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APPLICATION FOR RATE ADJUSTMENT
BEFORE THE PUBLIC SERVICE COMMISSION

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

Fleming County Water Association, Inc.

(Name of Utility)

PO Box 327

(Business Mailing Address - Number and Street, or P.O. Box)

Flemingsburg, KY 41041

(Business Mailing Address - City, State, and Zip)

606-845-3981

(Telephone Number)

BASIC INFORMATION

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

Kevin Cornette, Superintendent

(Name)

PO Box 327

(Address - Number and Street or P.O. Box)

Flemingsburg, KY 41041

(Address - City, State, Zip)

606-845-3981

(Telephone Number)

kcornette@richm.twcbc.com

(Email Address)

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

- | | YES | NO | N/A |
|---|-------------------------------------|-------------------------------------|--------------------------|
| 1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. a. Applicant has filed an annual report with the Public Service Commission for the past year. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Applicant has filed an annual report with the Public Service Commission for the two previous years. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Applicant's records are kept separate from other commonly-owned enterprises. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- b. Applicant is a limited liability company that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- c. Applicant is a limited partnership that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- d. Applicant is a sole proprietorship or partnership.
- e. Applicant is a water district organized pursuant to KRS Chapter 74.
- f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." **(Attach completed "Reasons for Application" Attachment.)**

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2023.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 275,498 and total revenues from service rates of \$ 2,321,873. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had 4,450 +/- customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)**
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

YES NO N/A

16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application. **(Attach a copy of returns.)**
17. Approximately -0- (Insert dollar amount or percentage of total utility plant) of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed


 Officer of the Company/Authorized Representative

Title

President

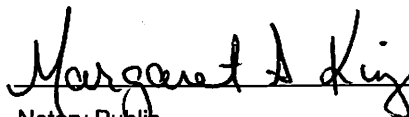
Date

8-14-2024

COMMONWEALTH OF KENTUCKY

COUNTY OF Fleming

Before me appeared Stephen H. Miller, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.


 Notary Public

Notary Public

My commission expires:

9-22-25

LIST OF ATTACHMENTS
Fleming County Water Association, Inc.

1. Customer Notice of Proposed Rate Adjustments
2. Reasons for Application
3. Current and Proposed Rates
4. Statement of Adjusted Operations and Revenue Requirements with the following attachments:
 - a. References
 - b. Table A - Depreciation Expense Adjustments
 - c. Table B - Debt Service Schedule
5. Current Billing Analysis
6. Proposed Billing Analysis
7. Depreciation Schedule
8. Outstanding Debt Instruments
 - a. RD Loans
 - b. KRWFC Loan
9. Amortization Schedules
10. Federal Tax Return
11. Statements of Disclosure of Related Party Transactions
12. Board Resolution

Attachment #1

CUSTOMER NOTICE

Notice is hereby given that the Fleming County Water Association, Inc. expects to file an application with the Kentucky Public Service Commission on or about August 22, 2024, seeking approval of a proposed adjustment to its water rates. The proposed rates shall not become effective until the Public Service Commission has issued an order approving these rates.

MONTHLY WATER RATES

<u>No. of Gallons per Mon</u>	<u>Current</u>	<u>Proposed</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
First 2,000 Gals. *	\$18.88	\$21.42	\$2.54	13.45%
Next 8,000 Gallons	7.04	7.99	0.95	13.49%
Next 40,000 Gallons	5.59	6.34	0.75	13.42%
Over 50,000 Gallons	4.39	4.98	0.59	13.44%

* Lump sum minimum bill

If the Public Service Commission approves the proposed water rates, then the monthly bill for a customer using an average of 4,000 gallons per month will increase from \$32.96 to \$37.40. This is an increase of \$4.44 or 13.47%.

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

Fleming County Water Association, Inc. has available for inspection at its office the application which it submitted to the Public Service Commission. A person may examine this application at the Association's office located at 2772 Morehead Road, Flemingsburg, KY 41041. You may contact the office at 606-845-3981.

