,900.47	3,203.75	27,538.53
CHEMICALS	0.00	20,890.85	9,692.12	14,962.10	22,228.73	5,343.52	1,392.00	36,302.78	0.00	30,216.25	27,369.49	4,835.08	173,232.92
Chemicals-WW	6,627.46	11,125.76	11,644.16	3,388.80	0.00	828.00	2,469.60	2,659.60	9,530.12	5,770.40	773.88	3,534.60	58,352.38
SAFETY SUPPLIES	1,850.10	430.93	1,731.81	626.87	1,771.06	4,325.56	1,056.78	1,912.06	470.96	202.64	433.65	1,775.89	16,588.31
SAFETY SUPPLIES-WW	2,665.89	1,017.16	0.00	0.00	1,698.90	0.00	0.00	187.65	245.86	772.60	135.08	143.10	6,866.24
Electrical Expense	122,901.49	97,391.65	110,929.48	113,271.59	124,411.23	137,918.33	145,037.88	128,566.15	142,460.07	120,794.80	96,414.12	166,928.81	1,507,025.60
CONTRACT SERVICES -ENGINEERING	0.00	0.00	0.00	0.00	0.00	0.00	3,892.50	0.00	0.00	100.00	0.00	0.00	3,992.50
CONTRACT SERVICE - ACCOUNTING	0.00	13,155.00	23,157.00	2,731.00	4,398.00	5,660.00	3,575.00	3,616.00	2,825.00	2,520.00	9,464.00	10,747.00	81,848.00
CONTRACT SERVICE - LEGAL	0.00	0.00	0.00	7,558.68	0.00	0.00	2,103.75	0.00	0.00	0.00	0.00	0.00	9,662.43
ENGINEERING	0.00	0.00	0.00	5.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.83
CONTRACT SERVICE-GENERAL	800.00	820.00	1,000.00	1,742.50	2,621.44	850.00	650.00	650.00	1,000.00	650.00	800.00	1,179.00	12,762.94
CONTRACT SERVICES - MANPOWER	18,938.29	14,610.02	30,515.37	10,999.50	11,155.59	22,610.49	16,018.90	24,365.00	21,396.10	20,652.50	31,108.55	23,250.15	245,620.46
CONTRACT MGMT EXP ASSUMED	0.00	0.00	0.00	0.00	0.00	0.00	8,855.55	0.00	0.00	0.00	0.00	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	14,398.25	13,955.70	15,080.97	14,628.12	14,474.18	13,286.43	16,198.26	14,897.01	14,567.09	20,680.57	17,375.77	19,812.98	189,355.33
AUTO & TRANSPORTATION EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.60	0.00	0.00	0.00	0.00	20.60
ADVERTISING	466.20	464.30	0.00	207.90	151.20	88.20	88.20	0.00	88.20	0.00	219.30	182.70	1,956.20
Bad Debts Charged to Expense	0.00	0.00	0.00	0.00	0.00	60,360.88	0.00	0.00	0.00	0.00	0.00	0.00	60,360.88
OTHER LEGAL PSC EXPENSE	537.00	537.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,074.00
MOBILE PHONE EXPENSE	1,713.33	1,668.33	2,591.22	2,209.74	1,917.25	1,933.37	2,192.33	1,847.05	1,872.05	1,938.64	2,711.87	1,976.87	24,572.05
TELEPHONE/INTERNET	2,312.89	2,868.03	2,813.11	1,757.27	2,284.37	1,268.77	3,532.27	1,111.84	869.61	748.33	1,815.62	1,232.32	22,614.43
TELEPHONE/INTERNET	240.82	262.82	200.58	425.03	425.03	261.49	423.23	421.43	684.18	0.00	598.20	404.12	4,346.93
EDUCATION, DUES, MEETINGS, INSURANCE	3,945.40	4,799.10	6,385.55	1,078.42	6,552.18	3,087.39	3,839.89	5,479.50	3,012.56	2,106.16	4,055.43	1,053.10	45,394.68
Office Expense	16,530.33	14,481.93	18,942.49	15,035.58	13,118.74	17,873.41	23,749.61	22,295.60	22,506.89	18,628.78	18,369.96	23,327.57	224,860.69
Esasements	0.00	2,400.00	0.00	0.00	0.00	4,345.58	0.00	0.00	0.00	0.00	0.00	0.00	6,745.58
SETTLEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	26,581.33	0.00	2,500.00	1,345.50	856.50	367.50	856.50	32,507.33
SERVICE FEE EXPENSE	56.00	78.47	3,076.84	28.00	24.50	0.00	0.00	110.25	0.00	29.00	489.00	0.00	3,892.06
BANK SERVICE FEES EXP	134.90	162.50	148.50	116.86	153.77	8,832.56	121.80	593.63	182.67	2,603.85	134.26	207.08	13,392.38
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236.85	0.00	236.85
Worker's Compensation Insurance	0.00	0.00	0.00	11,931.00	5,965.00	0.00	11,930.00	5,965.00	5,965.00	5,965.00	3,769.00	5,965.00	57,455.00
Retirement Expense	52,163.76	80,362.23	53,778.99	53,795.69	51,233.58	(3,639.56)	46,806.01	46,093.18	47,835.28	47,954.90	50,519.58	49,908.25	576,811.89
Rate Study Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	664.12	0.00	664.12
MISCELLANEOUS SUPPLIES	44.30	26.58	96.94	35.44	17.72	4,158.87	35.44	35.44	53.16	35.44	75.05	46.90	4,661.28
Major Equipment R & M	7,362.91	4,362.14	2,604.35	4,539.22	10,769.54	9,876.12	1,960.11	1,691.21	6,787.64	7,565.18	524.92	4,082.56	62,125.90
Major Equipment R & M Sewer	0.00	374.29	0.00	31.48	0.00	486.16	379.46	196.95	0.00	1,222.93	0.00	95.29	2,786.56
Hand Tools R & M	460.91	1,417.39	1,711.42	1,587.91	1,488.14	3,562.88	4,007.15	2,291.29	2,401.46	1,089.14	405.76	920.38	21,343.83
Hand Tools R & M Sewer	346.49	0.00	697.76	591.12	266.69	76.90	87.51	17.99	185.71	456.20	53.26	50.96	2,830.59
PS/LS R & M	8,099.50	1,288.95	10,433.59	8,448.40	14,077.51	10,767.89	16,260.05	9,946.13	13,438.16	5,676.94	11,829.89	5,244.29	115,511.30
PS/LS R & M Sewer	12,071.05	17,996.45	13,804.98	10,508.10	3,715.25	3,647.84	3,757.94	3,757.94	3,757.94	1,365.34	2,291.81	7,218.85	117,507.66

PS/LS R & M Sewer is provided on these financial statements. Management has elected to omit disclosures required by accounting principles generally accepted in the United States of America.

**MOUNTAIN WATER DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Most Recent 12 Months**

	07/31/21	08/31/21	09/30/21	10/31/21	11/30/21	12/31/21	01/31/22	02/28/22	03/31/22	04/30/22	05/31/22	06/30/22	Total
Vehicle R & M	5,006.89	6,303.21	5,112.54	5,441.86	4,454.53	8,948.07	4,734.52	6,126.08	9,236.93	4,761.24	3,246.37	3,195.82	66,568.06
Vehicle R & M Sewer	437.94	0.00	5.75	24.29	99.30	0.00	175.00	296.67	394.79	232.75	42.99	24.43	1,733.91
General R & M	37,426.99	22,350.23	51,277.10	38,677.36	59,753.98	6,431.31	6,189.53	64,137.38	66,854.40	55,373.74	29,280.08	34,312.33	472,074.43
General R & M Sewer	2,518.54	847.83	4,738.65	7,775.99	414.20	4,704.54	541.52	1,189.78	2,556.29	1,029.47	1,067.88	(3,800.45)	23,584.24
General R & M -Telemetry	1,500.00	1,659.03	6,610.92	2,021.20	0.00	0.00	380.00	1,950.27	1,968.36	75.19	3,446.40	4,974.45	24,585.82
R & M Leak Det.	0.00	0.00	567.23	0.00	0.00	0.00	0.00	1,383.96	0.00	0.00	0.00	0.00	1,951.19
SUPPLIES & EXPENSES TREATMENT (WW)	0.00	1,125.00	1,125.00	1,237.50	1,125.00	1,125.00	1,125.00	1,125.00	1,492.75	1,125.00	2,250.00	0.00	12,855.25
INTEREST EXPENSE - TERM DEBT	29,672.67	29,527.00	29,556.33	30,307.41	26,600.90	(27,367.40)	30,740.92	29,345.56	29,918.36	29,621.74	30,578.31	29,978.77	298,480.57
INTEREST EXPENSE - TERM DEBT	4,035.00	4,035.00	35,998.75	4,035.00	4,035.00	(6,792.46)	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	4,035.00	69,556.29
<b>Total Operating Expenses</b>	<u>1,132,411.57</u>	<u>1,060,902.83</u>	<u>1,175,558.81</u>	<u>1,055,636.78</u>	<u>1,058,442.35</u>	<u>1,265,617.89</u>	<u>1,070,025.18</u>	<u>1,140,474.67</u>	<u>1,148,206.11</u>	<u>1,097,693.80</u>	<u>1,048,562.02</u>	<u>1,110,689.11</u>	<u>13,364,221.03</u>
<b>Operating Income (Loss)</b>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(244,066.53)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(201,220.99)</u>	<u>(120,050.48)</u>	<u>(195,194.04)</u>	<u>(2,529,432.03)</u>
<b>Other Income (Expenses)</b>													
<b>Total Other Income (Expenses)</b>	<u>0.00</u>												
<b>Net Income (Loss) Before Taxes</b>	<u>(187,482.39)</u>	<u>(154,030.68)</u>	<u>(276,292.60)</u>	<u>(180,648.48)</u>	<u>(212,322.43)</u>	<u>(244,066.53)</u>	<u>(196,987.71)</u>	<u>(265,871.73)</u>	<u>(295,263.97)</u>	<u>(201,220.99)</u>	<u>(120,050.48)</u>	<u>(195,194.04)</u>	<u>(2,529,432.03)</u>
<b>Net Income (Loss)</b>	<u>\$ (187,482.39)</u>	<u>\$ (154,030.68)</u>	<u>\$ (276,292.60)</u>	<u>\$ (180,648.48)</u>	<u>\$ (212,322.43)</u>	<u>\$ (244,066.53)</u>	<u>\$ (196,987.71)</u>	<u>\$ (265,871.73)</u>	<u>\$ (295,263.97)</u>	<u>\$ (201,220.99)</u>	<u>\$ (120,050.48)</u>	<u>\$ (195,194.04)</u>	<u>\$ (2,529,432.03)</u>

No assurance is provided on these financial statements. Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America.

## MOUNTAIN WATER DISTRICT Income Statement

	6 Months Ended June 30, 2022 Actual	6 Months Ended June 30, 2022 Budget	Over/(Under) Budget
<b>Sales</b>			
METERED SALES - RESIDENTIAL	\$ 3,378,140.02	\$ 3,388,731.00	\$ (10,590.98)
METERED SALES - COMMERCIAL	330,861.47	287,790.46	43,071.01
METERED SALES - INDUSTRIAL	28,598.66	29,371.50	(772.84)
METERED SALES - PUBLIC AUTH.	211,459.09	198,600.00	12,859.09
METERED SALES - MULTI FAMILY	149,603.23	150,473.48	(870.25)
FIRE PROTECTION REVENUE	750.00	699.98	50.02
CUSTOMER LATE PAYMENT CHARGES	90,036.16	92,934.00	(2,897.84)
OTHER WATER SERVICE REVENUE	16,999.37	31,438.50	(14,439.13)
SERVICE CONNECTION FEES	79,863.02	78,723.00	1,140.02
SERVICE CONNECTION FEES FOR WASTE WATER	(2,970.00)	111.46	(3,081.46)
SEWER REVENUE -RESIDENTIAL	836,306.18	814,506.46	21,799.72
SEWER REVENUE - COMMERCIAL	221,414.77	221,895.98	(481.21)
	<hr/>	<hr/>	<hr/>
<b>Total Sales</b>	5,341,061.97	5,295,275.82	45,786.15
	<hr/>	<hr/>	<hr/>
<b>Gross Profit</b>	5,341,061.97	5,295,275.82	45,786.15
<b>Operating Expenses</b>			
Undistributed	(714.59)	0.00	(714.59)
DEPRECIATION EXPENSE	1,523,434.31	1,487,998.04	35,436.27
DEPRECIATION EXPENSE - SEWER	492,889.08	509,428.04	(16,538.96)
PAYROLL TAXES - FICA & U.C.	86,048.34	97,583.54	(11,535.20)
WATER TREATMENT LABOR - OPERATIONS	74,934.37	74,470.50	463.87
T & D LABOR - OPERATIONS	434,141.06	483,364.04	(49,222.98)
T & D LABOR - MAINTENANCE	1,962.48	26,441.54	(24,479.06)
CUSTOMER ACCOUNTS LABOR	129,770.03	171,845.02	(42,074.99)
ADMIN. & GENERAL LABOR	61,093.65	74,480.02	(13,386.37)
SEWER LABOR	178,651.06	211,040.02	(32,388.96)
COMP COMMISSIONERS - AUTO DIST	14,300.00	15,000.00	(700.00)
COMPENSATION - ADMINISTRATOR	234,990.58	238,347.52	(3,356.94)
HEALTH INSURANCE - WTP OPERATIONS	16,275.48	15,890.02	385.46
HEALTH INSURANCE - T & D OPERATIONS	111,307.27	138,621.00	(27,313.73)
HEALTH INSURANCE - T & D MAINTENANCE	0.00	23.54	(23.54)
HEALTH INSURANCE - CUSTOMER ACCOUNTS	35,531.40	24,826.50	10,704.90
HEALTH INSURANCE - ADMIN. & GENERAL	21,605.70	19,504.04	2,101.66
HEALTH INSURANCE - SEWER	28,707.74	29,306.02	(598.28)
DENTAL INSURANCE - WTP OPERATIONS	359.03	424.50	(65.47)
DENTAL INSURANCE - T & D OPERATIONS	3,053.04	2,840.54	212.50
DENTAL INSURANCE - CUST. ACCOUNTS	576.06	1,375.50	(799.44)
DENTAL INSURANCE - ADMIN. & GENERAL	524.78	2,871.52	(2,346.74)
DENTAL INSURANCE - SEWER	813.65	1,131.00	(317.35)
VISION INSURANCE - PUMPING OPER.	(35.40)	6.00	(41.40)
VISION INSURANCE - WTP OPER.	11.04	248.54	(237.50)
VISION INSURANCE - T & D OPER.	499.50	0.00	499.50
VISION INSURANCE - CUST. ACCOUNTS	(94.32)	2,228.54	(2,322.86)
VISION INSURANCE - ADMIN. & GENERAL	(75.12)	0.00	(75.12)
VISION INSURANCE - SEWER	(68.88)	0.00	(68.88)
LIFE INSURANCE - PUMPING OPER.	(1,327.44)	0.00	(1,327.44)
LIFE INSURANCE - WTP OPER.	410.53	419.02	(8.49)
LIFE INSURANCE - T & D OPER.	3,472.66	2,874.00	598.66
LIFE INSURANCE - CUSTOMER ACCTS	1,254.19	1,291.04	(36.85)
LIFE INSURANCE - ADMIN. & GENERAL	1,801.65	891.52	910.13
LIFE INSURANCE - SEWER	1,283.82	1,107.00	176.82
SHORT TERM DISAB. - PUMPING OPER.	(215.40)	28.04	(243.44)
SHORT TERM DISAB. - WTP OPER.	89.25	52.04	37.21
SHORT TERM DISAB. - T & D OPER.	940.13	0.00	940.13

**MOUNTAIN WATER DISTRICT**  
**Income Statement**

	6 Months Ended June 30, 2022 Actual	6 Months Ended June 30, 2022 Budget	Over/(Under) Budget
SHORT TERM DISAB. - T & D MAINT.	(64.56)	292.04	(356.60)
SHORT TERM DISAB. - CUSTOMER ACCTS	177.94	64.50	113.44
SHORT TERM DISAB. - ADMIN. & GENERAL	(61.98)	0.00	(61.98)
SHORT TERM DISAB. - SEWER	28.80	112.50	(83.70)
UNIFORM EXPENSE (PLANT)	110.19	0.00	110.19
UNIFORM EXPENSE (WATER)	12,949.00	11,565.52	1,383.48
UNIFORM EXPENSE (WW)	1,663.37	2,329.04	(665.67)
Employee Expense	2,843.91	7,317.00	(4,473.09)
Insurance expense	62,252.05	44,819.54	17,432.51
Water Purchased -Williamson	232,689.68	229,826.02	2,863.66
WATER PURCHASED -PIKEVILLE	382,081.25	340,117.04	41,964.21
Sewage Fees	31,313.99	42,000.00	(10,686.01)
UTILITY EXPENSE	5,177.82	4,849.04	328.78
LABORATORY SUPPLIES	5,429.74	5,776.50	(346.76)
LABORATORY EXPENSE	264.06	3,600.52	(3,336.46)
Laboratory Testing Expenses	28,240.94	23,738.54	4,502.40
Laboratory Testing Expense	13,570.22	24,196.50	(10,626.28)
CHEMICALS	100,115.60	76,764.52	23,351.08
Chemicals-WW	24,738.20	34,020.00	(9,281.80)
SAFETY SUPPLIES	5,851.98	7,395.00	(1,543.02)
SAFETY SUPPLIES-WW	1,484.29	3,737.02	(2,252.73)
Electrical Expense	800,201.83	690,456.00	109,745.83
CONTRACT SERVICES -ENGINEERING	3,992.50	0.00	3,992.50
CONTRACT SERVICE - ACCOUNTING	32,747.00	40,274.54	(7,527.54)
CONTRACT SERVICE - LEGAL	2,103.75	15,167.02	(13,063.27)
CONTRACT SERVICE-GENERAL	4,929.00	12,213.00	(7,284.00)
CONTRACT SERVICES - MANPOWER	136,791.20	0.00	136,791.20
CONTRACT MGMNT EXP ASSUMED	8,855.55	0.00	8,855.55
AUTO & TRANSPORTATION EXPENSE	103,531.68	90,000.00	13,531.68
AUTO & TRANSPORTATION EXPENSE	20.60	0.00	20.60
ADVERTISING	578.40	1,851.52	(1,273.12)
MOBILE PHONE EXPENSE	12,538.81	11,757.52	781.29
TELEPHONE/INTERNET	9,309.99	10,472.54	(1,162.55)
TELEPHONE/INTERNET	2,531.16	1,672.50	858.66
EDUCATION, DUES, MEETINGS, INSURANCE	19,546.64	24,000.00	(4,453.36)
Office Expense	128,878.41	115,684.50	13,193.91
Easements	0.00	1,200.00	(1,200.00)
SETTLEMENT EXPENSES	5,926.00	0.00	5,926.00
SERVICE FEE EXPENSE	628.25	10,028.54	(9,400.29)
BANK SERVICE FEES EXP	3,843.29	2,371.50	1,471.79
Telephone Expense	236.85	0.00	236.85
Worker's Compensation Insurance	39,559.00	34,579.04	4,979.96
PSC TAX ASSESSMENT	0.00	10,362.52	(10,362.52)
Retirement Expense	289,117.20	330,286.50	(41,169.30)
Rate Study Expense	664.12	0.00	664.12
MISCELLANEOUS SUPPLIES	281.43	216.52	64.91
Major Equipment R & M	22,611.62	22,034.02	577.60
Major Equipment R & M Sewer	1,894.63	1,414.50	480.13
Hand Tools R & M	11,115.18	6,806.54	4,308.64
Hand Tools R & M Sewer	851.63	1,828.50	(976.87)
PS/LS R & M	62,395.46	65,812.50	(3,417.04)
PS/LS R & M Sewer	24,022.91	60,646.04	(36,623.13)
Vehicle R & M	31,300.96	32,522.54	(1,221.58)
Vehicle R & M Sewer	1,166.63	451.50	715.13
General R & M	256,147.46	371,969.02	(115,821.56)
General R & M Sewer	2,584.49	20,722.04	(18,137.55)
General R & M -Telemetry	12,794.67	8,755.04	4,039.63
R & M Leak Det.	1,383.96	300.52	1,083.44

