SCHEDULE OF ADJUSTED OPERATIONS

Ohio County Water District

	Test Year	Adjustments	Ref.	Proforma
Operating Revenues				
Total Retail Metered Sales	$ 4,005,490	$ 22,508	A	$ 4,027,998
Sales for Resale	601,639	-	A	601,639
Other Water Revenues:				
Forfeited Discounts	-	80,107	B	80,107
Misc. Service Revenues	23,492			23,492
Other Water Revenues	208,154	(80,107)	B	128,047
Total Operating Revenues	$ 4,838,775			$ 4,861,283
Operating Expenses				
Operation and Maintenance				
Salaries and Wages - Employees	$ 1,151,874	$ 52,904	C	$ 1,204,778
Salaries and Wages - Officers	25,200			25,200
Employee Pensions and Benefits	685,368	(104,224)	D	
		(38,928)	E	
		(45,390)	F	496,826
Purchased Water	1,698			1,698
Purchased Power	404,011			404,011
Chemicals	269,084			269,084
Materials and Supplies	266,738			266,738
Contractual Services - Engineering	55,497			55,497
Contractual Services - Acct. & Legal	32,604			32,604
Contractual Services - Water Testing	31,174			31,174
Contractual Services - Other	188,941	(9,827)	G	
		4,750	H	183,864
Rental of Bldg/Property & Equipment	29,526	(28,800)	I	726
Transportation Expenses	77,214			77,214
Insurance - Vehicle, Gen. Liability & Other	67,997			67,997
Insurance - Workers Comp.	9,125			9,125
Advertising	469			469
Bad Debt Expense	17,868			17,868
Miscellaneous Expenses	193,165			193,165
Total Operation and Mnt. Expenses	3,507,553			3,338,037
Depreciation Expense	1,239,687	43,454	J	1,283,141
Taxes Other Than Income	91,646	6,582	C	98,228
Total Operating Expenses	$ 4,838,886	(119,480)		$ 4,719,406

REVENUE REQUIREMENTS

Pro Forma Operating Expenses			$ 4,719,406
Plus:	Average Annual Principal and Interest Payments	K	874,924
	Additional Working Capital	L	174,985
Overall Revenue Requirement			5,769,315
Less:	Other Operating Revenue		231,646
	Interest Income		84,739
	Net Nonutility Income		5,648
Revenue Required From All Water Sales			5,447,282
Less:	Revenue from All Sales at Present Rates		4,629,637
Required Revenue Increase			**$ 817,646**
Percent Increase			**17.66%**

REFERENCES

A. The Current Billing Analysis results in pro forma retail sales revenue of $4,027,998. This indicates an addition to Metered Water Sales of $22,508 is required. The billing analysis results in total revenue for wholesale sales of $601,639. This indicates that no adjustment to Sales for Resale is required.

B. Forfeited Discounts (Late Fees) were reported with Other Water Revenues. To provide more detail this revenue is reclassified to its own category.

C. Changes in the employee roster and wage rates during and after 2023 result in an increase in Salaries and Wages expense of $52,904 and an increase in payroll taxes of $6,582.

D. Due to GASB reporting requirements for liabilities, the expense reported for the District's retirement plan is $104,224 more than the actual amount paid to CERS. That amount is deducted.

E. With a decrease in the contribution rate charged by CERS beginning July 1, 2024, total payments for the CERS retirement program are estimated to decrease by $38,928.

F. The PSC requires that the District's expenses for employees' health insurance be adjusted to be consistent with the Bureau of Labor Statistics national average for an employer's share of premiums. Average employer shares from BLS are currently 78 percent for single coverage and 67 percent for family plans. The PSC allowable employer share for dental insurance is 40 percent. Applying these percentages to premiums to be paid in the current year results in a deduction from 2023 benefits expense of $45,390.

G. The District is a member of the Rochester Dam Regional Water Commission. Future required payments to RDRWC are based on $0.08 per 1,000 gallons of water withdrawn from Green River. Charges from RDRWC were formerly $0.10 per 1,000 gallons, so future payments are estimated to be $9,827 less than in 2023.

H. Estimated rate case expenses are $8,250 for the rate consultant and $6,000 for attorney's fees. The total is amortized over 3 years to result in an annual adjustment of $4,750.

I. Previously the District rented the building used for field operations. That expense will be eliminated with occupancy of the new Distribution Building.

J. The PSC typically requires adjustments to a water utility's depreciation expense when asset lives fall outside the ranges recommended by NARUC in its publication titled "Depreciation Practices for Small Utilities". Therefore, adjustments are included to bring

asset lives to the midpoint of the recommended ranges. The adjustment for radio read meters deviates from the NARUC range to recognize the specific life of those meters instead of a broad category. Other assets completed in early 2024 are also included in the adjustments. See Table A.

K. The annual debt service payments for OCWD's bond issues are shown in Table B. The three year average of these payments is added in the revenue requirement calculation.

L. The amount shown in Table B for coverage on long term debt is required by OCWD's bond resolutions. This is included in the revenue requirement as Additional Working Capital.