This filing may also be examined on the PSC website at <http://psc.ky.gov> and at the offices of the Public Service Commission located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m. Comments regarding the application may be submitted to the Public Service Commission through its website or by mail to Public Service Commission, PO Box 615, Frankfort, Kentucky, 40602. You may contact the Public Service Commission at 502-564-3940.

A person may submit a timely written request for intervention to the Public Service Commission, PO Box 615, Frankfort, KY, 40602, establishing the grounds for the request including the status and interest of the party. If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Public Service Commission may take final action on the application.

Attachment #2

Reasons for Application

Fleming County Water Association, Inc. (“the Association”) is requesting a 13.46 percent rate increase for all its water customers. The rate increase will generate approximately \$275,498 in additional annual revenue. The Association needs the rate increase for the following reasons:

1. To enable the Association to pay its annual principal payments on its existing long-term debt from water revenues rather than from depreciation reserves.
2. To enable the Association to meet the requirements set forth in its existing debt instruments.
3. To restore the Association to a sound financial condition; and
4. To enable the Association to enhance its financial capacity so it can continue to operate its system in compliance with the federal Safe Drinking Water Act, as amended in 1996, and KRS Chapter 151.

Attachment #3

CURRENT AND PROPOSED RATES

Fleming County Water Association

CURRENT RATE SCHEDULE

ALL METERS

First	2,000	gallons	\$18.88	Minimum Bill
Next	8,000	gallons	7.04	per 1,000 gallons
Next	40,000	gallons	5.59	per 1,000 gallons
Over	50,000	gallons	4.39	per 1,000 gallons

PROPOSED RATE SCHEDULE

ALL METERS

First	2,000	gallons	\$ 21.42	Minimum Bill
Next	8,000	gallons	7.99	per 1,000 gallons
Next	40,000	gallons	6.34	per 1,000 gallons
Over	50,000	gallons	4.98	per 1,000 gallons

Attachment #4

SCHEDULE OF ADJUSTED OPERATIONS

Fleming County Water Association

	<u>Test Year</u>	<u>Adjustments</u>	<u>Ref.</u>	<u>Pro Forma</u>
<u>Operating Revenues</u>				
Total Metered Sales	\$ 2,029,740	\$ 16,635	A	\$ 2,046,375
Other Water Revenues:				
Forfeited Discounts	-	30,181	B	30,181
Misc. Service Revenues	56,629			56,629
Other Water Revenues	<u>30,181</u>	(30,181)	B	<u>-</u>
Total Operating Revenues	\$ 2,116,550			\$ 2,133,185
<u>Operating Expenses</u>				
Operation and Maintenance				
Salaries and Wages - Employees	507,815	(9,425)	C	
		(26,970)	D	471,420
Salaries and Wages - Officers	14,000	400	E	14,400
Employee Pensions and Benefits	176,745	1,341	F	
		(21,048)	G	157,038
Purchased Water	652,253	21,327	H	673,580
Purchased Power	16,108			16,108
Materials and Supplies	294,944	(62,930)	D	232,014
Contractual Services	72,573	59,183	I	131,756
Transportation Expenses	66,137			66,137
Insurance	29,198	7,786	J	36,984
Advertising	647			647
Miscellaneous Expenses	<u>28,987</u>			<u>28,987</u>
Total Operation and Mnt. Expenses	1,859,407			1,829,071
Depreciation Expense	353,115	33,947	K	387,062
Taxes Other Than Income	<u>40,105</u>	184	C	<u>40,289</u>
Total Operating Expenses	\$ 2,252,627			\$ 2,256,422
Net Utility Operating Income	\$ (136,077)			\$ (123,237)
<u>REVENUE REQUIREMENTS</u>				
Pro Forma Operating Expenses				\$ 2,256,422
Plus: Avg. Annual Principal and Interest Payments			L	146,742
Additional Working Capital			M	<u>29,348</u>
Total Revenue Requirement				\$ 2,432,512
Less: Other Operating Revenue				(86,810)
Revenue from Contract Work	108,691	(102,691)	N	(6,000)
Interest Income				(16,447)
Net Nonutility Income				<u>(1,382)</u>
Revenue Required From Water Sales				\$ 2,321,873
Revenue from Sales at Present Rates				<u>2,046,375</u>
Required Revenue Increase				\$ 275,498
Percent Increase				13.46%