**MOUNTAIN WATER DISTRICT  
Income Statement**

	<b>6 Months Ended June 30, 2022 Actual</b>	<b>6 Months Ended June 30, 2022 Budget</b>	<b>Over/(Under) Budget</b>
SUPPLIES & EXPENSES TREATMENT (WW)	<u>7,117.75</u>	<u>6,737.54</u>	<u>380.21</u>
<b>Total Operating Expenses</b>	<u>6,411,257.23</u>	<u>6,501,073.10</u>	<u>(89,815.87)</u>
<b>Operating Income (Loss)</b>	<u>(1,070,195.26)</u>	<u>(1,205,797.28)</u>	<u>135,602.02</u>
<b>Other Income (Expenses)</b>			
INTEREST INCOME	1,712.33	1,968.98	(256.65)
INTEREST EXPENSE - TERM DEBT	(180,183.66)	(105,189.00)	(74,994.66)
INTEREST EXPENSE - TERM DEBT	<u>(24,210.00)</u>	<u>(44,628.00)</u>	<u>20,418.00</u>
<b>Total Other Income (Expenses)</b>	<u>(202,681.33)</u>	<u>(147,848.02)</u>	<u>(54,833.31)</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(1,272,876.59)</u>	<u>(1,353,645.30)</u>	<u>80,768.71</u>
<b>Net Income (Loss)</b>	<u>\$ (1,272,876.59)</u>	<u>\$ (1,353,645.30)</u>	<u>\$ 80,768.71</u>

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	1 Month Ended June 30, 2022 Actual	1 Month Ended June 30, 2022 Budget	6 Months Ended June 30, 2022 Actual	6 Months Ended June 30, 2022 Budget
<b>Sales</b>				
METERED SALES - RESIDENTIAL	\$ 586,553.42	\$ 564,788.50	\$ 3,378,140.02	\$ 3,388,731.00
METERED SALES - COMMERCIAL	52,753.52	47,965.09	330,861.47	287,790.46
METERED SALES - INDUSTRIAL	6,230.46	4,895.25	28,598.66	29,371.50
METERED SALES - PUBLIC AUTH.	33,914.64	33,100.00	211,459.09	198,600.00
METERED SALES - MULTI FAMILY	23,512.79	25,078.92	149,603.23	150,473.48
FIRE PROTECTION REVENUE	125.00	116.67	750.00	699.98
CUSTOMER LATE PAYMENT CHARGES	18,696.22	15,489.00	90,036.16	92,934.00
OTHER WATER SERVICE REVENUE	684.94	5,239.75	16,999.37	31,438.50
SERVICE CONNECTION FEES	12,195.07	13,120.50	79,863.02	78,723.00
SERVICE CONNECTION FEES FOR WASTE WATER	(570.00)	18.59	(2,970.00)	111.46
SEWER REVENUE -RESIDENTIAL	142,444.37	135,751.09	836,306.18	814,506.46
SEWER REVENUE - COMMERCIAL	38,954.64	36,982.67	221,414.77	221,895.98
<b>Total Sales</b>	<u>915,495.07</u>	<u>882,546.03</u>	<u>5,341,061.97</u>	<u>5,295,275.82</u>
<b>Gross Profit</b>	<u>915,495.07</u>	<u>882,546.03</u>	<u>5,341,061.97</u>	<u>5,295,275.82</u>
<b>Operating Expenses</b>				
Undistributed	(448.94)	0.00	(714.59)	0.00
DEPRECIATION EXPENSE	253,848.42	247,999.66	1,523,434.31	1,487,998.04
DEPRECIATION EXPENSE - SEWER	82,148.18	84,904.66	492,889.08	509,428.04
PAYROLL TAXES - FICA & U.C.	14,263.24	16,263.91	86,048.34	97,583.54
WATER TREATMENT LABOR - OPERATIONS	14,847.67	12,411.75	74,934.37	74,470.50
T & D LABOR - OPERATIONS	73,910.22	80,560.66	434,141.06	483,364.04
T & D LABOR - MAINTENANCE	0.00	4,406.91	1,962.48	26,441.54
CUSTOMER ACCOUNTS LABOR	21,897.05	28,640.83	129,770.03	171,845.02
ADMIN. & GENERAL LABOR	10,100.51	12,413.33	61,093.65	74,480.02
SEWER LABOR	30,141.61	35,173.33	178,651.06	211,040.02
COMP COMMISSIONERS - AUTO DIST	2,300.00	2,500.00	14,300.00	15,000.00
COMPENSATION - ADMINISTRATOR	39,366.76	39,724.58	234,990.58	238,347.52
HEALTH INSURANCE - WTP OPERATIONS	2,712.58	2,648.33	16,275.48	15,890.02
HEALTH INSURANCE - T & D OPERATIONS	18,010.76	23,103.50	111,307.27	138,621.00
HEALTH INSURANCE - T & D MAINTENANCE	0.00	3.91	0.00	23.54
HEALTH INSURANCE - CUSTOMER ACCOUNTS	5,921.90	4,137.75	35,531.40	24,826.50
HEALTH INSURANCE - ADMIN. & GENERAL	3,600.95	3,250.66	21,605.70	19,504.04
HEALTH INSURANCE - SEWER	4,828.80	4,884.33	28,707.74	29,306.02
DENTAL INSURANCE - WTP OPERATIONS	88.69	70.75	359.03	424.50
DENTAL INSURANCE - T & D OPERATIONS	621.27	473.41	3,053.04	2,840.54
DENTAL INSURANCE - CUST. ACCOUNTS	140.74	229.25	576.06	1,375.50
DENTAL INSURANCE - ADMIN. & GENERAL	136.80	478.58	524.78	2,871.52
DENTAL INSURANCE - SEWER	182.15	188.50	813.65	1,131.00
VISION INSURANCE - PUMPING OPER.	(5.90)	1.00	(35.40)	6.00
VISION INSURANCE - WTP OPER.	1.84	41.41	11.04	248.54
VISION INSURANCE - T & D OPER.	87.53	0.00	499.50	0.00
VISION INSURANCE - CUST. ACCOUNTS	(15.72)	371.41	(94.32)	2,228.54
VISION INSURANCE - ADMIN. & GENERAL	(12.52)	0.00	(75.12)	0.00
VISION INSURANCE - SEWER	(11.48)	0.00	(68.88)	0.00
LIFE INSURANCE - PUMPING OPER.	(221.24)	0.00	(1,327.44)	0.00
LIFE INSURANCE - WTP OPER.	67.61	69.83	410.53	419.02
LIFE INSURANCE - T & D OPER.	587.44	479.00	3,472.66	2,874.00
LIFE INSURANCE - CUSTOMER ACCTS	217.64	215.16	1,254.19	1,291.04
LIFE INSURANCE - ADMIN. & GENERAL	295.62	148.58	1,801.65	891.52
LIFE INSURANCE - SEWER	213.97	184.50	1,283.82	1,107.00
SHORT TERM DISAB. - PUMPING OPER.	(60.40)	4.66	(215.40)	28.04

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended June 30, 2022 Actual</b>	<b>1 Month Ended June 30, 2022 Budget</b>	<b>6 Months Ended June 30, 2022 Actual</b>	<b>6 Months Ended June 30, 2022 Budget</b>
SHORT TERM DISAB. - WTP OPER.	(3.64)	8.66	89.25	52.04
SHORT TERM DISAB. - T & D OPER.	151.09	0.00	940.13	0.00
SHORT TERM DISAB. - T & D MAINT.	(10.76)	48.66	(64.56)	292.04
SHORT TERM DISAB. - CUSTOMER ACCTS	28.03	10.75	177.94	64.50
SHORT TERM DISAB. - ADMIN. & GENERAL	(15.03)	0.00	(61.98)	0.00
SHORT TERM DISAB. - SEWER	29.30	18.75	28.80	112.50
UNIFORM EXPENSE (PLANT)	0.00	0.00	110.19	0.00
UNIFORM EXPENSE (WATER)	2,280.32	1,927.58	12,949.00	11,565.52
UNIFORM EXPENSE (WW)	252.02	388.16	1,663.37	2,329.04
Employee Expense	241.87	1,219.50	2,843.91	7,317.00
Insurance expense	9,018.87	7,469.91	62,252.05	44,819.54
Water Purchased -Williamson	40,966.57	38,304.33	232,689.68	229,826.02
WATER PURCHASED -PIKEVILLE	59,298.98	56,686.16	382,081.25	340,117.04
Sewage Fees	2,187.23	7,000.00	31,313.99	42,000.00
UTILITY EXPENSE	806.22	808.16	5,177.82	4,849.04
LABORATORY SUPPLIES	1,509.49	962.75	5,429.74	5,776.50
LABORATORY EXPENSE	0.00	600.08	264.06	3,600.52
Laboratory Testing Expenses	6,485.10	3,956.41	28,240.94	23,738.54
Laboratory Testing Expense	0.00	4,032.75	13,570.22	24,196.50
CHEMICALS	4,835.08	12,794.08	100,115.60	76,764.52
Chemicals-WW	3,534.60	5,670.00	24,738.20	34,020.00
SAFETY SUPPLIES	1,775.89	1,232.50	5,851.98	7,395.00
SAFETY SUPPLIES-WW	143.10	622.83	1,484.29	3,737.02
Electrical Expense	166,928.81	115,076.00	800,201.83	690,456.00
CONTRACT SERVICES -ENGINEERING	0.00	0.00	3,992.50	0.00
CONTRACT SERVICE - ACCOUNTING	10,747.00	6,712.41	32,747.00	40,274.54
CONTRACT SERVICE - LEGAL	0.00	2,527.83	2,103.75	15,167.02
CONTRACT SERVICE-GENERAL	1,179.00	2,035.50	4,929.00	12,213.00
CONTRACT SERVICES - MANPOWER	23,250.15	0.00	136,791.20	0.00
CONTRACT MGMNT EXP ASSUMED	0.00	0.00	8,855.55	0.00
AUTO & TRANSPORTATION EXPENSE	19,812.98	15,000.00	103,531.68	90,000.00
AUTO & TRANSPORTATION EXPENSE	0.00	0.00	20.60	0.00
ADVERTISING	182.70	308.58	578.40	1,851.52
MOBILE PHONE EXPENSE	1,976.87	1,959.58	12,538.81	11,757.52
TELEPHONE/INTERNET	1,232.32	1,745.41	9,309.99	10,472.54
TELEPHONE/INTERNET	404.12	278.75	2,531.16	1,672.50
EDUCATION, DUES, MEETINGS, INSURANCE	1,053.10	4,000.00	19,546.64	24,000.00
Office Expense	23,327.57	19,280.75	128,878.41	115,684.50
Easements	0.00	200.00	0.00	1,200.00
SETTLEMENT EXPENSES	856.50	0.00	5,926.00	0.00
SERVICE FEE EXPENSE	0.00	1,671.41	628.25	10,028.54
BANK SERVICE FEES EXP	207.08	395.25	3,843.29	2,371.50
Telephone Expense	0.00	0.00	236.85	0.00
Worker's Compensation Insurance	5,965.00	5,763.16	39,559.00	34,579.04
PSC TAX ASSESSMENT	0.00	1,727.08	0.00	10,362.52
Retirement Expense	49,908.25	55,047.75	289,117.20	330,286.50
Rate Study Expense	0.00	0.00	664.12	0.00
MISCELLANEOUS SUPPLIES	46.90	36.08	281.43	216.52
Major Equipment R & M	4,082.56	3,672.33	22,611.62	22,034.02
Major Equipment R & M Sewer	95.29	235.75	1,894.63	1,414.50
Hand Tools R & M	920.38	1,134.41	11,115.18	6,806.54
Hand Tools R & M Sewer	50.96	304.75	851.63	1,828.50
PS/LS R & M	5,244.29	10,968.75	62,395.46	65,812.50
PS/LS R & M Sewer	7,218.85	10,107.66	24,022.91	60,646.04
Vehicle R & M	3,195.82	5,420.41	31,300.96	32,522.54
Vehicle R & M Sewer	24.43	75.25	1,166.63	451.50

**MOUNTAIN WATER DISTRICT**  
**Income Statement**  
**Actual vs. Budget**

	<b>1 Month Ended June 30, 2022 Actual</b>	<b>1 Month Ended June 30, 2022 Budget</b>	<b>6 Months Ended June 30, 2022 Actual</b>	<b>6 Months Ended June 30, 2022 Budget</b>
General R & M	34,312.33	61,994.83	256,147.46	371,969.02
General R & M Sewer	(3,800.45)	3,453.66	2,584.49	20,722.04
General R & M -Telemetry	4,974.45	1,459.16	12,794.67	8,755.04
R & M Leak Det.	0.00	50.08	1,383.96	300.52
SUPPLIES & EXPENSES TREATMENT (WW)	0.00	1,122.91	7,117.75	6,737.54
INTEREST EXPENSE - TERM DEBT	29,978.77	17,531.50	180,183.66	105,189.00
INTEREST EXPENSE - TERM DEBT	4,035.00	7,438.00	24,210.00	44,628.00
<b>Total Operating Expenses</b>	<u>1,110,689.11</u>	<u>1,108,481.15</u>	<u>6,615,650.89</u>	<u>6,650,890.10</u>
<b>Operating Income (Loss)</b>	<u>(195,194.04)</u>	<u>(225,935.12)</u>	<u>(1,274,588.92)</u>	<u>(1,355,614.28)</u>
<b>Other Income (Expenses)</b>				
INTEREST INCOME	<u>497.56</u>	<u>328.17</u>	<u>1,712.33</u>	<u>1,968.98</u>
<b>Total Other Income (Expenses)</b>	<u>497.56</u>	<u>328.17</u>	<u>1,712.33</u>	<u>1,968.98</u>
<b>Net Income (Loss) Before Taxes</b>	<u>(194,696.48)</u>	<u>(225,606.95)</u>	<u>(1,272,876.59)</u>	<u>(1,353,645.30)</u>
<b>Net Income (Loss)</b>	<u>\$ (194,696.48)</u>	<u>\$ (225,606.95)</u>	<u>\$ (1,272,876.59)</u>	<u>\$ (1,353,645.30)</u>

**MOUNTAIN WATER DISTRICT  
MONTHLY OPERATING REPORT  
JUNE, 2022**

- 363** Field maintenance work orders issued during the month of JUNE.  
**320** Field maintenance work orders completed during the month of JUNE.

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	48	40	80	38	<b>206</b>
FEBRUARY	53	67	48	40	<b>208</b>
MARCH	80	76	82	78	<b>316</b>
APRIL	84	55	88	67	<b>294</b>
MAY	65	60	93	102	<b>320</b>
JUNE	80	71	84	97	<b>332</b>
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>410</b>	<b>369</b>	<b>475</b>	<b>422</b>	<b>1676</b>

- 10** New PAID service tap work orders issued during the month of JUNE.  
**16** New PAID service tap work orders completed during the month of JUNE.

**NEW SERVICE CONNECTIONS BY AREA**

	<i>Grapevine</i>	<i>Marrowbone</i>	<i>Pond Creek</i>	<i>Shelby</i>	<i>TOTALS</i>
JANUARY	0	1	1	0	<b>2</b>
FEBRUARY	1	3	0	4	<b>8</b>
MARCH	3	1	1	4	<b>9</b>
APRIL	8	1	1	3	<b>13</b>
MAY	1	4	1	5	<b>11</b>
JUNE	4	2	5	5	<b>16</b>
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
<b>YTD TOTALS</b>	<b>17</b>	<b>12</b>	<b>9</b>	<b>21</b>	<b>59</b>

**WATER**

- 92** Water Customer Work Orders completed during the month of JUNE.  
**2,974** Delinquent Notices Mailed during the month of JUNE.  
**335** Delinquent Work Orders Written Up during the month of JUNE.  
**198** Delinquent Accounts Disconnected during the month of JUNE.