Table A
DEPRECIATION EXPENSE ADJUSTMENTS

Asset	Original Cost *	Reported Life	Depr. Exp.	Pro Forma Life	Pro Forma Depr. Exp.	Depreciation Expense Adjustment
Land and Land Rights						
Entire Group	5,230	50.0	105	50.0	105	0
Land/Structure Improvements						
Pumping Equipment	23,467			20.0	1,173	
Laboratory Equipment	9,996			17.5	571	
Remainder of Group	8,604,922			37.5	229,465	
Subtotal - Entire Group	8,638,385	various	234,222		231,209	(3,013)
Transmission and Distribution						
Meters and Services	2,336,052			40.0	58,401	
Radio Read Meters	494,933			15.0	32,996	
Hydrants	379,679			50.0	7,594	
Communication Equipment	41,295			10.0	4,130	
Pumping Equipment	35,792			20.0	1,790	
Structures and Improvements	43,241			37.5	1,153	
Reservoirs and Tanks	1,110,305			45.0	24,673	
Water Treatment Equipment	148,086			27.5	5,385	
Lines and Appurtenances	22,429,487			62.5	358,872	
Subtotal - Entire Group	27,018,870	various	625,945		494,993	(130,952)
Treatment Plant and Equipment						
Structures and Improvements	3,074,485			37.5	81,986	
Reservoirs and Tanks	2,788,173			45.0	61,959	
Lines and Appurtenances	98,596			62.5	1,578	
Communication Equipment	20,313			10.0	2,031	
Water Treatment Equipment	2,327,086			27.5	84,621	
Pumping Equipment	823,058			20.0	41,153	
Power Operated Equipment	2,889			12.5	231	
Subtotal - Entire Group	9,134,600	various	292,467		273,560	(18,907)
Equipment						
Power Operated Equipment	125,403			12.5	10,032	
Communication Equipment	143,733			10.0	14,373	
Laboratory Equipment	10,041			17.5	574	
Tools, Shop & Garage Equipment	23,087			17.5	1,319	
Pumping Equipment	15,505			20.0	775	
Subtotal - Entire Group	317,769	various	23,805		27,074	3,269
Office Equipment						
Structures and Improvements	7,782			37.5	208	
Office Furniture & Equipment	11,478			22.5	510	
Communication Equipment	50,042			10.0	5,004	
Subtotal - Entire Group	69,302	various	6,045		5,722	(323)
Transportation Equipment						
Entire Group	502,232	various	57,098	7.0	71,747	14,649
Subtotal EOY 2023 Assets			**$1,239,687**		**$ 1,104,409**	**$ (135,278)**
2024 Additions						
See tabulation next page	7,046,698			see table	178,731	178,731
PRO FORMA TOTALS					**$ 1,283,141**	**$ 43,454**

* Costs associated with assets that contributed to depreciation expense in the test year.

Table A Continued
DEPRECIATION EXPENSE ADJUSTMENTS

Asset	Original Cost	Reported Life	Depr. Exp.	Pro Forma Life	Pro Forma Depr. Exp.	Depreciation Expense Adjustment
2024 ADDITIONS						
New WTP Intake	$ 5,943,600	-	-	see below	$ 132,559	$ 132,559
Distribution Building	650,000	-	-	37.5	17,333	17,333
Turbidimeter	10,745	-	-	17.5	614	614
2024 Chevy Silverado 1500	42,505	-	-	7.0	6,072	6,072
Fencing - Distribution Yard	64,185	-	-	37.5	1,712	1,712
Goshen P. Sta. - Pump & Motor #1	39,800	-	-	20.0	1,990	1,990
Office Computer	1,276	-	-	10.0	128	128
Office Furnishings & Eq'mt.	21,388	-	-	22.5	951	951
Vermeer Hole Hammer	4,285	-	-	12.5	343	343
Filter Train #3 VFD	7,890	-	-	20.0	395	395
Hamlin Chapel Rd. W.L. (final)	36,752	-	-	62.5	588	588
Hartford P. Sta. Pumps	68,610	-	-	20.0	3,431	3,431
Hartford P. Sta. VFD's	22,490	-	-	20.0	1,125	1,125
Goshen P. Sta. - Pump & Motor #2	39,800	-	-	20.0	1,990	1,990
Rebuild Raw Water Pump #2	30,452	-	-	20.0	1,523	1,523
2024 Chevy 2500 Crew Cab	54,970	-	-	7.0	7,853	7,853
2" PVC Water Line	7,950	-	-	62.5	127	127
Total 2024 Additions to Date	$ 7,046,698				$ 178,731	$ 178,731

New WTP Intake Project

	Constr. Cost	%	Project Cost	Life	Depr. Exp.
Structures & Improvements	$ 2,641,152	51.46%	$3,058,837	37.5	$ 81,569
Piping	2,285,886	44.54%	2,647,388	62.5	42,358
Treatment Equipment	204,961	3.99%	237,375	27.5	8,632
Totals	$ 5,132,000		$5,943,600		$ 132,559

Table B

DEBT SERVICE SCHEDULE

Ohio County Water District

CY 2025 - 2027

	KIA Loan F08-08			KIA Loan F15-069			KRWFC Series 2020A			BAN Series 2023		
	Principal	Interest	Fees	Principal	Interest	Fees	Principal	Interest	Fees	Principal	Interest *	TOTALS
2025	215,457	15,006	3,752	73,305	17,441	2,385	170,000	211,852	450	-	165,270	$ 874,918
2026	217,617	12,846	3,212	74,593	16,152	2,209	180,000	202,752	450	-	165,270	875,101
2027	219,798	10,664	2,667	75,904	14,841	2,029	190,000	193,132	450	-	165,270	874,755
TOTALS	$652,872	$ 38,516	9,631	$ 223,802	$ 48,434	6,623	$ 540,000	$ 607,736	1,350	-	$ 495,809	$2,624,773

Average Annual Debt Service $ 874,924

Average Annual Coverage $ 174,985

* Based on total expected final loan amount of $2,988,600