REFERENCES

- A. The Current Billing Analysis results in pro forma sales revenue of \$2,046,375. This indicates an addition to Metered Water Sales of \$16,635 is required. This amount includes a full year of sales with the new rates that went into effect in July 2024.
- B. Forfeited Discounts (Late Fees) were reported with Other Water Revenues. This revenue is reclassified to its own category to provide more detail.
- C. Reductions in the employee roster and changes in wage rates result in a decrease in Salaries and Wages expense of \$9,425 and an increase in payroll taxes of \$184.
- D. During the test year labor and materials for new meter installations were included with operating expenses. Expenses for these capital improvements should be deducted from operations. The amount of tap fees collected for these installations (\$89,900) can be substituted for the actual expenses. Thirty percent of the total is deducted from Salaries and Wages and 70 percent is deducted from Materials and Supplies expense.
- E. During 2023 one Director's position was vacant for 2 months. The total for Directors' salaries is adjusted to normalize that annual expense.
- F. Because of changes in wage rates and participation in the 401K plan, an addition to the retirement program expense of \$1,341 is required.
- G. The PSC requires that the Association'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. Applying these percentages to premiums to be paid in the current year results in a deduction from 2023 benefits expense of \$21,048.
- H. The Association recently incurred a wholesale rate increase from its primary water supplier, Greater Fleming County Regional Water Commission. Purchased Water Expense is projected to increase by \$21,327 based on 2023 purchases.
- I. A 2024 upgrade to the billing system software and associated operations will result in an increase in annual fees for these services of \$59,183.
- J. The General Property and Liability Insurance premium will increase by \$7,786 in 2024 compared to the amount paid in 2023.

- K. The PSC 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 purchased in early 2024 are also included in the adjustments. See Table A.
- L. The annual debt service payments for the Association's loans are shown in Table B. The five year average of these payments is added in the revenue requirement calculation.
- M. The amount shown in Table B for coverage on long term debt is required by the Association's loan documents. This is included in the revenue requirement as Additional Working Capital.
- N. The amount reported for Revenue from Merchandising, Jobbing and Contract Work includes \$102,691 in tap fees collected. Tap fees are considered a capital contribution and are therefore deducted from Operating Revenues.

Table A
DEPRECIATION EXPENSE ADJUSTMENTS

<u>Assets</u>	<u>Original Cost *</u>	<u>Reported</u>		<u>Proforma</u>		<u>Depreciation Expense Adjustment</u>
		<u>Life</u>	<u>Depr. Exp.</u>	<u>Life</u>	<u>Depr. Exp.</u>	
Bldg/Improvements						
Entire Group	341,834	varies	9,145	37.5	9,116	(29)
Communication Equipment						
Entire Group	47,230	varies	5,217	10.0	4,723	(494)
Furniture/Office Equipment						
Furniture and equipment	7,099	varies	581	22.5	316	(265)
Computers, electronics	34,717	varies	5,254	10.0	3,472	(1,782)
Land Improvements						
Entire Group	58,215	varies	3,044	37.5	1,552	(1,492)
Machines & Equipment						
Power Operated Equipment	123,623	10.0	11,749	12.5	9,890	(1,859)
Communication Equipment	1,186	10.0	98	10.0	98	-
Pumping Equipment						
Pumping Equipment	47,737	varies	1,519	20.0	2,387	868
Reservoirs & Tanks	1,165,469	varies	29,267	45.0	25,899	(3,368)
Shop Equipment						
Entire Group	7,388	10.0	739	17.5	422	(317)
Vehicles						
Entire Group	175,694	varies	21,658	7.0	16,588	(5,070)
Water Lines						
Transmission & Dist. Mains	10,055,250	varies	202,356	62.5	160,884	(41,472)
Services	152,203	50.0	3,043	40.0	3,805	762
Radio Read Meters	791,000	varies	57,366	10.0	79,100	21,734
2024 Additions						
Three Vehicles	130,522		-	7.0	18,646	18,646
Power Operated Equipment	88,717		-	12.5	7,097	7,097
Radio Read Meters	486,802		-	10.0	48,680	48,680
2024 Disposals (included in 2023 expense)						
Three Vehicles	114,910		-		(7,693)	(7,693)
TOTALS			\$ 351,036		\$ 384,983	\$ 33,947

* Includes only costs of assets that contributed to depreciation expense in the test year.