## **SEWER**

- 81 Sewer Customer Work Orders completed during the month of JUNE.  
3 Delinquent Work Orders Written Up during the month of JUNE.  
0 Delinquent Work Orders Disconnected during the month of JUNE.
- 4 Water Delinquent Work Orders Written Up – City of Pikeville Agreement  
4 Water Delinquent Accounts Disconnected – City of Pikeville Agreement  
0 Water Delinquent Accounts Reconnected – City of Pikeville Agreement
- 15 Water Delinquent Work Orders Written Up – City of Williamson Agreement  
15 Water Delinquent Accounts Disconnected – City of Williamson Agreement\*  
11 Water Delinquent Accounts Reconnected – City of Williamson Agreement\*  
\* Total count of disc/recon by Williamson is unknown until invoice received the 1<sup>st</sup> of the following month.

- 29 Vehicle & equipment maintenance work orders issued during the month of JUNE.  
27 Vehicle & equipment maintenance work orders completed during the month of JUNE.

## **TOTAL MOUNTAIN WATER DISTRICT CUSTOMERS:**

### **WATER CUSTOMERS**

JANUARY	17,373 (16,553 Taps + 820 Multi-Users)
FEBRUARY	17,361 (16,543 Taps + 818 Multi-Users)
MARCH	17,338 (16,520 Taps + 818 Multi-Users)
APRIL	17,339 (16,530 Taps + 809 Multi-Users)
MAY	17,368 (16,561 Taps + 807 Multi-Users)
JUNE	17,373 (16,564 Taps + 809 Multi-Users)
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

### **SEWER CUSTOMERS**

JANUARY	2,304
FEBRUARY	2,307
MARCH	2,315
APRIL	2,317
MAY	2,320
JUNE	2,320
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

**JUNE 2021**

**WATER & SEWER TRENDS**

	<b># CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>\$ BILLED</b>	<b>\$ TREND/CHANGE %</b>
<b>WATER</b>	17,373	67,813,360	\$718,295.55	-.10%
<b>SEWER</b>	2,320	9,102,765	\$184,628.07	-4.16%
<b>TOTAL BILLED</b>			<b>\$902,923.62</b>	<b>-.96%</b>

3 Sewer tap was completed during the month of JUNE.

6 Hydrant work orders were completed during the month of JUNE.

**WATERLOSS SUMMARY:**

**TOTAL ACCOUNTED WATER LOSS** for JUNE was **22,659,000** gallons.

**WATERLOSS** due to leaks and breaks was **5,455,000** gallons.

**WATERLOSS** due to flushing, fire department usage, etc. was **11,117,000** gallons.

**WATERLOSS** due to Water Treatment Plant Use was **4,905,000** gallons.

**WATERLOSS** due to storage tank overflow was **0** gallons.

**WATERLOSS** due to customer usage/other was **1,182,000** gallons.

**TOTAL UNACCOUNTED FOR WATER LOSS** for JUNE was **24,300,000** gallons for an unaccounted-for loss of **21.17%**.

**Water loss percentage utilizing the PSC form was 25.9%.**

**WATER DEPARTMENT:**

**BOOSTER PUMP STATION MAINTENANCE:**

14 Work Orders completed for Booster Pump Stations during the month of JUNE.

**WATER STORAGE TANK MAINTENANCE:**

6 Work Orders completed for Water Storage Tanks during the month of JUNE.

**MASTER METER MAINTENANCE:**

0 Work Orders completed for Master Meters during the month of JUNE.

**PRESSURE REGULATOR STATIONS MAINTENANCE:**

4 Work Orders completed for Pressure Regulator Stations during the month of JUNE.

**TELEMETRY MAINTENANCE:**

6 Work Orders completed for Telemetry during the month of JUNE.

**RUSSELL FORK WATERPLANT MAINTENANCE:**

**6** Work Orders completed for the Russell Fork Water Plant during the month of JUNE.

**WATER QUALITY:**

**52** Total Bacteriological samples were taken during the month of JUNE.

- 15- Special Bacteriological Samples
- **2**- Fluoride Samples

**SEWER DEPARTMENT:**

**WASTEWATER PLANT MAINTENANCE:**

**4** Work Orders completed for Wastewater Plants excluding regular maintenance during the month of JUNE.

**LIFT STATION MAINTENANCE:**

**4** Work Orders completed for Lift Stations excluding regular maintenance during the month of JUNE.

**COLLECTION SYSTEM MAINTENANCE:**

**98** Work Orders completed for Collection Systems during the month of JUNE.

# **EXHIBIT 17**

Mountain Water District  
 Functionalization and Allocation of Rate Base - with Pro Forma Changes to Test Year (FY 22)

account description	original capital cost	commodity (COMM)	capacity (CAP)	weighted customer		meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
				actual customer (AC)	customer accounting (WCA)					
intangible										
OS studies	333,145	95,510	98,080	76,181	0	48,529	14,845	0	0	factor "SS, WTP & TD"
total intangible plant	333,145	95,510	98,080	76,181	0	48,529	14,845	0	0	balance
source of supply (SS)										
LD land & land rights	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	64,100	41,665	22,435	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	20,450	13,293	7,158	0	0	0	0	0	0	65 COMM/35 CAP
total source of supply	84,550	54,958	29,593	0	0	0	0	0	0	balance
water treatment plant (WTP)										
LD land & land rights	348,368	226,439	121,929	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	9,571,788	6,221,662	3,350,126	0	0	0	0	0	0	65 COMM/35 CAP
FN furniture	173	112	61	0	0	0	0	0	0	65 COMM/35 CAP
PM pumping	213,264	138,622	74,642	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	481,613	313,048	168,565	0	0	0	0	0	0	65 COMM/35 CAP
HE heavy equipment	13,098	8,514	4,584	0	0	0	0	0	0	65 COMM/35 CAP
total water treatment plant	10,628,304	6,908,398	3,719,906	0	0	0	0	0	0	balance
transmission & distribution (TD)										
LD land & land rights	126,506	45,689	40,100	34,944	0	0	5,157	0	617	as trans & dist lines
TM transmission mains	26,585,951	26,231,951	0	0	0	0	0	0	354,000	100% COMM
DL distribution lines	46,046,454	0	23,023,227	20,062,609	0	0	2,960,618	0	0	dist main analysis
TK storage tanks	8,366,458	0	4,183,229	3,645,297	0	0	537,932	0	0	dist main analysis
PM pumping	5,186,590	0	2,593,295	2,259,816	0	0	333,479	0	0	dist main analysis
EQ equipment	1,303,087	0	651,544	567,760	0	0	83,784	0	0	dist main analysis
ST structures	237,330	85,714	75,230	65,556	0	0	9,674	0	1,157	as trans & dist lines
SV services	7,400,074	0	0	0	0	7,400,074	0	0	0	100 WCMS

Mountain Water District  
Functionalization and Allocation of Rate Base - with Pro Forma Changes to Test Year (FY 22)

account description	original capital cost	commodity (COMM)	capacity (CAP)	weighted customer		meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
				actual customer (AC)	customer accounting (WCA)					
MT meters	9,673,197	0	0	0	0	9,673,197	0	0	0	100 WCMS
HY hydrants	1,267,523	0	0	0	0	0	1,267,523	0	0	100 PFP
HE heavy equipment	599,101	216,372	189,905	165,484	0	0	24,420	0	2,920	as trans & dist lines
IT computer hardware/software	6,961	6,961	0	0	0	0	0	0	0	100% COMM
ZM zone meters	51,970	51,970	0	0	0	0	0	0	0	100% COMM
total transmission & distribution	106,851,202	26,638,657	30,756,529	26,801,466	0	17,073,271	5,222,586	0	358,693	balance
		25%	29%	25%	0%	16%	5%	0%		factor "T & D"
total SS, WTP & TD	117,564,056	33,602,012	34,506,028	26,801,466	0	17,073,271	5,222,586	0	358,693	balance
% total SS, WTP & TD		28.7%	29.4%	22.9%	0.0%	14.6%	4.5%	0.0%		factor "SS, WTP & TD"
general plant (AD)										
ST structures	407,904	116,943	120,090	93,276	0	59,419	18,176	0	0	as factor SS, WTP & TD
FN office equipment	15,881	4,553	4,675	3,632	0	2,313	708	0	0	as factor SS, WTP & TD
VE vehicles	1,627,761	466,668	479,224	372,222	0	237,115	72,532	0	0	as factor SS, WTP & TD
EQ tools & shop equipment	40,327	11,561	11,873	9,222	0	5,874	1,797	0	0	as factor SS, WTP & TD
LD land	103,766	29,749	30,549	23,728	0	15,116	4,624	0	0	as factor SS, WTP & TD
IT computer hardware/software	110,752	31,752	32,606	25,326	0	16,133	4,935	0	0	as factor SS, WTP & TD
BL billing		0	0	0	0	0	0	0	0	as factor SS, WTP & TD
total general plant	2,306,391	661,227	679,017	527,405	0	335,971	102,771	0	0	balance
gross plant in service	120,203,592	34,358,750	35,283,125	27,405,051	0	17,457,771	5,340,202	0	358,693	balance
% of total plant in service		28.7%	29.4%	22.9%	0.0%	14.6%	4.5%	0.0%		factor "plant in service"
less accumulated depreciation										
from sheet	(51,479,364)	(16,267,139)	(13,590,056)	(10,609,709)	0	(8,722,411)	(2,193,574)	0	(96,475)	see acc dep sheet
net plant in service	68,724,228	18,091,611	21,693,068	16,795,343	0	8,735,360	3,146,628	0	262,218	
less contributions in aid										

Mountain Water District  
 Functionalization and Allocation of Rate Base - with Pro Forma Changes to Test Year (FY 22)

account description	original capital cost	commodity (COMM)	capacity (CAP)	weighted customer							basis of classification	
				actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	as gross plant in service		
distribution mains	0	0	0	0	0	0	0	0	0	0	0	distr main analysis
meters and services	0	0	0	0	0	0	0	0	0	0	0	as meters & services
total contributions in aid	0	0	0	0	0	0	0	0	0	0	0	balance
grants in aid												
taps, meters, and services	(753,731)	0	0	0	0	0	(753,731)	0	0	0	0	direct customer cost
hydrants	(28,350)	0	0	0	0	0	0	0	0	0	0	fire protection
trans & distribution lines	(2,930,164)	0	(1,465,082)	(1,276,683)	0	0	(188,399)	0	0	0	0	distr main analysis
pumps and tanks	(368,590)	0	(184,295)	(160,596)	0	0	(23,699)	0	0	0	0	distr main analysis
total grants in aid	(4,080,834)	0	(1,649,377)	(1,437,279)	0	0	(753,731)	(240,447)	0	0	0	balance
plus												
materials & supplies	102,602	29,415	30,207	23,462	0	14,946	4,572	0	0	0	0	as gross plant in service
prepayments	0	0	0	0	0	0	0	0	0	0	0	100% WCA
1/8 O&M (working capital)	913,111	410,162	268,250	143,192	60,951	21,344	9,212	0	0	0	0	as O&M expense
total working capital	1,015,713	439,578	298,457	166,654	60,951	36,290	13,784	0	0	0	0	balance
total rate base	65,659,108	18,531,188	20,342,149	15,524,718	60,951	8,017,919	2,919,964	0	0	0	262,218	balance
% total rate base		28.22%	30.98%	23.64%	0.09%	12.21%	4.45%	0.00%	0.40%			factor RATE BASE

date acquired	asset description	initial cost	G/L asset account number	asset life	current depreciation	accumulated years	accumulated depreciation	assets depreciated-out since test period ended
8/1/1982	METERS	\$ 178,599.71	1034-	40 \$	4,464.99	41 \$	178,599.71	MT TD
7/28/2017	2017 VEHICLE # 153	\$ 22,814.00	1041-	5 \$	4,562.80	6 \$	22,814.00	VE AD
2/1/2000	OFFICE CHAIR	\$ 193.95	1040-	22.5 \$	8.62	23 \$	193.95	FN AD
3/1/2000	FILING CABINETS	\$ 466.72	1040-	22.5 \$	20.74	23 \$	466.72	FN AD
9/15/2017	2017 F250 VEH. # 154	\$ 33,789.20	1041-	5 \$	6,757.84	5 \$	33,789.20	VE AD
4/30/2005	STHL WEEDEATERS (2)	\$ 439.04	1043-	17.5 \$	25.09	18 \$	439.04	EQ TD
6/1/2000	OFFICE CHAIR	\$ 139.88	1040-	22.5 \$	6.22	23 \$	139.88	FN AD
6/1/2000	OFFICE CHAIR	\$ 139.88	1040-	22.5 \$	6.22	23 \$	139.88	FN AD
6/1/2000	COMPUTER DESK	\$ 368.74	1040-	22.5 \$	16.39	23 \$	368.74	FN AD
5/31/2005	WACKER BTS935 SAW	\$ 795.00	1043-	17.5 \$	45.43	18 \$	795.00	EQ TD
5/31/2005	WACKER BTS935 SAW	\$ 795.00	1043-	17.5 \$	45.43	18 \$	795.00	EQ TD
5/31/2005	TROYBILT 5500W GENERATOR	\$ 699.00	1043-	17.5 \$	39.94	18 \$	699.00	EQ TD
6/30/2005	VERMEER HAMMERHEAD MOLE	\$ 3,700.00	1043-	17.5 \$	211.43	18 \$	3,700.00	EQ TD
3/29/2018	VEH # 155 (2018 F150)	\$ 22,042.00	1041-	5 \$	4,408.40	5 \$	21,546.81	VE AD
5/10/2018	VEH. #156 (2018 CHEVY SILVERADO)	\$ 23,799.00	1041-	5 \$	4,759.80	5 \$	22,716.63	VE AD
5/10/2018	VEH. # 157 (2018 GMC SIERRA)	\$ 24,789.00	1041-	5 \$	4,957.80	5 \$	23,661.61	VE AD
12/1/2000	DESK FOR STAFF ACCOUNTANT I	\$ 166.24	1040-	22.5 \$	7.39	22 \$	164.19	FN AD
12/1/2000	WORKSTATION FOR CASHIERS P	\$ 395.84	1040-	22.5 \$	17.59	22 \$	390.95	FN AD
6/30/1983	HOOKUPS	\$ 1,657.08	1034-	40 \$	41.43	40 \$	1,642.89	MT TD
7/1/1983	METERS	\$ 9,823.73	1034-	40 \$	245.59	40 \$	9,738.95	MT TD
7/1/1983	METER INSTALLATIONS	\$ 2,907.35	1034-	40 \$	72.68	40 \$	2,882.26	MT TD

Mountain Water District  
Accumulated Depreciation with Pro Forma Changes to Test Year (FY22)

account description	total expenses	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)					
intangible											
organization & franchises	(276,520)	(79,276)	(81,409)	(63,232)	0	(40,281)	(12,322)	0	0	0	factor "SS, WTP & TD"
total intangible plant	(276,520)	(79,276)	(81,409)	(63,232)	0	(40,281)	(12,322)	0	0	0	balance
source of supply (SS)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
sST structures	(4,509)	(2,931)	(1,578)	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(4,636)	(3,013)	(1,623)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total source of supply	(9,145)	(5,944)	(3,201)	0	0	0	0	0	0	0	balance
water treatment plant (WTP)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	(3,633,697)	(2,361,903)	(1,271,794)	0	0	0	0	0	0	0	65 COMM/35 CAP
FN furniture	(173)	(112)	(61)	0	0	0	0	0	0	0	65 COMM/35 CAP
PM pumping	(95,174)	(61,863)	(33,311)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(161,996)	(105,297)	(56,699)	0	0	0	0	0	0	0	65 COMM/35 CAP
HE heavy equipment	(7,071)	(4,596)	(2,475)	0	0	0	0	0	0	0	65 COMM/35 CAP
TS improvements	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total water treatment plant	(3,898,111)	(2,533,772)	(1,364,339)	0	0	0	0	0	0	0	balance
transmission & distribution (TD)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	as trans & dist lines
TM transmission mains	(13,053,149)	(12,958,402)	0	0	0	0	0	0	0	(94,747)	100% COMM
DL distribution lines	(15,217,827)	0	(7,608,914)	(6,630,463)	0	0	(978,450)	0	0	0	dist main analysis
TK storage tanks	(4,518,521)	0	(2,259,261)	(1,968,736)	0	0	(290,524)	0	0	0	dist main analysis
PM pumping	(2,752,076)	0	(1,376,038)	(1,199,090)	0	0	(176,948)	0	0	0	dist main analysis

Mountain Water District  
Accumulated Depreciation with Pro Forma Changes to Test Year (FY22)

account description	total expenses	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)					
EQ equipment	(780,269)	0	(390,135)	(339,966)	0	0	(50,168)	0	0	0	dist main analysis
ST structures	(203,834)	(93,430)	(54,860)	(47,806)	0	0	(7,055)	0	0	(683)	as trans & dist lines
VE vehicles	0	0	0	0	0	0	0	0	0	0	as trans & dist lines
SV services	(3,453,019)	0	0	0	0	0	(3,453,019)	0	0	0	100 WCMS
MT meters	(4,992,588)	0	0	0	0	0	(4,992,588)	0	0	0	100 WCMS
HY hydrants	(607,896)	0	0	0	0	0	(607,896)	0	0	0	100 PFP
HE heavy equipment	(311,691)	(142,868)	(83,889)	(73,102)	0	0	(10,788)	0	0	(1,045)	as trans & dist lines
IT	(6,961)	(6,961)	0	0	0	0	0	0	0	0	100% COMM
ZM zone meters	(5,485)	(5,485)	0	0	0	0	0	0	0	0	COMM
total transmission & distribution	(45,903,316)	(13,207,146)	(11,773,096)	(10,259,163)	0	0	(8,445,607)	(2,121,830)	0	(96,475)	balance
total SS, WTP & TD	(49,810,572)	(15,746,863)	(13,140,636)	(10,259,163)	0	0	(8,445,607)	(2,121,830)	0	(96,475)	balance
% total SS, WTP & TD		32%	26%	21%	0%	0%	17%	4%	0%		factor "SS, WTP & TD"
general plant (AD)											
ST land & structures	(81,070)	(25,679)	(21,429)	(16,730)	0	0	(13,772)	(3,460)	0	0.00	as factor SS, WTP & TD
FN office equipment	(11,504)	(3,644)	(3,041)	(2,374)	0	0	(1,954)	(491)	0	0.00	as factor SS, WTP & TD
VE vehicles	(1,188,258)	(376,379)	(314,085)	(245,213)	0	0	(201,865)	(50,716)	0	0	as factor SS, WTP & TD
EQ tools & shop equipment	(24,395)	(7,727)	(6,448)	(5,034)	0	0	(4,144)	(1,041)	0	0	as factor SS, WTP & TD
LB lab equipment	0	0	0	0	0	0	0	0	0	0	as factor SS, WTP & TD
IT comm, hardware/software	(87,045)	(27,571)	(23,008)	(17,963)	0	0	(14,788)	(3,715)	0	0	as factor SS, WTP & TD
BL billing	0	0	0	0	0	0	0	0	0	0	as factor SS, WTP & TD
total general plant	(1,392,272)	(441,000)	(368,011)	(287,314)	0	0	(236,524)	(59,423)	0	0.00	balance
total accumulated depreciation	(51,479,364)	(16,267,139)	(13,590,056)	(10,609,709)	0	0	(8,722,411)	(2,193,574)	0	(96,475)	balance

