

Exhibit 8 - City of West Point Acquisition:

Assets	\$ 950,000.00	
RD loan	\$ (245,000.00)	Approximate
KIA loan	\$ (190,000.00)	Approximate
	<u>\$ 515,000.00</u>	Amount to Finance

HCWD1 Purchase:

Cash on closing	\$ 435,000.00	Paid direct to KIA/RD
Installments	\$ 515,000.00	Quarterly for 3 years
	<u>\$ 950,000.00</u>	

	8.25% Rate => Current TCB L.O.C. rate
	12 Number of Pymts
\$ 42,916.67	Monthly Payment
\$ 452,121.19	PV of Acquired Assets/Note Payable
\$ 435,000.00	Down Pymt (Payoff W.P. RD & KIA Loans)
<u>\$887,121.19</u>	Capitalized Value of Assets
\$ 515,000.00	Note Payments
\$ 452,121.19	PV of Note Payable
\$ 62,878.81	Discount of Note Payable

Engineering Valuation (Cannon & Cannon) of West Point Water/Sewer System

	<u>Value</u>	<u>%</u>
Water		
PVC Pipe 45,5	186,383.00	20% Most pipe is from 1950 and considered a \$0 value. Approx 5,500 of linear feet is from 1970 or 2000s and assigned a value
Sewer		
Force Main (P	265,033.00	28%
Gravity Sewer	436,211.00	47%
85 manholes	-	
7 lift stations (50,000.00	5% Only one lift station assigned a value. Rest need a lot of work for compliance and are valued at \$0. Did not value lift station in WIP.
Package treati	-	Significant improvements needed (\$3,257,000) so valued at \$0
	<u>751,244.00</u>	80%
Total Per Cani	937,627.00	

Amortization Schedule

QTR	Paymnets	Imputed Interest at 8.25% (2.063% Qtrly)	Effective Interest Amortization Principle	Balance of PV of Note
				\$452,121.19
1	\$ 42,916.67	\$ 9,325.00	\$ 33,591.67	\$418,529.52
2	\$ 42,916.67	\$ 8,632.17	\$ 34,284.50	\$ 384,245.03
3	\$ 42,916.67	\$ 7,925.05	\$ 34,991.61	\$ 349,253.41
4	\$ 42,916.67	\$ 7,203.35	\$ 35,713.31	\$ 313,540.10
5	\$ 42,916.67	\$ 6,466.76	\$ 36,449.90	\$ 277,090.20
6	\$ 42,916.67	\$ 5,714.99	\$ 37,201.68	\$ 239,888.52
7	\$ 42,916.67	\$ 4,947.70	\$ 37,968.97	\$ 201,919.55
8	\$ 42,916.67	\$ 4,164.59	\$ 38,752.08	\$ 163,167.47
9	\$ 42,916.67	\$ 3,365.33	\$ 39,551.34	\$ 123,616.14
10	\$ 42,916.67	\$ 2,549.58	\$ 40,367.08	\$ 83,249.05
11	\$ 42,916.67	\$ 1,717.01	\$ 41,199.65	\$ 42,049.40
12	\$ 42,916.67	\$ 867.27	\$ 42,049.40	\$ (0.00)
	\$ 515,000.00	\$ 62,878.81	\$ 452,121.19	

Required Journal Entries

Dr County Water N	\$ 176,343.37		To Be Depreciated Over Life of Assets
Dr Radcliff Sewer N	\$ 663,471.09		To Be Depreciated Over Life of Assets
Dr Radcliff Sewer L	\$ 47,306.72		To Be Depreciated Over Life of Assets
Cr Note Payable - County Water	\$ 102,372.53		Pay Back Qtrly
Cr Note Payable - Radcliff Sewer	\$ 412,627.47		Pay Back Qtrly
Dr Discount on Note	\$ 12,499.15		Amortized Over 3-Years/Qtrly
Dr Discount on Note	\$ 50,379.66		Amortized Over 3-Years/Qtrly
Cr Cash - County Water	\$ 86,470.00		Pay Off West Point RD & KIA Loans - Estimated
Cr Cash - Radcliff Sewer	\$ 348,530.00		Pay Off West Point RD & KIA Loans - Estimated
	<u>\$ 950,000.00</u>	<u>\$ 950,000.00</u>	

To Record Purchase of West Point Water/Sewer Systems

Dr Interest Expense	\$ 1,853.64		Will Divide by 3 to Record Mthly
Dr Interest Expense	\$ 7,471.36		Will Divide by 3 to Record Mthly
Cr Discount on Note Payable - Cour	\$ 1,853.64		Will Divide by 3 to Record Mthly
Cr Discount on Note Payable - Radcl	\$ 7,471.36		Will Divide by 3 to Record Mthly
	<u>\$ 9,325.00</u>	<u>\$ 9,325.00</u>	

To Record 1st Qtr Discount Amortization

Dr Note Payable - C	\$ 8,531.04		
Dr Note Payable - I	\$ 34,385.62		
Cr Cash - Co Water	\$ 8,531.04		Cash Via Reserves/Line of Credit Draw or KIA Funded
Cr Cash - Radcliff Sewer	\$ 34,385.62		Cash Via Reserves/Line of Credit Draw or KIA Funded
	<u>\$ 42,916.67</u>	<u>\$ 42,916.67</u>	

To Record Qtrly Note Payment