Table B
DEBT SERVICE SCHEDULE
Fleming County Water Association
CY 2025 - 2029

<u>Year</u>	<u>2004 RD Loan</u>		<u>2009 RD Loan</u>		<u>2012 RD Loan</u>		<u>2015 KRWFC Loan</u>		<u>TOTALS</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 12,739	\$ 17,959	\$ 7,531	\$ 10,803	\$ 18,128	\$ 22,784	\$ 40,000	\$ 17,047	\$ 146,991
2026	13,312	17,386	7,804	10,530	18,627	22,285	40,000	15,536	145,480
2027	13,911	16,787	8,087	10,247	19,139	21,773	44,583	13,996	148,523
2028	14,537	16,161	8,380	9,954	19,607	21,305	45,000	12,279	147,223
2029	15,191	15,507	8,684	9,650	20,204	20,708	45,000	10,547	145,491
TOTALS	69,690	83,800	40,486	51,184	95,705	108,855	214,583	69,405	\$ 733,708
Average Annual Principal & Interest									\$ 146,742
Average Annual Coverage									\$ 29,348

Attachment #5

CURRENT BILLING ANALYSIS WITH 2023 USAGE & EXISTING RATES
Fleming County Water Association

SUMMARY

	No. of Bills	Gallons Sold	Revenue
All Meters	53,328	253,054,110	\$ 2,072,470
			(26,095)
			\$ 2,046,375

ALL METERS

	USAGE	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	NEXT 40,000	ALL OVER 50,000
First	2,000	20,153	17,306,030	17,306,030	-	-	-
Next	8,000	28,815	123,548,890	57,630,000	65,918,890	-	-
Next	40,000	4,052	73,918,730	8,104,000	32,416,000	33,398,730	-
All Over	50,000	308	38,280,460	616,000	2,464,000	12,320,000	22,880,460
		53,328	253,054,110	83,656,030	100,798,890	45,718,730	22,880,460

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
First	2,000	53,328	83,656,030	\$ 18.88	\$ 1,006,832.64
Next	8,000		100,798,890	7.04	709,624.19
Next	40,000		45,718,730	5.59	255,567.70
All Over	50,000		22,880,460	4.39	100,445.22
		53,328	253,054,110		\$ 2,072,469.75

Attachment #6

PROPOSED BILLING ANALYSIS WITH 2023 USAGE & PROPOSED RATES
Fleming County Water Association

SUMMARY

	No. of Bills	Gallons Sold	Revenue
All Meters	53,328	253,054,110	\$ 2,351,470
			<u>(29,608)</u>
			\$ 2,321,863

ALL METERS

	USAGE	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	NEXT 40,000	ALL OVER 50,000
First	2,000	20,153	17,306,030	17,306,030	-	-	-
Next	8,000	28,815	123,548,890	57,630,000	65,918,890	-	-
Next	40,000	4,052	73,918,730	8,104,000	32,416,000	33,398,730	-
All Over	50,000	308	38,280,460	616,000	2,464,000	12,320,000	22,880,460
		<u>53,328</u>	<u>253,054,110</u>	<u>83,656,030</u>	<u>100,798,890</u>	<u>45,718,730</u>	<u>22,880,460</u>

REVENUE BY RATE INCREMENT

	USAGE	BILLS	GALLONS	RATE	REVENUE
First	2,000	53,328	83,656,030	\$ 21.42	\$ 1,142,285.76
Next	8,000		100,798,890	7.99	805,383.13
Next	40,000		45,718,730	6.34	289,856.75
All Over	50,000		22,880,460	4.98	113,944.69
		<u>53,328</u>	<u>253,054,110</u>		<u>\$ 2,351,470.33</u>