Mountain Water District  
 Functionalization and Allocation of Expenses - Test Year (FY22)

acct no	account description	TY (FY21) total expenses	commodity (COMM)	capacity (CAP)	weighted customer										basis of classification	
					actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)						
water purchase																
WP	Williamson	464,098	0	464,098	0	0	0	0	0	0	0	0	0	0	0	CAP
WP	Pikeville	716,542	0	716,542	0	0	0	0	0	0	0	0	0	0	0	CAP
total water purchase expenses		1,180,640	0	1,180,640	0	0	0	0	0	0	0	0	0	0	0	balance
water treatment & distribution (operating) expense																
WOP	treatment operations labor	133,584	86,830	46,754	0	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
BN	treatment operations bene's	30,170	19,611	10,560	0	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
TD	trans & distr labor - ops	777,790	777,790	0	0	0	0	0	0	0	0	0	0	0	0	distr main analysis
BN	trans & distr - ops bene's	127,102	127,102	0	0	0	0	0	0	0	0	0	0	0	0	distr main analysis
MN	trans & distr labor - maint	120,835	0	60,417	52,648	0	0	0	7,769	0	0	0	0	0	0	distr main analysis
BN	trans & distr - maint bene's	27,253	0	13,626	11,874	0	0	0	1,752	0	0	0	0	0	0	distr main analysis
MT	meters labor	119,040	0	0	0	0	0	119,040	0	0	0	0	0	0	0	WCMS
BN	meters benefits	35,667	0	0	0	0	0	35,667	0	0	0	0	0	0	0	WCMS
WL	water loss labor	97,096	97,096	0	0	0	0	0	0	0	0	0	0	0	0	COMM
BN	water loss benefits	24,680	24,680	0	0	0	0	0	0	0	0	0	0	0	0	COMM
WQ	water quality labor	67,456	67,456	0	0	0	0	0	0	0	0	0	0	0	0	COMM
BN	water quality benefits	12,803	12,803	0	0	0	0	0	0	0	0	0	0	0	0	COMM
LB	services - manpower	234,090	152,158	81,931	0	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
PS	professional svcs - engineerin	3,998	3,998	0	0	0	0	0	0	0	0	0	0	0	0	COMM
CH	chemicals	173,233	173,233	0	0	0	0	0	0	0	0	0	0	0	0	COMM
UP	operational utilities - power	1,274,389	455,594	245,320	573,475	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP & AC
OU	other utilities	12,481	12,481	0	0	0	0	0	0	0	0	0	0	0	0	COMM
CM	mobile phone communication	24,572	24,572	0	0	0	0	0	0	0	0	0	0	0	0	COMM
EC	uniforms - water	25,384	25,384	0	0	0	0	0	0	0	0	0	0	0	0	COMM
IT	computers, software & IT	47,200	47,200	0	0	0	0	0	0	0	0	0	0	0	0	COMM

Mountain Water District  
Functionalization and Allocation of Expenses - Test Year (FY22)

acct no	account description	TY (FY21) total expenses	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer							revenue related (RR)	direct assign (DA)	basis of classification	
						customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	as labor - table below							
LA	laboratory	67,760	67,760	0	0	0	0	0	0	0	0	0	0	0	0	COMM
LD	leak detection	1,951	1,951	0	0	0	0	0	0	0	0	0	0	0	0	COMM
EC	safety equipment	16,588	16,588	0	0	0	0	0	0	0	0	0	0	0	0	COMM
TE	tools & equipment	21,414	21,414	0	0	0	0	0	0	0	0	0	0	0	0	COMM
EC	uniforms - plant	110	110	0	0	0	0	0	0	0	0	0	0	0	0	COMM
VE	vehicle expenses	256,127	256,127	0	0	0	0	0	0	0	0	0	0	0	0	COMM
MN	PS/LS repair	115,511	0	57,756	50,329	0	0	0	0	7,427	0	0	0	0	0	distr main analysis
MN	maintenance supplies	3,255	0	1,628	1,418	0	0	0	0	209	0	0	0	0	0	distr main analysis
HE	heavy equipment repair	62,081	0	31,040	27,049	0	0	0	0	3,992	0	0	0	0	0	distr main analysis
EC	employee expense	7,611	7,611	0	0	0	0	0	0	0	0	0	0	0	0	COMM
MN	general maintenance	516,865	0	258,432	225,200	0	0	0	0	33,232	0	0	0	0	0	distr main analysis
EC	education, travel & dues	36,494	36,494	0	0	0	0	0	0	0	0	0	0	0	0	COMM
	total operating expense	4,474,590	2,516,043	807,465	941,993	0	0	154,707	0	54,382	0	0	0	0	0	balance
administration & general expenses																
AD	admin and general salaries	393,243	393,243	0	0	0	0	0	0	0	0	0	0	0	0	COMM
BN	admin benefits	53,745	53,745	0	0	0	0	0	0	0	0	0	0	0	0	COMM
CS	customer accounts labor	172,028	0	0	0	0	0	172,028	0	0	0	0	0	0	0	WCA
BN	customer accounts benefits	38,085	0	0	0	0	0	38,085	0	0	0	0	0	0	0	WCA
BS	board salaries	22,601	22,601	0	0	0	0	0	0	0	0	0	0	0	0	COMM
RT	pension obligation/retirement	463,712	156,446	125,476	97,613	0	0	69,771	0	14,405	0	0	0	0	0	as labor - table below
PS	PSC & legal services	23,437	23,437	0	0	0	0	0	0	0	0	0	0	0	0	COMM
PS	professional services - acctntr	66,304	66,304	0	0	0	0	0	0	0	0	0	0	0	0	COMM
OS	outside services	10,260	10,260	0	0	0	0	0	0	0	0	0	0	0	0	COMM
CC	postage	197,235	0	0	0	0	0	197,235	0	0	0	0	0	0	0	WCA
RC	rate case expense	664	664	0	0	0	0	0	0	0	0	0	0	0	0	COMM

Mountain Water District  
 Functionalization and Allocation of Expenses - Test Year (FY22)

acct no	account description	TY (FY21) total expenses	weighted customer										basis of classification			
			commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (W/CMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)						
CC	bank service fees	10,488	0	0	0	10,488	0	0	0	0	0	0	0	0	0	WCA
CC	bad debt	78,794	0	0	78,794	0	0	0	0	0	0	0	0	0	0	AC
OF	office supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	COMM
AU	admin utilities	237	237	0	0	0	0	0	0	0	0	0	0	0	0	COMM
AD	advertising	1,956	0	0	1,956	0	0	0	0	0	0	0	0	0	0	AC
RN	rents - easements	6,746	6,746	0	0	0	0	0	0	0	0	0	0	0	0	COMM
IN	property & liability insurance	110,120	31,571	32,420	25,181	0	16,041	16,041	4,907	0	0	0	0	0	0	gross plant in service
	total all administrative expense	1,649,656	765,255	157,896	203,544	487,608	16,041	19,312	0	0	0	0	0	0	0	balance
	total operation & maintenance	7,304,886	3,281,298	2,146,001	1,145,537	487,608	170,748	73,693	0	0	0	0	0	0	0	factor O&M
			45%	29%	16%	7%	2%	1%	0%	0%						

Mountain Water District  
 Functionalization and Allocation of Expenses - Test Year (FY22)

acct no	account description	TY (FY21) total expenses	commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	weighted customer		basis of classification	
											fire & connect charges	inrst & gain on dispos		
FC	FICA/UC	132,944	132,944	0	0	0	0	0	0	0	0	0	0	COMM
WC	workers comp	46,189	46,189	0	0	0	0	0	0	0	0	0	0	COMM
	total taxes and fees	179,134	179,134	0	0	0	0	0	0	0	0	0	0	balance
	principal expense		0	0	0	0	0	0	0	0	0	0	0	see debt service tab
	interest expense	306,801	188,579	37,520	47,582	28,296	0	4,825	0	0	0	0	0	see debt service tab
	total debt service	306,801	188,579	37,520	47,582	28,296	0	4,825	0	0	0	0	0	balance
	total annual depreciation	2,691,586	191,705	1,603,116	168,624	0	528,126	193,572	0	6,444	6,444	0	0	see tab "depreciation"
	total revenue requirement	10,482,407	3,840,715	3,786,637	1,361,743	515,904	698,874	272,090	0	6,444	6,444	0	0	balance
	less miscellaneous revenues													
OO	other operating	(175,147)	0	0	0	0	(173,622)	(1,525)	0	0	0	0	0	fire & connect charges
NO	non-operating	(14,413)	(14,413)	0	0	0	0	0	0	0	0	0	0	inrst & gain on dispos
MI	other income	(26,760)	(26,760)	0	0	0	0	0	0	0	0	0	0	other revenue
OO	other operating	(159,273)	0	0	(159,273)	0	0	0	0	0	0	0	0	late charges
	total miscellaneous revenues	(375,593)	(41,173)	0	(159,273)	0	(173,622)	(1,525)	0	0	0	0	0	balance
	total revenue requirement	10,106,814	3,799,542	3,786,637	1,202,471	515,904	525,252	270,565	0	6,444	6,444	0	0	balance

Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	commodity (COMM)	capacity (CAP)	weighted customer					meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					actual customer (AC)	customer accounting (WCA)								
	includes pro forma changes													
	water purchase													
	Williamson	464,098	0	464,098	0	0	0	0	0	0	0	0	0	CAP
1	Pikeville	776,251	0	776,251	0	0	0	0	0	0	0	0	0	CAP
	total water purchase expenses	1,240,349	0	1,240,349	0	0	0	0	0	0	0	0	0	balance
	water treatment & distribution (operating) expense													
2	treatment operations labor	151,787	98,661	53,125	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
3	treatment operations bene's	26,083	16,954	9,129	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
2	trans & distr labor - ops	753,844	753,844	0	0	0	0	0	0	0	0	0	0	distr main analysis
3	trans & distr - ops bene's	102,808	102,808	0	0	0	0	0	0	0	0	0	0	distr main analysis
2	trans & distr labor - maint	125,285	0	62,643	54,587	0	0	0	8,055	0	0	0	0	distr main analysis
3	trans & distr - maint bene's	20,340	0	10,170	8,862	0	0	0	1,308	0	0	0	0	distr main analysis
2	meters labor	154,176	0	0	0	0	0	0	154,176	0	0	0	0	WCMS
3	meters benefits	33,451	0	0	0	0	0	0	33,451	0	0	0	0	WCMS
2	water loss labor	79,072	79,072	0	0	0	0	0	0	0	0	0	0	COMM
3	water loss benefits	23,051	23,051	0	0	0	0	0	0	0	0	0	0	COMM
2	water quality labor	77,681	77,681	0	0	0	0	0	0	0	0	0	0	COMM
3	water quality benefits	9,750	9,750	0	0	0	0	0	0	0	0	0	0	COMM
4	services - manpower	519,168	337,459	181,709	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
	professional svcs - engineerin	3,998	3,998	0	0	0	0	0	0	0	0	0	0	COMM
5	chemicals	192,312	192,312	0	0	0	0	0	0	0	0	0	0	COMM
	operational utilities - power	1,274,389	828,353	446,036	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP & AC
	other utilities	12,481	12,481	0	0	0	0	0	0	0	0	0	0	COMM
	mobile phone communication	24,572	24,572	0	0	0	0	0	0	0	0	0	0	COMM
	uniforms - water	25,384	25,384	0	0	0	0	0	0	0	0	0	0	COMM
	computers, software & IT	47,200	47,200	0	0	0	0	0	0	0	0	0	0	COMM



Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	weighted customer										basis of classification			
			commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	factor O&M					
	includes pro forma changes															
	bank service fees	10,488	0	0	0	0	0	0	0	0	10,488	0	0	REV		
	bad debt	78,794	0	0	78,794	0	0	0	0	0	0	0	0	AC		
	office supplies		0	0	0	0	0	0	0	0	0	0	0	COMM		
	admin utilities	237	237	0	0	0	0	0	0	0	0	0	0	COMM		
	advertising	1,956	0	0	1,956	0	0	0	0	0	0	0	0	AC		
	rents - easements	6,746	6,746	0	0	0	0	0	0	0	0	0	0	COMM		
7	property & liability insurance	121,127	34,726	35,661	27,698	0	17,645	5,397	0	0	10,488	0	0	gross plant in service		
	total all administrative expense	1,730,620	1,006,762	63,648	121,596	464,265	56,523	7,337	0	0	10,488	0	0	balance		
	total operation & maintenance	7,733,569	4,048,399	2,415,665	489,041	464,265	244,151	61,561	10,488	0	0	0	0	factor O&M		
			52%	31%	6%	6%	3%	1%	0%	0%						
	FICA/UC	132,944	132,944	0	0	0	0	0	0	0	0	0	0	COMM		
8	workers' comp	53,742	53,742	0	0	0	0	0	0	0	0	0	0	COMM		
	total taxes and fees	186,686	186,686	0	0	0	0	0	0	0	0	0	0	balance		
9	principal expense		0	0	0	0	0	0	0	0	0	0	0	see debt service tab		
9	interest expense	283,082	173,999	34,619	43,903	26,108	0	4,452	0	0	0	0	0	see debt service tab		
	total debt service	283,082	173,999	34,619	43,903	26,108	0	4,452	0	0	0	0	0	balance		
10	annual depreciation	2,691,586	191,705	1,603,116	168,624	0	528,126	193,572	0	0	0	6,444	0	see tab "depreciation"		
	total revenue requirement	10,894,923	4,600,789	4,053,400	701,568	490,373	772,276	259,584	10,488	6,444	0	0	0	balance		
	less miscellaneous revenues															
00	other operating	(175,147)	0	0	0	0	0	0	0	0	0	(173,622)	(1,525)	0	0	fire & connect charges

Mountain Water District  
Functionalization and Allocation of Pro Forma Expenses

PF note	account description	pro forma total expenses	weighted customer												
			commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification				
NO	non-operating	(14,413)	(14,413)	0	0	0	0	0	0	0	0	0	0	0	intrst & gain on dispos
MI	other income	(26,760)	(26,760)	0	0	0	0	0	0	0	0	0	0	0	other revenue
OO	other operating	(159,273)	0	0	(159,273)	0	0	0	0	0	0	0	0	0	late charges
	total miscellaneous revenues	(375,593)	(41,173)	0	(159,273)	0	0	(173,622)	(1,525)	0	0	0	0	0	balance
	total revenue requirement	10,519,330	4,559,616	4,053,400	542,295	490,373	598,654	258,059	10,488	6,444					balance

TY operating revenue + PWA

(8,274,887)

-27.12% this does not account for excess water loss deductions

Mountain Water District  
COSS 2022 - Annual Depreciation - Water

account description	total depreciation	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			public fire (PFP)	revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)					
intangible											
studies	(3,551)	(254)	(2,120)	(223)	0	(698)	(256)	0	0	0	factor "SS, WTP & TD"
total intangible plant	(3,551)	(254)	(2,120)	(223)	0	(698)	(256)	0	0	0	balance
source of supply (SS)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	(1,603)	(1,042)	(561)	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(1,169)	(760)	(409)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total source of supply	(2,772)	(1,802)	(970)	0	0	0	0	0	0	0	balance
water treatment plant (WTP)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
ST structures	(235,754)	(153,240)	(82,514)	0	0	0	0	0	0	0	65 COMM/35 CAP
FN furniture	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
PM pumping	(11,920)	(7,748)	(4,172)	0	0	0	0	0	0	0	65 COMM/35 CAP
LN lines	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
EQ equipment	(25,120)	(16,328)	(8,792)	0	0	0	0	0	0	0	65 COMM/35 CAP
HE heavy equipment	(663)	(431)	(232)	0	0	0	0	0	0	0	65 COMM/35 CAP
TS improvements	0	0	0	0	0	0	0	0	0	0	65 COMM/35 CAP
total water treatment plant	(273,457)	(177,747)	(95,710)	0	0	0	0	0	0	0	balance
transmission & distribution (TD)											
LD land & land rights	0	0	0	0	0	0	0	0	0	0	as trans & dist lines
TM transmission mains	(483,381)	0	(476,945)	0	0	0	0	0	0	(6,436)	100 CAP
DL distribution lines	(841,280)	0	(715,088)	0	0	0	(126,192)	0	0	0	85 CAP/15 PFP
TK storage tanks	(185,721)	0	(92,861)	(80,919)	0	0	(11,941)	0	0	0	dist main analysis
PM pumping	(87,951)	0	(43,976)	(38,321)	0	0	(5,655)	0	0	0	dist main analysis
EQ equipment	(91,425)	0	(45,712)	(39,834)	0	0	(5,878)	0	0	0	dist main analysis
ST structures	(1,666)	0	(1,499)	0	0	0	(159)	0	0	(8)	as trans & dist lines

Mountain Water District  
COSS 2022 - Annual Depreciation - Water

account description	total depreciation	commodity (COMM)	capacity (CAP)	actual customer (AC)	weighted customer			revenue related (RR)	direct assign (DA)	basis of classification
					customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)			
VE vehicles	0	0	0	0	0	0	0	0	0	as trans & dist lines
SV services	(177,112)	0	0	0	0	(177,112)	0	0	0	100 WCMS
MT meters	(321,103)	0	0	0	0	(321,103)	0	0	0	100 WCMS
HY hydrants	(25,802)	0	0	0	0	0	(25,802)	0	0	100 PFP
HE heavy equipment	(46,544)	0	(39,562)	0	0	0	(6,982)	0	0	85 CAP/15 PFP
GM GIS & mapping	0	0	0	0	0	0	0	0	0	100% COMM
ZM zone meters	(1,299)	(1,299)	0	0	0	0	0	0	0	COMM
total transmission & distribution	(2,263,284)	(1,299)	(1,415,643)	(159,074)	0	(498,215)	(182,609)	0	(6,444)	balance
total SS, WTP & TD	(2,539,513)	(180,848)	(1,512,323)	(159,074)	0	(498,215)	(182,609)	0	(6,444)	balance
% total SS, WTP & TD		7%	60%	6%	0%	20%	7%	0%		factor "SS, WTP & TD"
general plant (AD)										
ST land & structures	(4,708)	(336)	(2,811)	(296)	0	(926)	(339)	0	0	as factor SS, WTP & TD
FN office furniture	(402)	(29)	(240)	(25)	0	(79)	(29)	0	0	as factor SS, WTP & TD
VE vehicles	(140,394)	(10,023)	(83,820)	(8,817)	0	(27,613)	(10,121)	0	0	as factor SS, WTP & TD
EQ tools & shop equipment	(887)	(63)	(530)	(56)	0	(174)	(64)	0	0	as factor SS, WTP & TD
LB lab equipment	0	0	0	0	0	0	0	0	0	as factor SS, WTP & TD
IT comm, hardware/software	(2,131)	(152)	(1,272)	(134)	0	(419)	(154)	0	0	as factor SS, WTP & TD
BL billing	0	0	0	0	0	0	0	0	0	as factor SS, WTP & TD
total general plant	(148,522)	(10,604)	(88,673)	(9,327)	0	(29,212)	(10,707)	0	0.00	balance
total depreciation	(2,691,586)	(191,705)	(1,603,116)	(168,624)	0	(528,126)	(193,572)	0	(6,444)	balance
admin - furniture \$ 83.16 \$ 5.94 \$ 49.65 \$ 5.22 \$ - \$ 16.36 \$ 5.99 \$ - \$ - \$ - as factor SS, WT & TD admin - vehicles \$ 25,446.64 \$ 1,816.76 \$ 15,192.46 \$ 1,598.02 \$ - \$ 5,004.96 \$ 1,834.45 \$ - \$ - \$ - as factor SS, WT & TD trans/distr - equipment \$ 367.32 \$ - \$ 183.66 \$ 160.04 \$ - \$ - \$ 23.62 \$ - \$ - \$ - distr main analysis trans/distr - meters \$ 4,824.69 \$ - \$ - \$ - \$ - \$ 4,824.69 \$ - \$ - \$ - \$ - 100 WCMS totals \$ 30,721.81 \$ 1,822.69 \$ 15,425.77 \$ 1,763.29 \$ - \$ 9,846.01 \$ 1,864.06 \$ - \$ - \$ -										

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - COMM-1

Commodity Distribution Factor				
Customer Class	FY21 Metered Water (gallons)	Plus % Non-Revenue	Total at the Source (gallons)	% of Total
Single Family Residential	591,098,340	76.98%	1,046,125,842	76.33%
Multi-Family Residential	27,607,160	76.98%	48,859,152	3.57%
Commercial	65,254,160	76.98%	115,486,812	8.43%
Industrial	8,241,000	76.98%	14,584,922	1.06%
Public Authority	25,231,640	76.98%	44,654,956	3.26%
Wholesale - City of Jenkins	-	75.40%	-	0.00%
Wholesale - Mingo County (V) Water Distric	2,216,900	75.40%	3,888,443	0.28%
Wholesale - Martin County Water District	127,600	75.40%	223,810	0.02%
Wholesale - Elkhorn City Water Departmen	55,093,000	75.40%	96,633,122	7.05%
<b>Total</b>	<b>774,869,800</b>	<b>595,587,260</b>	<b>1,370,457,060</b>	<b>100.00%</b>
DISTRIBUTION FACTOR (COMM-1)				

water purchased and produced 1,371,944,000  
 water sales 775,300,000  
 accounted-for non-revenue 208,172,000  
 accounted-for non-revenue (fire) 12,183,000  
 water loss 376,289,000

27.43% percent PSC-defined water loss  
 26.86% have to recover this from all customers  
 1.58% have to recover this from direct customers only  
 48.54% have to calculate factor by recovery from all customers

All we are doing here is creating a factor for allocating non-revenue water volume and showing that we are not charging non-revenue fire water to wholesales. The reduction in revenue requirements due to costs for water loss in excess of PSC allowable are calculated on the "summary" tab and those credits are applied on the "PF expenses" tab.

average residential daily usage (ERU), in gallons based on single family customers, only 104  
 average per person water usage, in gallons, at home, per US EPA (USGS 2015) 82  
 US Census 2016-2020 people per household Pike County 2.25

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - CAP-1

Capacity Distribution Factor						
Customer Class	Total at the Source (gallons)	Ave Day Use (gallons)	Peaking Factor	Peak Day Use (gallons)	% of Total	
Single Family Residential	1,046,125,842	2,866,098	2.00	5,732,196	83.08%	
Multi-Family Residential	48,859,152	133,861	2.00	267,721	3.88%	
Commercial	115,486,812	316,402	1.35	427,143	6.19%	
Industrial	14,584,922	39,959	1.25	49,948	0.72%	
Public Authority	44,654,956	122,342	1.20	146,811	2.13%	
Wholesale - City of Jenkins	-	-	-	-	0.00%	
Wholesale - Mingo Cnty (VA) Water District	3,888,443	10,653	1.00	10,653	0.15%	
Wholesale - Martin County Water District	223,810	613	1.00	613	0.01%	
Wholesale - Elkhorn City Water Departmen	96,633,122	264,748	1.00	264,748	3.84%	
Total	1,370,457,060			6,899,835	100.00%	
Peak Day Estimated from Production + Purchase				6,616,000		
DISTRIBUTION FACTOR				(CAP-1)		

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - CUST-X

Customer Distribution Factors								
Customer Class	Ave Number of Customers	% of Total	Customer Accounting Weighting Factor	Customers Weighted for Customer Accounting	% of Total	Meters and Services Weighting Factor		
DISTRIBUTION FACTOR	AC	(CUST-1)		WCA	(CUST-2)	WCMS	(CUST-3)	
Single Family Residential	15,596	94.16%	1.0	15,596	90.50%	\$650	\$10,137,400	83.15%
Multi-Family Residential	112	0.68%	2.5	280	1.62%	\$650	\$72,800	0.60%
Commercial	703	4.24%	1.5	1,055	6.12%	\$1,625	\$1,142,375	9.37%
Industrial	2	0.01%	2.0	4	0.02%	\$10,400	\$20,800	0.17%
Public Authority	147	0.89%	2.0	294	1.71%	\$5,200	\$764,400	6.27%
Wholesale - City of Jenkins	1	0.01%	1.0	1	0.01%	\$5,200	\$5,200	0.04%
Wholesale - Mingo County WD	1	0.01%	1.0	1	0.01%	\$10,400	\$10,400	0.09%
Wholesale - Martin County WD	1	0.01%	1.0	1	0.01%	\$5,200	\$5,200	0.04%
Wholesale - Elkhorn City Water	1	0.01%	1.0	1	0.01%	\$32,500	\$32,500	0.27%
Total	16,564	100%		17,233	100%		\$12,191,075	100%

Meters and Services Weighting Factor based on meter equivalent ratios from AWWA Manual M-1, Table VI.2-5, page 274

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - PFP-1

Public Fire Distribution Factor					
Customer Class	Number of Units	Public Fire Protection Requirements (GPM)	Duration (mins)	Total Fire Protection Requirement (MG)	% of Total
Single Family Residential	15,596	750	120	1403.640	82.90%
Multi-Family Residential	112	1400	120	18.816	1.11%
Commercial	703	2250	120	189.810	11.21%
Industrial	2	4500	180	1.620	0.10%
Public Authority	147	3000	180	79.380	4.69%
Wholesale - City of Jenkins	1	750	0	0.000	0.00%
Wholesale - Mingo County (V) Water Distric	1	750	0	0.000	0.00%
Wholesale - Martin County Water District	4,746	750	0	0.000	0.00%
Wholesale - Elkhorn City Water Departmen	734	750	0	0.000	0.00%
<b>Total</b>	<b>22,042</b>			<b>1693.266</b>	<b>100.00%</b>
<b>DISTRIBUTION FACTOR</b>					<b>(PFP-1)</b>

This table is meant to distinguish the possible demands placed upon the water distribution system during fire fighting activities. It is not meant for fire protection design purposes as generalities were used, recognizing the vast differences in building size and construction materials that exist within the various customer classes.

Fire protection flow requirements are based on AWWA Manual M-31 (Table 1-1 and 1-6), specifically 750 gpm for 1 and 2-family dwellings, 31 to 100 feet apart, 3000 gpm for the example of a supermarket, 30 feet away from the exposure building of masonry construction; and, that same example building but 60 feet away from the exposure building (2250 gpm). Again, these are not specific design requirements-- just an estimate to differentiate demands between the customer classes. Realize, most industrial building will be sprinkled, but this comparison can be used to allow for the costs of ensuring the industry has adequate flow and pressure to operate its sprinkler system at all times.

Mountain Water District  
 Cost of Service/Rate Study  
 Distribution Factors  
 Water - REV-1

Revenue Related Distribution Factor		
Customer Class	Revenues at Present Rates	% of Total
Single Family Residential	\$6,861,534	82.92%
Multi-Family Residential	\$304,367	3.68%
Commercial	\$634,818	7.67%
Industrial	\$64,299	0.78%
Public Authority	\$234,774	2.84%
Wholesale - City of Jenkins	\$0	0.00%
Wholesale - Mingo County (V) Water Distric	\$10,487	0.13%
Wholesale - Martin County Water District	\$403	0.00%
Wholesale - Elkhorn City Water Departmen	\$164,205	1.98%
<b>Total</b>	<b>\$8,274,887</b>	<b>100.00%</b>
<b>REVENUE RELATED DISTRIBUTION FACTOR</b>		<b>(REV-1)</b>

operating revenue estimated from revenue projection (used to set schedule)	\$	8,308,005
PWA adjustment revenue	\$	100,902
difference		-1.62%

Mountain Water District  
 Cost of Service/Rate Study  
 Allocation Factors  
 Water - distr main analysis

Distribution Main Analysis			
Pipe Size (in)	Linear Feet	Installed Cost (\$/LF)	Replacement Cost (\$)
2	1,741,555	20.00	\$ 34,831,104
3	448,087	30.00	\$ 13,442,616
4	665,808	50.00	\$ 33,290,400
6	1,346,928	65.00	\$ 87,550,320
8	743,424	76.00	\$ 56,500,224
10	-	95.00	\$ -
12	15,840	135.00	\$ 2,138,400
16	-	140.00	\$ -
18	-	142.00	\$ -
20	-	155.00	\$ -
24	-	170.00	\$ -
Totals	4,961,642		\$ 227,753,064

Customer % = 4,961,642 X \$20.00 =	\$	99,232,848	
divided by	\$	227,753,064	gives
			43.57%
			Customer Component
Add cost of 2 inch through 6 inch pipe			\$ 169,114,440
Equivalent for 8 inch through 24 inch			
Add	743,424	-	15,840
-	-	-	-
		multiplied by	\$ 65
Add \$	(99,232,848)	\$	169,114,440
		gives	\$ 49,352,160
		divided by	\$ 227,753,064
			50.00%
			Capacity Component
100%	minus	44%	50%
			6.43%
			Fire Protection Component

Mountain Water District  
Annotation of Direct Assignments for Rate Base

Annotation of Direct Assignments for Rate Base											
Direct Assignment	Total	Residential			Commercial	Industrial	Public Authority	Wholesale			notes
		single-family	multi-family					Jenkins	Mingo County	Martin County WD	
Jenkins Connector	\$ 354,000.00							\$ 354,000.00			1
collateral factor from JC	\$ 4,693.22							\$ 4,693.22			2
accumulated depreciation	\$ (96,474.72)							\$ (96,474.72)			3
Total of Direct Assign for Rate Base	\$ 262,218.49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 262,218.49	\$ -	\$ -	

- 1 transmission lines direct assigned to Jenkins ("Jenkins Connector")
- 2 land, structures and heavy equipment portion direct assigned by the "T & D" factor resulting from the Jenkins Connector
- 9 the portion of accumulated depreciation allocated to the Jenkins Connector direct assignment

Mountain Water District  
Distribution of Rate Base

Rate Base - Distribution of Costs												
Direct Assignment	Total	Residential		Commercial	Industrial	Public Authority	Wholesale				Basis of Distribution	
		single-family	multi-family				Jenkins	Mingo County	Martin County WD	Elkhorn City WD		
commodity (COMM)	18,531,188	14,145,613	660,669	1,561,602	197,216	603,820	0	52,579	3,026	1,306,664	COMM-1	
capacity (CAP)	20,342,149	16,899,708	789,298	1,259,306	147,258	432,829	0	31,408	1,808	780,533	CAP-1	
actual customer (AC)	15,524,718	14,617,454	104,973	658,891	1,875	137,777	937	937	937	937	CUST-1	
customer accounting (WCA)	60,951	55,163	990	3,730	14	1,040	4	4	4	4	CUST-2	
meters and services (WCMS)	8,017,919	6,667,242	47,880	751,326	13,680	502,736	3,420	6,840	3,420	21,375	CUST-3	
public fire (PFP)	2,919,964	2,420,517	32,447	327,319	2,794	136,887	0	0	0	0	PFP-1	
revenue related (RR)	0	0	0	0	0	0	0	0	0	0	RR-1	
direct assign (DA)	262,218	0	0	0	0	0	262,218	0	0	0	direct assignment	
Total Rate Base	65,659,108	54,805,696	1,636,257	4,562,174	362,836	1,815,089	266,579	91,768	9,195	2,109,512	balance	



Mountain Water District  
Distribution of Expenses

Pro Forma Expenses (less deductions for excess water loss) - Distribution of Costs												
Assignment	Total	Residential		Commercial	Industrial	Public Authority	Wholesale				Basis of Distribution	
		single-family	multi-family				Jenkins	Mingo County	Martin County WD	Elkhorn City WD		
commodity (COMM)	4,504,220	3,438,255	160,583	379,565	47,936	146,765	0	12,780	736	317,600	COMM-1	
capacity (CAP)	3,961,873	3,291,417	153,725	245,265	28,680	84,299	0	6,117	352	152,018	CAP-1	
actual customer (AC)	542,295	510,604	3,667	23,016	65	4,813	33	33	33	33	CUST-1	
customer accounting (WCA)	490,373	443,804	7,968	30,007	114	8,366	28	28	28	28	CUST-2	
meters and services (W/CMS)	598,654	497,806	3,575	56,097	1,021	37,537	255	511	255	1,596	CUST-3	
public fire (PFP)	258,059	213,919	2,868	28,928	247	12,098	0	0	0	0	PFP-1	
revenue related (RR)	10,488	8,697	386	805	81	298	0	13	1	208	RR-1	
direct assign (DA)	6,444	0	0	0	0	0	6,444	0	0	0	direct assignment	
Total Expenses	10,372,407	8,404,503	332,771	763,683	78,145	294,175	6,761	19,482	1,405	471,483	balance	

-\$ 146,923.29 total expense reduction due to excess water loss

### Mountain Water District Summary

Line No.	Cost Component	Total	Residential			Commercial	Industrial	Public Authority	Jenkins	Wholesale		
			single-family	multi-family						Mingo County	Martin County W/D	Elkhorn City W/D
1	revenues at present rates	8,274,887	6,861,534	304,367		634,818	64,299	234,774	-	10,487	403	164,205
2	allocated revenue requirement	10,372,407	8,404,503	332,771		763,683	78,145	294,175	6,761	19,482	1,405	471,483
3	net income	(2,097,520)	(1,542,969)	(28,404)		(128,865)	(13,846)	(59,400)	(6,761)	(8,996)	(1,001)	(307,278)
4	rate base	65,659,108	54,805,696	1,636,257		4,562,174	362,836	1,815,089	266,579	91,768	9,195	2,109,512
5	present return on rate base	-3.2%	-2.8%	-1.7%		-2.8%	-3.8%	-3.3%	-2.5%	-9.8%	-10.9%	-14.6%
6	proposed rate of return	0.02%	0.00%	0.00%		0.00%	4.25%	0.00%	0.00%	0.00%	0.00%	0.00%
7	proposed return component	15,421	-	-		-	15,421	-	-	-	-	-
8	proposed rate revenues	10,387,828	8,404,503	332,771		763,683	93,566	294,175	6,761	19,482	1,405	471,483
9	balance (deficiency) of funds	(2,112,940)	(1,542,969)	(28,404)		(128,865)	(29,266)	(59,400)	(6,761)	(8,996)	(1,001)	(307,278)
10	change over present rates	-25.53%	-22.49%	-9.33%		-20.30%	-45.52%	-25.30%	#DIV/0!	-85.78%	-248.36%	-187.13%
weighted customer												
	deductions due to excess water loss	excess water loss discount	commodity (COMM)	capacity (CAP)	actual customer (AC)	customer accounting (WCA)	meters and services (WCMS)	public fire (PFP)	revenue related (RR)	basis of classification	CAP	COMM
	purchased water	(\$67,319.08)		(\$67,319.08)								
	treatment chemicals	(\$10,437.62)		(\$10,437.62)								
	power	(\$69,166.60)		(\$44,958.29)		(\$24,208.31)						65 COMM/35 CAP
	totals	(\$146,923.29)		(\$55,395.91)		(\$91,527.38)						