Attachment #7

Book Asset Detail 1/01/23 - 12/31/23

FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Bldg/Improve												
1		Building - Office	7/01/98	104,118.00	0.00	0.00	89,801.70	2,602.95	92,404.65	11,713.35	S/L	40.00
2		Garage Building	10/23/98	45,068.00	0.00	0.00	27,229.20	1,126.70	28,355.90	16,712.10	S/L	40.00
3		Addition	4/30/99	6,934.00	0.00	0.00	4,103.10	173.35	4,276.45	2,657.55	S/L	40.00
4		Board Room Addition	5/03/99	7,601.00	0.00	0.00	4,497.18	190.03	4,687.21	2,913.79	S/L	40.00
5		2011 Building Renovations	10/04/11	51,183.00	0.00	0.00	14,395.48	1,279.58	15,675.06	35,507.94	S/L	40.00
6		Garage Renovations 11/12	4/03/12	21,041.00	0.00	0.00	5,655.18	526.03	6,181.21	14,859.79	S/L	40.00
7		New Equipment Storage Building	4/08/16	75,144.00	0.00	0.00	12,680.60	1,878.60	14,559.20	60,584.80	S/L	40.00
158		Metal Roof Restoration on Office B	5/11/18	12,840.00	0.00	0.00	3,994.67	856.00	4,850.67	7,989.33	S/L	15.00
170		Closing in of Lean To	9/20/19	17,905.90	0.00	0.00	1,662.70	511.60	2,174.30	15,731.60	S/L	35.00
		Bldg/Improve		<u>341,834.90</u>	<u>0.00c</u>	<u>0.00</u>	<u>164,019.81</u>	<u>9,144.84</u>	<u>173,164.65</u>	<u>168,670.25</u>		
Group: Comm Equip												
14		Networking Upgrades/Wiring	5/30/15	2,888.00	0.00	0.00	2,189.80	288.80	2,478.60	409.40	S/L	10.00
15		New Radio System	3/03/15	8,054.00	0.00	0.00	6,308.40	805.40	7,113.80	940.20	S/L	10.00
16		MicroCom - Telemetry	1/10/17	10,865.00	0.00	0.00	6,518.50	1,086.50	7,605.00	3,260.00	S/L	10.00
160		MicroComm. - Scada Dial Software	8/28/18	2,428.14	0.00	0.00	1,052.18	242.81	1,294.99	1,133.15	S/L	10.00
166		Radio Read Equipment	6/01/19	18,053.18	0.00	0.00	6,469.06	1,805.32	8,274.38	9,778.80	S/L	10.00
176		Radio Equipment 2020	9/14/20	4,941.72	0.00	0.00	2,306.13	988.34	3,294.47	1,647.25	S/L	5.00
		Comm Equip		<u>47,230.04</u>	<u>0.00c</u>	<u>0.00</u>	<u>24,844.07</u>	<u>5,217.17</u>	<u>30,061.24</u>	<u>17,168.80</u>		
Group: Furn/O Equip												
38		Inventory Software	12/01/12	1,756.00	0.00	0.00	1,756.00	0.00	1,756.00	0.00	S/L	7.00
39		Computer	11/20/14	1,694.00	0.00	0.00	1,694.00	0.00	1,694.00	0.00	S/L	5.00
40		Computers	5/05/14	10,647.00	0.00	0.00	10,647.00	0.00	10,647.00	0.00	S/L	5.00
41		Desk for Office (Kevin)	3/03/15	1,429.00	0.00	0.00	1,429.00	0.00	1,429.00	0.00	S/L	5.00
42		GPS Software	5/08/15	2,816.00	0.00	0.00	2,816.00	0.00	2,816.00	0.00	S/L	5.00
43		2 Laptops for Meter Reading	3/15/16	1,887.00	0.00	0.00	1,887.00	0.00	1,887.00	0.00	S/L	5.00
44		Upgraded Computer Monitors	8/15/16	1,845.00	0.00	0.00	1,558.85	263.57	1,822.42	22.58	S/L	7.00
45		Shredder	3/17/17	3,530.00	0.00	0.00	2,899.45	504.29	3,403.74	126.26	S/L	7.00
165		Office Workstation	1/02/19	2,376.83	0.00	0.00	1,901.48	475.35	2,376.83	0.00	S/L	5.00
169		Server - United	9/04/19	4,898.26	0.00	0.00	3,265.50	979.65	4,245.15	653.11	S/L	5.00
174		Computers	7/01/20	23,996.28	0.00	0.00	8,570.10	3,428.04	11,998.14	11,998.14	S/L	7.00
190		Drive Thru Desk	10/01/23	2,085.02	0.00c	0.00	0.00	52.13	52.13	2,032.89	S/L	10.00
191		Board Room Table	11/01/23	1,484.00	0.00c	0.00	0.00	24.73	24.73	1,459.27	S/L	10.00
192		Mobile Laptop	9/13/23	1,600.57	0.00c	0.00	0.00	106.70	106.70	1,493.87	S/L	5.00
		Furn/O Equip		<u>62,044.96</u>	<u>0.00c</u>	<u>0.00</u>	<u>38,424.38</u>	<u>5,834.46</u>	<u>44,258.84</u>	<u>17,786.12</u>		
Group: Land												
46		Land	7/01/87	138.00	0.00	0.00	0.00	0.00	0.00	138.00	Land	0.00
47		Land - Pumping	9/01/91	1,099.00	0.00	0.00	0.00	0.00	0.00	1,099.00	Land	0.00
48		Land	4/18/96	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	Land	0.00
49		Land	6/15/07	600.00	0.00	0.00	0.00	0.00	0.00	600.00	Land	0.00
50		Taps	1/01/82	1,020.00	0.00	0.00	0.00	0.00	0.00	1,020.00	Land	0.00