Mountain Water District  
Average Unit Costs

Cost Component	Total	Residential			Commercial	Industrial	Public Authority	Wholesale				
		single-family	multi-family					Jenkins	Mingo County	Martin County WD	Elkhorn City WD	
Allocated Commodity Costs	4,504,220	3,438,255	160,583	379,565	47,936	146,765	-	12,780	736	317,600		
Commodity Costs - \$/1000 gallons	\$5.81	\$5.82	\$5.82	\$5.82	\$5.82	\$5.82	#DIV/0!	\$5.76	\$5.76	\$5.76		
Allocated Capacity Costs	3,961,873	3,291,417	153,725	245,265	28,680	84,299	-	6,117	352	152,018		
Capacity Costs - \$/1000 gallons	\$5.11	\$5.57	\$5.57	\$3.76	\$3.48	\$3.34	#DIV/0!	\$2.76	\$2.76	\$2.76		
Allocated Pub Fire Pro Costs	258,059	213,919	2,868	28,928	247	12,098	-	-	-	-		
Pub Fire Pro Costs - \$/1000 gallons	\$0.33	\$0.36	\$0.10	\$0.44	\$0.03	\$0.48	#DIV/0!	\$0.00	\$0.00	\$0.00		
Allocated Rev & DA Costs	16,932	8,697	386	805	81	298	6,444	13	1	208		
Rev & DA Costs - \$/1000 gallons	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	#DIV/0!	\$0.01	\$0.00	\$0.00		
Allocated Return Component	15,421	-	-	-	15,421	-	-	-	-	-		
Return Comp Costs - \$/1000 gal	\$0.02	\$0.00	\$0.00	\$0.00	\$1.87	\$0.00	#DIV/0!	\$0.00	\$0.00	\$0.00		
Allocated Customer Costs	1,631,323	1,452,214	15,209	109,120	1,201	50,715	6,761	572	317	1,657		
Customer Costs - \$/Cust/Mn	\$7.76	\$11.32	\$12.94	\$50.03	\$28.75	\$563.39	\$47.66	\$26.38	\$138.09			
Volumetric Cost - \$/1000 gallons	\$11.76	\$11.50	\$10.03	\$11.21	\$9.65	#DIV/0!	\$8.53	\$8.53	\$8.53			
Basic Data:												
gal	774,870	591,098	27,607	65,254	8,241	25,232	-	2,217	128	55,093		
Number of Customers	15596	112	703	2	147	1	1	1	1	1		

Mountain Water District  
Recommended Water Rates and Charges from 2022 Cost of Service Study

customer class	meter size	proposed rates & charges (excluding taxes)	existing tariff (taxes not incl per KL)	percent change from existing tariff
single-family residential				
customer charge		\$ 7.76		
volume rate (per 1000 gal)		\$ 11.76		
minimum bill (2000 gal)	5/8-inch	\$ 28.23	\$ 24.09	17.2%
multi-family residential				
customer charge		\$ 11.32		
volume rate (per 1000 gal)		\$ 11.50		
minimum bill (2000 gal)	5/8-inch	\$ 34.32	\$ 24.09	42.5%
minimum bill (5000 gal)	1-inch	\$ 68.82	\$ 49.74	38.4%
commercial				
customer charge		\$ 12.94		
volume rate (per 1000 gal)		\$ 10.03		
minimum bill (2000 gal)	5/8-inch	\$ 33.00	\$ 24.09	37.0%
minimum bill (5000 gal)	1-inch	\$ 63.09	\$ 49.74	26.8%
minimum bill (16,000 gal)	2-inch	\$ 173.42	\$ 168.69	2.8%
minimum bill (32,000 gal)	3-inch	\$ 333.90	\$ 244.89	36.3%
minimum bill (50,000 gal)	4-inch	\$ 514.44	\$ 379.29	35.6%
minimum bill (100,000 gal)	6-inch	\$ 1,015.94	\$ 778.29	30.5%
industrial				
customer charge		\$ 50.03		
volume rate (per 1000 gal)		\$ 11.21		
minimum bill (5000 gal)	1-inch	\$ 106.08	\$ 49.74	113.3%
minimum bill (16,000 gal)	2-inch	\$ 229.39	\$ 168.69	36.0%
minimum bill (32,000 gal)	3-inch	\$ 408.75	\$ 244.89	66.9%
minimum bill (50,000 gal)	4-inch	\$ 610.53	\$ 379.29	61.0%
minimum bill (100,000 gal)	6-inch	\$ 1,171.03	\$ 778.29	50.5%

Mountain Water District  
Recommended Water Rates and Charges from 2022 Cost of Service Study

customer class	meter size	proposed rates & charges (excluding taxes)	existing tariff (taxes not incl per KL)	percent change from existing tariff
public authority				
customer charge		\$ 28.75		
volume rate (per 1000 gal)		\$ 9.65		
minimum bill (2000 gal)	5/8-inch	\$ 48.05	\$ 24.09	99.5%
minimum bill (5000 gal)	1-inch	\$ 77.00	\$ 49.74	54.8%
minimum bill (16,000 gal)	2-inch	\$ 183.15	\$ 168.69	8.6%
minimum bill (32,000 gal)	3-inch	\$ 337.55	\$ 244.89	37.8%
minimum bill (50,000 gal)	4-inch	\$ 511.25	\$ 379.29	34.8%
minimum bill (100,000 gal)	6-inch	\$ 993.75	\$ 778.29	27.7%
wholesale				
			existing rates	
			first	all over
Martin Co WD minimum	per mn	\$ 26.38	\$ 3.17	
Mingo Co WD minimum	per mn	\$ 47.66	\$ 4.74	
Jenkins Utilities minimum	per mn	\$ 563.39	\$ 3.17	\$ 3.58
City of Elkhorn minimum	per mn	\$ 138.09	\$ 2.99	\$ 3.17
volumetric rate (per 1000 gal)	to be negotiated			

*Jenkins' existing first tier rates are for the first 50,000 gallons*

*Elkhorn's existing first tier rates are for the first 215,000 gallons*

# **EXHIBIT 18**

## INCOME STATEMENT FOR YEAR ENDING JUNE 30, 2022

	Test Year	Adjustment	Pro Forma
<b>Operating Revenues</b>			
Sales of Water			
Unmetered Water Sales			
Metered Water Sales	\$ 8,173,895	\$ 100,902	\$ 8,274,877
Bulk Loading Stations			
Fire Protection Revenue			
Sales for Resale			
Total Water Sales	\$ 8,178,021	\$ 100,902	\$ 8,278,923
Other Water Revenues			
Forfeited Discounts	\$ 159,273		\$ 159,273
Miscellaneous Service Revenues	\$ 175,147		\$ 175,147
Rents from Water Property			
Other Water Revenues	\$ 26,760		\$ 26,760
Total Other Water Revenues	\$ 361,180		\$ 361,180
<b>Total Operating Revenues</b>	<b><u>\$ 8,535,075</u></b>		<b><u>\$ 8,635,977</u></b>
<b>Operating Expenses</b>			
Operation and Maintenance Expenses			
Salaries and Wages - Employees	\$ 1,881,072	\$ 94,211	\$ 1,975,283
Salaries and Wages - Officers	\$ 22,601		\$ 22,601
Employee Benefits and Pensions			
Employee Benefits	\$ 349,505	\$ (58,000)	\$ 291,505
Employee Pensions	\$ 463,712	\$ 5,991	\$ 469,703
Purchased Water	\$ 1,180,640	\$ (7,610)	\$ 1,173,030
Purchased Power	\$ 1,286,870	\$ (69,167)	\$ 1,217,703
Fuel for Power Production			
Chemicals	\$ 173,233	\$ 8,642	\$ 181,875
Materials and Supplies			
Uniforms	\$ 25,494		\$ 25,494
Laboratory	\$ 13,675		\$ 13,675
R&M Leak Detection	\$ 1,951		\$ 1,951
Safety Equipment	\$ 16,588		\$ 16,588
Hand Tools - R&M Tools	\$ 21,414		\$ 21,414
PS/LS Repair	\$ 115,511		\$ 115,511
Major Equipment Repair	\$ 62,081		\$ 62,081
Employee Expense	\$ 7,611		\$ 7,611
General Maintenance R&M	\$ 516,865		\$ 516,865
Contractual Services-Accounting	\$ 66,304		\$ 66,304
Contractual Services-Engineering	\$ 3,998		\$ 3,998
Contractual Services-Legal	\$ 10,736		\$ 10,736
Contractual Services-Others			

Services - Manpower	\$ 234,090	\$ 285,078	\$ 519,168
Outside Services	\$ 10,260		\$ 10,260
Water Testing	\$ 54,084		\$ 54,084
Rents	\$ 6,746		\$ 6,746
Transportation/Vehicle Expenses	\$ 256,127		\$ 256,127
Insurance-General Liability	\$ 110,120	\$ 11,007	\$ 121,127
Insurance-Workers Comp	\$ 46,189	\$ 7,553	\$ 53,742
Advertising Expenses	\$ 1,956		\$ 1,956
Regulatory Commission Expenses			
Rate Case Expense	\$ 664	\$ 24,310	\$ 24,974
Bad Debt Expense	\$ 78,794		\$ 78,794
Miscellaneous Expenses			
Postage	\$ 197,235		\$ 197,235
Telephone	\$ 47,423		\$ 47,423
R&M Telemetry	\$ 24,586		\$ 24,586
Miscellaneous Supplies	\$ 3,255		\$ 3,255
Education Dues	\$ 36,494		\$ 36,494
Service Fees	\$ 10,488		\$ 10,488
<b>Total Operation and Maintenance Expenses</b>	\$ 7,338,373		\$ 7,640,387
<b>Depreciation Expense</b>	\$ 2,722,308	(30,722)	\$ 2,691,586
<b>Amortization Expense</b>			
<b>Taxes Other than Income</b>	\$ 132,944		\$ 132,944
<b>Utility Operating Expenses</b>	\$ 10,193,625		\$ 10,464,917
<b>Gain From Disposition of Property</b>	\$ 11,503		\$ 11,503
<b>Other Income and Deductions</b>			
Interest and Dividend Income	\$ 2,857		\$ 2,857
Nonutility Income			
Miscellaneous Nonutility Income			
<b>Total Income and Deductions</b>	\$ 2,857		\$ 2,857
<b>Interest Expense</b>			
Interest Expenses	\$ 306,801		\$ 306,801
Amortization of Debt Discount and Expense			
<b>Total Interest Expense</b>	\$ 306,801		\$ 306,801
<b>Net Income Before Contributions</b>	\$ (1,950,991)		\$ (2,097,663)

**BALANCE SHEET FOR YEAR ENDING JUNE 30, 2022**

	Actual	Adjustment	Adjusted
<b>Utility Plant</b>			
Utility Plant	\$ 120,907,871		\$ 120,907,871
Less Accumulated Depreciation	<u>\$ 61,798,520</u>		<u>\$ 61,798,520</u>
<b>Net Utility Plant</b>	<b>\$ 59,109,351</b>		<b>\$ 59,109,351</b>
<b>Other Property and Investments</b>			
Other Investments			
Special Funds	\$ 2,231,096		\$ 2,231,096
<b>Total Other Property and Investments</b>	<b>\$ 2,231,096</b>		<b>\$ 2,231,096</b>
<b>Current and Accrued Assets</b>			
Cash and Working Funds	\$ 72,893		\$ 72,893
Temporary Cash Investments	\$ -		\$ -
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	\$ 1,096,261		\$ 1,096,261
Interfund Transfers	\$ (2,076,883)		\$ (2,076,883)
Materials and Supplies	\$ 279,476		\$ 279,476
Prepayments	\$ 66,949		\$ 66,949
Accrued interest and Dividends Receivable	<u>\$ -</u>		<u>\$ -</u>
<b>Total Current and Accrued Assets</b>	<b>\$ (561,304)</b>		<b>\$ (561,304)</b>
<b>Deferred Debits</b>			
Unamortized Debt Discount and Expense			
Miscellaneous Deferred Debits	<u>\$ 1,751,805</u>		<u>\$ 1,751,805</u>
<b>Total Deferred Debits</b>	<b>\$ 1,751,805</b>		<b>\$ 1,751,805</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b><u>\$ 62,530,948</u></b>		<b>\$ 62,530,948</b>
<b>Equity Capital</b>			
Unappropriated Retained Earnings	\$ (49,900,944)		\$(49,900,944)
<b>Total Equity Capital</b>	<b>\$ (49,900,944)</b>		<b>\$(49,900,944)</b>
<b>Long-Term Debt</b>			
Bonds	\$ 9,540,396		\$ 9,540,396
Other Long-Term Debt	<u>\$ 1,359,913</u>		<u>\$ 1,359,913</u>
<b>Total Long-Term Debt</b>	<b>\$ 10,900,309</b>		<b>\$ 10,900,309</b>

**Current and Accrued Liabilities**

Accounts Payable	\$ 246,200	\$ 246,200
Notes Payable	\$ -	\$ -
Customer Deposits	\$ 434,001	\$ 434,001
Accrued Taxes	\$ 50,946	\$ 50,946
Accrued Interest	\$ 124,290	\$ 124,290
Tax Collections Payable	<u>\$ 24,049</u>	<u>\$ 24,049</u>
<b>Total Current and Accrued Liabilities</b>	<b>\$ 879,486</b>	<b>\$ 879,486</b>

**Deferred Credits**

Advances for Construction	\$ 408,599	\$ 408,599
Other Deferred Credits	\$ 8,770,813	\$ 8,770,813
<b>Total Deferred Credits</b>	<u>\$ 9,179,412</u>	<u>\$ 9,179,412</u>

<b>Contributions In Aid of Construction</b>	<b>\$ 91,472,685</b>	<b>\$ 91,472,685</b>
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<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>	<u><b>\$ 62,530,948</b></u>	<u><b>\$ 62,530,948</b></u>
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# **EXHIBIT 19**

## Budget Summary of Mountain Water District

Reporting Period from January 1, 2021 through December 31, 2021

	Actual 2019	Budget 2020	Estimate 2021
<b><u>Utility Operating Income</u></b>			
<b>Operating Revenues</b>	\$ 10,587,808	\$ 10,608,691	\$ 10,853,147
Operation and Maintenance Expenses	10,077,782	8,348,120	8,710,425
Depreciation Expense	3,955,000	4,083,536	4,231,274
Amortization Expense	3,440	60,780	0
Taxes Other Than Income	219,960	194,473	200,926
Income from Utility Plant Leased to Others	0	0	0
Gains (Losses) from Disposition of Utility Property	0	0	0
<b>Net Utility Operating Expenses</b>	<b>14,256,182</b>	<b>12,686,909</b>	<b>13,142,625</b>
<b>Utility Operating Income (Loss)</b>	<b>\$ (3,668,374)</b>	<b>\$ (2,078,218)</b>	<b>\$ (2,289,478)</b>
<b><u>Other Income and (Deductions)</u></b>			
Net Results/Merchandising, Jobbing & Contract Work	\$ 0	\$ 0	\$ 0
Interest and Dividend Income	22,812	12,000	6,200
Allowance for Funds Used During Construction	0	0	0
Nonutility Income	0	0	0
Miscellaneous Nonutility Expenses	0	0	0
Taxes Other Than Income	0	0	0
Interest Expense	384,158	426,154	426,154
<b>Total Other Income and (Deductions)</b>	<b>406,970</b>	<b>438,154</b>	<b>432,354</b>
<b>Income Before Contributions &amp; Extraordinary Items</b>	<b>\$ (4,029,720)</b>	<b>\$ (2,492,372)</b>	<b>\$ (2,709,432)</b>
Proceeds from Capital Contributions	944,463	6,699,981	2,526,718
Net Extraordinary Items	0	0	0
<b>Change in Net Assets</b>	<b>\$ -3,085,257</b>	<b>\$ 4,207,609</b>	<b>\$ -182,714</b>

USoA Acct #		Actual 2019	Budget 2020	Estimate 2021
	<b><u>Operating Revenues</u></b>			
	<b><u>Sales of Water (sub-category)</u></b>			
460	Unmetered Water Revenue			
461.1	Metered Water Revenue - Residential	6,763,894	\$ 6,799,337	\$ 6,905,470
461.2	Metered Water Revenue - Commercial	578,277	579,848	\$ 602,937
461.3	Metered Water Revenue - Industrial	55,360	53,040	\$ 59,624
461.4	Metered Water Revenue - Public Authorities	402,701	392,089	\$ 377,983
461.5	Metered Water Revenue - Multiple Family Dwellings	300,180	301,869	\$ 292,404
461.6	Metered Water Revenue - Bulk Loading Stations		0	0
462	Fire Protection Revenue	1,100	1,100	\$ 1,125
465	Sales to Irrigation Customers		0	0
466	Sales for Resale		0	0
	Subtotal Sales of Water	8,101,512	8,127,283	8,239,543
	<b><u>Other Water Revenues (sub-category)</u></b>			
470	Forfeited Discounts		0	0
471	Miscellaneous Service Revenues	401,718	414,587	\$ 411,190
472	Rents from Water Property		0	0
473	Interdepartmental Rents		0	0
474	Other Water Revenues	2,084,578	2,066,821	\$ 2,202,415
	Subtotal Other Water Revenues	2,486,296	2,481,408	2,613,604
	<b>Total Operating Revenues</b>	<b>10,587,808</b>	<b>10,608,691</b>	<b>10,853,147</b>
	<b><u>Operation and Maintenance Expenses</u></b>			
601	Salaries and Wages - Employees	2,308,303	2,334,101	2,351,124
603	Salaries and Wages - Commissioners	30,000	29,021	30,000
604	Employee Pensions and Benefits			
	Medical/Life Insurance	419,432	424,949	385,213
	Retirement Benefits	2,208,779	602,899	599,654
	Other	20,692	37,894	23,344
	Subtotal Employee Pensions and Benefits	2,648,903	1,065,742	1,008,211

<b>USoA</b>		<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>
<b>Acct #</b>		<b>2019</b>	<b>2020</b>	<b>2021</b>
610	Purchased Water	1,341,341	1,179,800	1,217,563
615	Purchased Power	1,342,871	1,319,986	1,442,855
616	Fuel for Power Production	0	0	0
618	Chemicals	270,518	255,933	234,388
620	Materials and Supplies	1,318,980	1,033,037	1,248,314
631	Contractual Services - Engineering	13,579	23,199	15,649
632	Contractual Services - Accounting	77,710	78,423	73,519
633	Contractual Services - Legal	157,398	76,680	40,790
634	Contractual Services - Management Fees	0	0	
635	Contractual Services - Testing	0		
636	Contractual Services - Other	50,971	108,622	82,458
641	Rental of Building/Real Property		0	0
642	Rental of Equipment	0	0	0
650	Transportation Expenses		144,199	123,234
656	Insurance - Vehicle		16,219	20,000
657	Insurance - General Liability		43,781	154,797
658	Insurance - Workers' Compensation	12,276	42,588	23,829
659	Insurance - Other	0	0	0
660	Advertising Expense	3,564	3,578	2,887
665/667	Regulatory Commission Expense	12,000	12,000	12,000
668	Water Resource Conservation Expense	0	0	0
670	Bad Debt Expense	95,526	50,000	50,000
675	Miscellaneous Expenses	393,842	531,211	578,809
	<b>Total Operation and Maintenance Expenses</b>	<b>10,077,782</b>	<b>8,348,120</b>	<b>8,710,425</b>
	<b><u>Depreciation Expense</u></b>			
403	<b>Depreciation Expense on Utility Plant</b>	<b>3,955,000</b>	<b>4,083,536</b>	<b>4,231,274</b>
	<b><u>Amortization Expense</u></b>			
406	Amortization of Utility Plant Acquisition Adjustments			
407	Amortization Expense	3,440	60,780	0
	<b>Total Amortization Expense</b>	<b>3,440</b>	<b>60,780</b>	<b>0</b>

USoA Acct #	Actual 2019	Budget 2020	Estimate 2021
<b><u>Taxes Other Than Income</u></b>			
408.10			
408.11	19,980	21,048	21,065
408.12	199,980	173,425	179,861
408.13	0		
	<b>219,960</b>	<b>194,473</b>	<b>200,926</b>
<b><u>Income from Utility Plant Leased to Others</u></b>			
413			
<b><u>Gains (Losses) from Disposition of Utility Property</u></b>			
414	0	0	0
	<b>14,256,182</b>	<b>12,686,909</b>	<b>13,142,625</b>
	<b>(3,668,374)</b>	<b>(2,078,218)</b>	<b>(2,289,478)</b>
<b><u>Other Income and (Deductions)</u></b>			
<b><u>Net Results of Merchandising, Jobbing and Contract Work</u></b>			
415			
416			
	0	0	0
<b><u>Interest and Dividend Income</u></b>			
419	22,812	12,000	6,200
<b><u>Allowance for Funds Used During Construction</u></b>			
420			
<b><u>Nonutility Income</u></b>			
421	0	0	0
<b><u>Miscellaneous Nonutility Expenses</u></b>			

<b>USoA Acct #</b>		<b>Actual 2019</b>	<b>Budget 2020</b>	<b>Estimate 2021</b>
426	Miscellaneous Nonutility Expenses			
	<b><u>Taxes Other Than Income</u></b>			
408.20	Taxes Other Than Income (Other Income and Deductions)			
	<b><u>Interest Expense</u></b>			
427.1	Interest on Debt to Associated Companies			
427.2	Interest on Short-Term Debt			
427.3	Interest on Long-Term Debt	384,158	426,154	426,154
427.4	Interest on Customer Deposits			
427.5	Interest - Other			
428	Amortization of Debt Discount and Expense			
429	Amortization of Premium on Debt			
	<b>Total Interest Expense</b>	<b>384,158</b>	<b>426,154</b>	<b>426,154</b>
	<b>Income Before Contributions &amp; Extraordinary Items</b>	<b>(4,029,720)</b>	<b>\$ (2,492,372)</b>	<b>\$ (2,709,432)</b>
	<b><u>Proceeds from Capital Contributions</u></b>			
432	Proceeds from Capital Contributions			
	Federal Grants	0	1,617,000	1,176,718
	State Grants	840,260	4,982,981	1,250,000
	Other Grants	0	0	
	Customer Contributions	104,203	100,000	100,000
	Subtotal Proceeds from Capital Contributions	944,463	6,699,981	2,526,718
	<b><u>Net Extraordinary Items</u></b>			
433	Extraordinary Income			
434	(Extraordinary Deductions)	0		
	<b>Net Extraordinary Items</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Change in Net Assets</b>	<b>(3,085,257)</b>	<b>\$ 4,207,609</b>	<b>\$ (182,714)</b>

**Abbreviated Projected Cash Flow**

	<b>Estimate 2021</b>
Income (Loss) Before Contributions & Extraordinary Items	\$ <u>(2,709,432)</u>
Items in Operations Not Requiring Cash:	
Depreciation	<u>4,231,274</u>
Amortization	<u>50,000</u>
Bad Debts	<u>200,000</u>
Others (net changes A/P, A/R, accruals)	<u>0</u>
Results Projected from Operations	\$ <u>1,771,842</u>
Cash to be Received from Loans	<u>226,000</u>
Proceeds from Capital Contributions Tap Fees	<u>100,000</u>
Cash to be Received -Grant	<u>2,426,718</u>
Total Cash to be Received Other Than From Operations	\$ <u>2,752,718</u>
Cash to be Expended for Purchase/Construction of Utility Plant	<u>2,928,718</u>
Cash to be Expended for Principal Payments LTD Schedule	<u>1,080,442</u>
Cash to be Expended for Principal Payments Equipment new	<u>31,224</u>
Cash to be Expended - Other (define)	<u>0</u>
Total Cash to be Expended Other Than From Operations	\$ <u>4,040,384</u>
Projected Change in Cash	\$ <u>484,176</u>
Projected Beginning Cash Balance	\$ <u>300,000</u>
Projected Ending Cash Balance	\$ <u><u>784,176</u></u>

**SCHEDULE OF LONG-TERM DEBT**

Long-Term Debt	Original Issue Amount	Projected Beginning Balance	Projected Principal Payments	Projected Ending Balance
				0
				0
				0
<b>**SEE ATTACHED SPREADSHEET**</b>				
				0
				0
				0
				0
				0
<b>Total Long-Term Debt</b>		<u>0</u>	<u>0</u>	<u>0</u>

**RESERVE FUNDING REQUIREMENTS**

	Projected Beginning Balance	Required Funding for Budget Year	Projected Ending Balance
Bond & Interest Sinking Fund			
Depreciation Reserve Fund	860,963	8,500	869,463
R & M Reserve Fund	869,655	-	869,655
O & M Reserve Fund	331,005	81,600	412,605
<b>Total Reserve Funding:</b>	<u>2,061,623</u>	<u>90,100</u>	<u>2,151,723</u>

The district is in compliance with all reserve funding requirements established by long-term debt agreements as of the date of completion of this form.

YES                        x                        NO

**WATER STATISTICS**

	In Gallons (omit 000)		
	Actual 2019	Budget 2020	Estimate 2021
Water Produced & Purchase	1,577,367	1,500,000	1,500,000
Total Water Sales	788,544	900,000	825,000
Other Water Used	207,109	250,000	250,000
Water Loss	581,714	500,000	425,000
Water Loss Percentage	<u>36.88%</u>	<u>33.33%</u>	<u>28.33%</u>

**This budget is true and accurate to the best of my knowledge and belief.**

Signed *Carrie Hatfield*

**District Chief Financial Officer**

(Date) 1/20/21

**Received by \_\_\_\_\_ County Fiscal Court Clerk**

(Signed) \_\_\_\_\_

(Date) \_\_\_\_\_

**Received by the Governor's Office for Local Development (date) \_\_\_\_\_**

**District mailing address:**

(Street or P O Box) \_\_\_\_\_

(City & zip code) \_\_\_\_\_

## Budget Summary of Mountain Water District

Reporting Period from January 1, 2022 through December 31, 2022

	Actual 2020	Budget 2021	Estimate 2022
<b><u>Utility Operating Income</u></b>			
<b>Operating Revenues</b>	\$ 10,406,397	\$ 10,853,147	\$ 10,590,553
Operation and Maintenance Expenses	9,133,626	8,710,425	8,791,505
Depreciation Expense	4,078,111	4,231,274	3,994,752
Amortization Expense	3,440	0	0
Taxes Other Than Income	181,240	200,926	215,892
Income from Utility Plant Leased to Others	0	0	0
Gains (Losses) from Disposition of Utility Property	0	0	0
Net Utility Operating Expenses	13,396,417	13,142,625	13,002,149
<b>Utility Operating Income (Loss)</b>	<b>\$ (2,990,020)</b>	<b>\$ (2,289,478)</b>	<b>\$ (2,411,596)</b>
<b><u>Other Income and (Deductions)</u></b>			
Net Results/Merchandising, Jobbing & Contract Work	\$ 0	\$ 0	\$ 0
Interest and Dividend Income	8,542	6,200	3,938
Allowance for Funds Used During Construction	0	0	0
Nonutility Income	0	0	0
Miscellaneous Nonutility Expenses	0	0	0
Taxes Other Than Income	0	0	0
Interest Expense	441,591	426,154	299,634
<b>Total Other Income and (Deductions)</b>	<b>(433,049)</b>	<b>(419,954)</b>	<b>(295,696)</b>
<b>Income Before Contributions &amp; Extraordinary Items</b>	<b>\$ (3,423,069)</b>	<b>\$ (2,709,432)</b>	<b>\$ (2,707,292)</b>
Proceeds from Capital Contributions	448,348	1,350,000	1,350,000
Net Extraordinary Items	0	0	0
<b>Change in Net Assets</b>	<b>\$ -2,974,721</b>	<b>\$ -1,359,432</b>	<b>\$ -1,357,292</b>

USoA Acct #		Actual 2020	Budget 2021	Estimate 2022
<b><u>Operating Revenues</u></b>				
<b><u>Sales of Water (sub-category)</u></b>				
460	Unmetered Water Revenue			
461.1	Metered Water Revenue - Residential	6,951,474	\$ 6,905,470	\$ 6,777,462
461.2	Metered Water Revenue - Commercial	626,190	602,937	\$ 575,581
461.3	Metered Water Revenue - Industrial	59,379	59,624	\$ 58,743
461.4	Metered Water Revenue - Public Authorities	384,882	377,983	\$ 397,200
461.5	Metered Water Revenue - Multiple Family Dwellings	287,528	292,404	\$ 300,947
461.6	Metered Water Revenue - Bulk Loading Stations		0	0
462	Fire Protection Revenue	1,050	1,125	\$ 1,400
465	Sales to Irrigation Customers		0	0
466	Sales for Resale		0	0
	Subtotal Sales of Water	8,310,503	8,239,543	8,111,333
<b><u>Other Water Revenues (sub-category)</u></b>				
470	Forfeited Discounts		0	0
471	Miscellaneous Service Revenues	147,855	411,190	\$ 406,415
472	Rents from Water Property		0	0
473	Interdepartmental Rents		0	0
474	Other Water Revenues	1,948,039	2,202,415	\$ 2,072,805
	Subtotal Other Water Revenues	2,095,894	2,613,604	2,479,220
	<b>Total Operating Revenues</b>	<b>10,406,397</b>	<b>10,853,147</b>	<b>10,590,553</b>
<b><u>Operation and Maintenance Expenses</u></b>				
601	Salaries and Wages - Employees	2,135,689	2,351,124	2,559,976
603	Salaries and Wages - Commissioners	30,000	30,000	30,000
604	Employee Pensions and Benefits			
	Medical/Life Insurance	521,658	385,213	492,861
	Retirement Benefits	1,928,800	599,654	660,573
	Other	0	23,344	27,790
	Subtotal Employee Pensions and Benefits	2,450,458	1,008,211	1,181,224

USoA		Actual	Budget	Estimate
Acct #		2020	2021	2022
610	Purchased Water	1,193,197	1,217,563	1,132,985
615	Purchased Power	1,245,924	1,442,855	1,380,912
616	Fuel for Power Production	0	0	0
618	Chemicals	211,343	234,388	221,569
620	Materials and Supplies	1,254,444	1,248,314	1,337,321
631	Contractual Services - Engineering	7,176	15,649	(0)
632	Contractual Services - Accounting	72,789	73,519	80,549
633	Contractual Services - Legal	33,616	40,790	30,334
634	Contractual Services - Management Fees		0	
635	Contractual Services - Testing	0		
636	Contractual Services - Other	51,283	82,458	24,426
641	Rental of Building/Real Property		0	0
642	Rental of Equipment	0	0	0
650	Transportation Expenses	116,977	123,234	140,000
656	Insurance - Vehicle	42,448	20,000	40,000
657	Insurance - General Liability	112,259	154,797	89,639
658	Insurance - Workers' Compensation	44,781	23,829	69,158
659	Insurance - Other	0	0	0
660	Advertising Expense	2,167	2,887	3,703
665/667	Regulatory Commission Expense	12,000	12,000	12,000
668	Water Resource Conservation Expense	0	0	0
670	Bad Debt Expense	0	50,000	0
675	Miscellaneous Expenses	117,075	578,807	457,708
	<b>Total Operation and Maintenance Expenses</b>	<b>9,133,626</b>	<b>8,710,425</b>	<b>8,791,505</b>
	<b>Depreciation Expense</b>			
403	Depreciation Expense on Utility Plant	4,078,111	4,231,274	3,994,752
	<b>Amortization Expense</b>			
406	Amortization of Utility Plant Acquisition Adjustments			
407	Amortization Expense	3,440	0	0
	<b>Total Amortization Expense</b>	<b>3,440</b>	<b>0</b>	<b>0</b>

USoA Acct #	Actual 2020	Budget 2021	Estimate 2022
<b><u>Taxes Other Than Income</u></b>			
408.10			
408.10	Utility Regulatory Assessment Fees		
408.11	Property Taxes	16,376	21,065
408.12	Payroll Taxes	164,864	179,861
408.13	Other Taxes and Licenses	0	
	<b>Total Taxes Other Than Income</b>	<b>181,240</b>	<b>200,926</b>
<b><u>Income from Utility Plant Leased to Others</u></b>			
413	Income from Utility Plant Leased to Others		
<b><u>Gains (Losses) from Disposition of Utility Property</u></b>			
414	Gains (Losses) from Disposition of Utility Property	0	0
	<b>Net Utility Operating Expenses</b>	<b>13,396,417</b>	<b>13,142,625</b>
	<b>Utility Operating Income (Loss)</b>	<b>(2,990,020)</b>	<b>(2,411,596)</b>
<b><u>Other Income and (Deductions)</u></b>			
<b><u>Net Results of Merchandising, Jobbing and Contract Work</u></b>			
415	Revenues from Merchandising, Jobbing and Contract Work		
416	Costs & Expenses of Merchandising, Jobbing & Contract Work		
	<b>Net Merchandising, Jobbing and Contract Work</b>	<b>0</b>	<b>0</b>
<b><u>Interest and Dividend Income</u></b>			
419	Interest and Dividend Income	8,542	6,200
<b><u>Allowance for Funds Used During Construction</u></b>			
420	Allowance for Funds Used During Construction		
<b><u>Nonutility Income</u></b>			
421	Nonutility Income	0	0
<b><u>Miscellaneous Nonutility Expenses</u></b>			

USoA Acct #		Actual 2020	Budget 2021	Estimate 2022
426	Miscellaneous Nonutility Expenses			
	<b><u>Taxes Other Than Income</u></b>			
408.20	Taxes Other Than Income (Other Income and Deductions)			
	<b><u>Interest Expense</u></b>			
427.1	Interest on Debt to Associated Companies			
427.2	Interest on Short-Term Debt			
427.3	Interest on Long-Term Debt	441,591	426,154	299,634
427.4	Interest on Customer Deposits			
427.5	Interest - Other			
428	Amortization of Debt Discount and Expense			
429	Amortization of Premium on Debt			
	<b>Total Interest Expense</b>	<b>441,591</b>	<b>426,154</b>	<b>299,634</b>
	<b>Income Before Contributions &amp; Extraordinary Items</b>	<b>(3,423,069)</b>	<b>\$ (2,709,432)</b>	<b>\$ (2,707,292)</b>
	<b><u>Proceeds from Capital Contributions</u></b>			
432	Proceeds from Capital Contributions			
	Federal Grants	0	0	0
	State Grants	359,743	1,250,000	1,250,000
	Other Grants	0	0	
	Customer Contributions	88,605	100,000	100,000
	Subtotal Proceeds from Capital Contributions	448,348	1,350,000	1,350,000
	<b><u>Net Extraordinary Items</u></b>			
433	Extraordinary Income			
434	(Extraordinary Deductions)	0		
	<b>Net Extraordinary Items</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Change in Net Assets</b>	<b>(2,974,721)</b>	<b>\$ (1,359,432)</b>	<b>\$ (1,357,292)</b>

**Abbreviated Projected Cash Flow**

	<b>Estimate 2022</b>
Income (Loss) Before Contributions & Extraordinary Items	\$ <u>(2,707,292)</u>
Items in Operations Not Requiring Cash:	
Depreciation	<u>3,994,852</u>
Amortization	<u>                    </u>
Bad Debts	<u>                    </u>
Others (net changes A/P, A/R, accruals)	<u>0</u>
	<u>0</u>
Results Projected from Operations	\$ <u>1,287,561</u>
Cash to be Received from Loans	<u>160,037</u>
Proceeds from Capital Contributions Tap Fees	<u>100,000</u>
Cash to be Received -Grant	<u>1,250,000</u>
	<u>                    </u>
Total Cash to be Received Other Than From Operations	\$ <u>1,510,037</u>
Cash to be Expended for Purchase/Construction of Utility Plant	<u>1,410,037</u>
Cash to be Expended for Principal Payments LTD Schedule	<u>864,856</u>
Cash to be Expended for Principal Payments Equipment new	<u>26,460</u>
Cash to be Expended - Other (define)	<u>                    </u>
	<u>                    </u>
Total Cash to be Expended Other Than From Operations	\$ <u>2,301,353</u>
Projected Change in Cash	\$ <u>496,245</u>
Projected Beginning Cash Balance	\$ <u>300,000</u>
Projected Ending Cash Balance	\$ <u><u>796,245</u></u>

**SCHEDULE OF LONG-TERM DEBT**

Long-Term Debt	Original Issue Amount	Projected Beginning Balance	Projected Principal Payments	Projected Ending Balance
				0
				0
				0
<b>**SEE ATTACHED SPREADSHEET**</b>				
				0
				0
				0
				0
				0
<b>Total Long-Term Debt</b>		<u>0</u>	<u>0</u>	<u>0</u>

**RESERVE FUNDING REQUIREMENTS**

	Projected Beginning Balance	Required Funding for Budget Year	Projected Ending Balance
Bond & Interest Sinking Fund			
Depreciation Reserve Fund	861,886	-	861,886
R & M Reserve Fund	870,525	-	870,525
O & M Reserve Fund	417,060	-	417,060
<b>Total Reserve Funding:</b>	<u>2,149,471</u>	<u>-</u>	<u>2,149,471</u>

The district is in compliance with all reserve funding requirements established by long-term debt agreements as of the date of completion of this form.

YES                        x                        NO

**WATER STATISTICS**

	In Gallons (omit, 000)		
	Actual 2020	Budget 2021	Estimate 2022
Water Produced & Purchases	1,577,367	1,500,000	1,500,000
Total Water Sales	788,544	825,000	850,000
Other Water Used	207,109	250,000	250,000
Water Loss	581,714	425,000	400,000
Water Loss Percentage	<u>36.88%</u>	<u>28.33%</u>	<u>26.67%</u>

**This budget is true and accurate to the best of my knowledge and belief.**

Signed \_\_\_\_\_

**District Chief Financial Officer**

(Date) \_\_\_\_\_

**Received by \_\_\_\_\_ County Fiscal Court Clerk**

(Signed) \_\_\_\_\_

(Date) \_\_\_\_\_

**Received by the Governor's Office for Local Development (date) \_\_\_\_\_**

**District mailing address:**

(Street or P O Box) \_\_\_\_\_

(City & zip code) \_\_\_\_\_

**MOUNTAIN WATER DISTRICT  
SCHEDULE OF LONG TERM DEBT**

**ATTACHMENT - GOLD BUDGET**

DESCRIPTION	ORIGINAL ISSUE AMOUNT	1/1/2022 PROJECTED BEGINNING BALANCE	PROJECTED PRINCIPAL PAYMENTS	12/31/2022 PROJECTED ENDING BALANCE	Pay Off	Int Rate	Interest	Admin Fee	Total Payment
<b>BONDS</b>									
Rural Development (Russell fork wtp)	800,000	537,000	19,000	518,000	2042	3.5	17,768		36,783
Rural Development (Phelps Sewer)	428,000			-	2043				-
Rural Development (Shelby Sewer)	740,000			-	2044				-
Rural Development (Water Treatment Plant)	650,000			-	2049				-
Rural Development (Johns Creek)	1,650,000			-	2045				-
Rural Development(Belfry)	3,653,000	3,653,000		3,653,000	2060	1.75	63,927		68,927
Rural Dev(Radio Read)	3,160,000	3,109,000	42,000	3,087,000	2060	1.5	46,329		88,320
		7,299,000	61,000	7,238,000			128,010		
<b>KIA NOTES</b>									
KIA Shelby Phase III	375,000	183,551	18,512	165,039	2031		1,788	339	20,639
KIA (Multi-Area)	5,185,099	505,725	246,241	259,484	2023		12,717	678	269,834
KIA (Indian Creek)	397,780	33,058	16,283	16,775	2023		869	55	17,207
KIA (South Williamson)	184,695	30,108	8,935	20,172	2024		275	55	20,266
KIA (Water Plant)	1,197,072	174,119	68,712	105,407	2024		3,825	393	71,931
KIA (Douglas) Our Amortization	3,421,062	2,940,011	162,779	2,777,232	2038		21,745	5,798	190,322
KIA (Grinder Units)	300,000	243,051	14,353	228,698	2037		1,785	478	18,627
		4,109,623	536,816	3,572,807			42,016	7,994	
<b>OTHER NOTES</b>									
US Bank Big Creek	-	21,467	21,467	-	2022		409		21,867
CTB Boom Truck	-	-	-	-	2021		-		-
CTB AEP Project	160,548	92,976	24,302	68,674	2024		4,188		28,500
Kentucky Rural Water (Bond Refinancing)	6,324,810	6,324,810	50,000	6,274,810	2039		169,818		159,818
Community Trust - Vehicle 155	22,042	1,485		-	2022				1,485
Community Trust - Vehicle 156	23,799	2,652		-	2022				2,688
Community Trust - Vehicle 157	24,789	2,774		-	2022				2,802
Community Trust - Vehicle 158 and 159	52,197	11,672		-	2022				11,919
CTB LOC (Converted to term)	104,000	104,000	18,062	-	2027		2,898		18,960
CTB Vehicle 160 -2019	47,740	-		-	2021		-		-
CTB Vehicle 161 -2019	24,092	-		-	2021		-		-
CTB Vehicle 162-2020	24,844	18,501		12,399	2024		680		6,732
CTB Vehicle 163-2020	53,455	39,655		29,480	2024		3,098		14,268
CTB Vehicle 164-2020	33,234	24,653		16,463	2024		678		8,868
CTB Vehicle 165-2020	33,234	24,653		16,463	2024		678		8,868
CTB Vehicle 166-2020	33,234	24,653		16,463	2024		678		8,868
CTB Vehicle 167-2021	39,325	35,470		25,966	2025		578		10,460
CTB Vehicle 168-2021	30,021	28,842		21,639	2025		723		7,981
CTB Vehicle 169-2021	30,021	28,842		21,639	2025		723		7,981
CTB Vehicle 170-2021	28,711	28,543		21,415	2025		770		7,898
CTB Vehicle 171-2021	58,892	57,736		43,641	2025		1,540		15,655
CTB JD Excavator -2021	78,260	74,764		56,505	2025		2,920		20,269
CTB Takeuchi mini excavator-2021	51,500	50,489		38,163	2025		1,264		13,690
Takeuchi mini excavator used- 2021	31,498	17,081		-	2022				17,081
		7,015,688	287,040	6,660,720			129,808	-	
<b>TOTAL LONG TERM DEBT</b>	<b>22,049,588</b>	<b>18,424,321</b>	<b>864,856</b>	<b>17,471,627</b>			<b>299,634</b>	<b>7,994</b>	<b>1,172,484</b>

<b>Sinking Fund</b>	
<b>Annual</b>	<b>Transfer</b>
775,836	64,653.00

Approved by the Board of Directors  
New Loans 2022

# **EXHIBIT 20**

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	ITEM	DESCRIPTION	IN-HOUSE CONST.	CONTRACTOR OR VENDOR	COST ESTIMATE
1 THRU 6	SYSTEM WIDE CUSTOMER SERVICE LINE REPLACEMENT	PROPOSE TO REPLACE APPROX. 750 SERVICE LINES PER YEAR FOR A THREE YEAR PERIOD. A TOTAL OF 2,250 CUSTOMER SERVICE LINE TO ASSIST IN COMBATING WATER LOSS	X		\$285,298.50
7	STONE BACKFILL	STONE UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		COST ESTIMATE BASED ON CONTRACTOR PURCHASE OF A SMALL DUMP TRUCK IN-HOUSE WILL ASSIST IN LOWERING THE COST OF THE STONE BACKFILL	\$270,000.00
8	PAVEMENT REPLACEMENT	PAVEMENT REPLACEMENT UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		X	\$270,000.00
9	WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMETRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING, INSTALL 6' BARBED WIRE SECURITY FENCING TO PROTECT EQUIPMENT, PREVENT THEFT, DETER DOMESTIC TERRORISM, HYDROSEEDING, AND PERFORM TANK ACCESS ROAD MAINTENANCE	X		\$284,640.00
10	BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMETRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING	X		\$64,500.00
11	BOOSTER PUMP STATION REPLACEMENT	LONG FORK, GRAVEYARD, FOREST HILLS	X		\$190,000.00
12	PRESSURE REDUCING VALVE STATION REPLACEMENT	WIDOW'S BRANCH, BLACKBERRY #2, LYNNTROUGH, DORTON PITSTOP	X		\$60,000.00
13	STAFF - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, BASED ON A 40 HOUR WORK WEEK	SYSTEM WIDE	X		\$590,523.04
14	VEHICLES / EQUIP. - 1 3500 SERIES UTILITY TRUCK, 1 MINI-EXCAVATOR, 1 DUMP TRUCK, 1 SMALL DOZER, 4 1500 SERIES TRUCKS, 1 UTV SIDE BY SIDE, 1 TOWABLE AIR COMPRESSOR, 1 2 1/2" HAMMER BORE, 3 PULL BEHIND TRAILERS, MISC. HAND TOOLS & EQUIPMENT	SYSTEM WIDE		X	\$572,500.00
15	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETTIVE LEAKS - BURNING FORK		X	\$207,010.00
16	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETTIVE LEAKS - US 460 (OASIS PAWN SHOP)		X	\$212,090.00
17	MISCELLANEOUS EASEMENTS / PERMITS	MISCELLANEOUS EASEMENTS / PERMITS		X	\$25,000.00

ESTIMATED COST \$3,031,561.54  
 10% CONTINGENCY \$303,156.15  
 TOTAL ESTIMATED COST \$3,334,717.69

MOUNTAIN WATER DISTRICT  
 PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST PER ITEM	COST ESTIMATE
<b>1</b>	<b>150 - 3/4" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	3/4" X 4" BRASS SERVICE SADDLE	EA	100	\$34.15	\$3,415.00	
B	3/4" X 6" BRASS SERVICE SADDLE	EA	75	\$50.90	\$3,817.50	
C	3/4" X 8" BRASS SERVICE SADDLE	EA	50	\$70.00	\$3,500.00	
D	3/4" X 10" STEEL SERVICE SADDLE	EA	25	\$47.75	\$1,193.75	
E	3/4" COMPRESSION CORPORATION STOP	EA	150	\$34.75	\$5,212.50	\$25,378.25
F	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	11,250	\$0.45	\$5,062.50	
G	3/4" SERVICE LINE INSERT	EA	300	\$0.89	\$267.00	
H	3/4" BRASS COUPLING	EA	150	\$19.40	\$2,910.00	
<b>2</b>	<b>200 - REPLACEMENT OF DETERIORATED 3/4" METER BASE W/ REGULATOR &amp; METAL LID</b>					
A	3/4" COMPLETE METER BASE W/ LID	EA	200	\$422.18	\$84,436.00	\$84,436.00
<b>3</b>	<b>1,950 - 3/4" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	146,250	\$0.45	\$65,812.50	
B	3/4" SERVICE LINE INSERT	EA	3,900	\$0.89	\$3,471.00	\$107,113.50
C	3/4" BRASS COUPLING	EA	1,950	\$19.40	\$37,830.00	
<b>4</b>	<b>75 - 1" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	1" X 4" BRASS SERVICE SADDLE	EA	40	\$34.15	\$1,366.00	
B	1" X 6" BRASS SERVICE SADDLE	EA	20	\$50.90	\$1,018.00	
C	1" X 8" BRASS SERVICE SADDLE	EA	10	\$70.00	\$700.00	
D	1" X 10" STEEL SERVICE SADDLE	EA	5	\$47.75	\$238.75	
E	1" COMPRESSION CORPORATION STOP	EA	75	\$52.50	\$3,937.50	\$12,815.50
F	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
G	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	
H	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>5</b>	<b>75 - 1" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
B	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	\$5,555.25
C	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>6</b>	<b>2" ENCASMENT FOR CREEK CROSSINGS</b>					
A	2" POLYETHYLENE SERVICE LINE	LF	20,000	\$2.50	\$50,000.00	\$50,000.00
<b>7</b>	<b>STONE BACKFILL</b>					
A	\$55345 FOR STONE BACKFILL IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.23 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	\$270,000.00
<b>8</b>	<b>PAVEMENT REPLACEMENT</b>					
A	\$55,300 FOR PAVEMENT IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.14 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	\$270,000.00

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE	
<b>9 WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>							
A	TELEMTRY W/ LCD INTERFACE & SOLAR PANELS TO MONITOR & CONTROL WATER STORAGE TANKS	EA	15	\$2,776.00	\$41,640.00		
B	MODEM	EA	15	\$600.00	\$9,000.00		
C	BATTERY	EA	15	\$200.00	\$3,000.00		
D	OVERSIZE SOLAR PANELS / LARGER POWER TRANSMITTER	EA	6	\$1,000.00	\$6,000.00		
E	MISCELLANEOUS PARTS	LS	15	\$1,000.00	\$15,000.00	\$284,640.00	
F	6' BARBED WIRE SECURITY FENCING W/ DOUBLE GATE	EA	15	\$11,000.00	\$165,000.00		
G	TANK ACCESS ROAD MAINTENANCE	COST WILL BE COVERED UNDER ITEM NO. 14					
H	HYDROSEEDING	EA	15	\$3,000.00	\$45,000.00		
<b>10 BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>							
A	TELEMTRY W/ LCD INTERFACE TO MONITOR & CONTROL BOOSTER PUMP STATIONS	EA	15	\$3,400.00	\$51,000.00		
B	MODEM	EA	15	\$600.00	\$9,000.00	\$64,500.00	
C	MISCELLANEOUS PARTS	LS	15	\$300.00	\$4,500.00		
<b>11 BOOSTER PUMP STATION REPLACEMENT</b>							
A	LONG FORK	LS	1	\$55,000.00	\$55,000.00		
B	GRAVEYARD	LS	1	\$55,000.00	\$55,000.00	\$190,000.00	
C	FOREST HILLS	LS	1	\$80,000.00	\$80,000.00		
<b>12 PRESSURE REDUCING VALVE STATION REPLACEMENT</b>							
A	WIDOW'S BRANCH	LS	1	\$15,000.00	\$15,000.00		
B	BLACKBERRY #2	LS	1	\$15,000.00	\$15,000.00	\$60,000.00	
C	LYNN TROUGH	LS	1	\$15,000.00	\$15,000.00		
D	DORTON PITSTOP	LS	1	\$15,000.00	\$15,000.00		
<b>13 STAFF</b>							
A	STAFF TO PERFORM PROJECTS IN-HOUSE - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, <b>BASED ON A 40 HOUR WORK WEEK</b>	EA	4	\$147,630.76	\$590,523.04	\$590,523.04	
<b>14 VEHICLES / EQUIPMENT</b>							
A	3500 SERIES UTILITY TRUCK	EA	1	\$75,000.00	\$75,000.00		
B	MINI-EXCAVATOR	EA	1	\$55,000.00	\$55,000.00		
C	PULL BEHIND TRAILER	EA	1	\$6,500.00	\$6,500.00		
D	4500 SERIES DUMP TRUCK	EA	1	\$75,000.00	\$75,000.00		
E	SMALL DOZER	EA	1	\$100,000.00	\$100,000.00		
F	PULL BEHIND TRAILER	EA	1	\$35,000.00	\$35,000.00		
G	1500 SERIES PICKUP	EA	4	\$40,000.00	\$160,000.00	\$572,500.00	
H	UTILITY SIDE BY SIDE	EA	1	\$17,500.00	\$17,500.00		
I	PULL BEHIND TRAILER	EA	1	\$3,000.00	\$3,000.00		
J	TOWABLE AIR COMPRESSOR	EA	1	\$30,000.00	\$30,000.00		
K	2 1/2" HAMMER BORE	EA	1	\$5,500.00	\$5,500.00		
L	MISCELLANEOUS HAND TOOLS & EQUIPMENT	LS	1	\$10,000.00	\$10,000.00		

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE	
<b>15 WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - BURNING FORK</b>							
A	4" SDR 17 PVC CL 250 WATERLINE	LF	3,750	\$30.00	\$112,500.00		
B	CONNECT TO EXISTING 4" WATER MAINLINE	EA	2	\$2,750.00	\$5,500.00		
C	4" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$2,500.00	\$5,000.00		
D	3/4" CUSTOMER SERVICE LINE RECONNECTS	EA	20	\$2,000.00	\$40,000.00	\$207,010.00	
E	ENGINEERING DESIGN	LS	1	\$22,820.00	\$22,820.00		
F	ENGINEERING INSPECTION	LS	1	\$21,190.00	\$21,190.00		
<b>16 WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - US 460 (OASIS PAWN SHOP)</b>							
A	8" DUCTILE IRON PIPE CL 350 WATERLINE	LF	2,600	\$50.00	\$130,000.00		
B	CONNECT TO EXISTING 8" WATER MAINLINE	EA	2	\$3,000.00	\$6,000.00		
C	8" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$3,000.00	\$6,000.00		
D	JACK & BORE FOR 8" DUCTILE IRON PIPE CL 350 WATERLINE PRICE INCLUDES THE WATERLINE	LF	100	\$250.00	\$25,000.00	\$212,090.00	
E	ENGINEERING DESIGN	LS	1	\$23,380.00	\$23,380.00		
F	ENGINEERING INSPECTION	LS	1	\$21,710.00	\$21,710.00		
17	MISCELLANEOUS EASEMENTS / PERMITS	LS	1	\$25,000.00	\$25,000.00	\$25,000.00	
<b>NOTE: THIS IS AN ESTIMATE THAT COULD FLUCTUATE UPWARD ANY TIME DUE TO MATERIAL PRICING, EQUIPMENT PRICING, VEHICLE PRICING, CONTRACTOR PRICING, EASEMENTS, ADDITIONAL PROFESSIONAL OR CONTRACTOR SERVICES, ETC.</b>							
					ESTIMATED COST	\$3,031,561.54	
					10% CONTINGENCY	\$303,156.15	
					TOTAL ESTIMATED COST	\$3,334,717.69	
			CURRENT CUSTOMER COUNT	16,520			
			TERM MONTHS	36			
					TOTAL ESTIMATED COST PER CUSTOMER	\$201.86	
					ANNUAL COST PER CUSTOMER	\$67.29	
					MONTHLY COST PER CUSTOMER	\$5.61	
					TOTAL ESTIMATED COST	\$3,334,717.69	