Book Asset Detail 1/01/23 - 12/31/23

FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Land (continued)												
51		Land	1/01/85	1,350.00	0.00	0.00	0.00	0.00	0.00	1,350.00	Land	0.00
52		Land	7/01/86	3,938.00	0.00	0.00	0.00	0.00	0.00	3,938.00	Land	0.00
53		Land	12/23/97	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	Land	0.00
54		Land for Building	7/01/88	21,060.00	0.00	0.00	0.00	0.00	0.00	21,060.00	Land	0.00
55		Land - General P1	7/01/89	840.00	0.00	0.00	0.00	0.00	0.00	840.00	Land	0.00
56		Road Behind Office	12/01/90	1,001.00	0.00	0.00	0.00	0.00	0.00	1,001.00	Land	0.00
57		Lot Improvement	7/01/93	6,228.00	0.00	0.00	0.00	0.00	0.00	6,228.00	Land	0.00
58		Land	6/30/96	15,000.00	0.00	0.00	0.00	0.00	0.00	15,000.00	Land	0.00
182		Land - Craft	12/30/22	75,550.00	0.00	0.00	0.00	0.00	0.00	75,550.00	Land	0.00
		Land		<u>129,824.00</u>	<u>0.00c</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>129,824.00</u>		
Group: Land Improv												
59		Blacktop Office	5/01/90	9,330.00	0.00	0.00	6,095.60	186.60	6,282.20	3,047.80	S/L	50.00
60		Land Improvements	8/08/13	44,437.00	0.00	0.00	20,923.10	2,221.85	23,144.95	21,292.05	S/L	20.00
181		Maintenance of Lot - Sealing/Stripp	7/20/21	4,447.50	0.00	0.00	900.09	635.36	1,535.45	2,912.05	S/L	7.00
		Land Improv		<u>58,214.50</u>	<u>0.00c</u>	<u>0.00</u>	<u>27,918.79</u>	<u>3,043.81</u>	<u>30,962.60</u>	<u>27,251.90</u>		
Group: Mach and Equip												
61		Hole Hog	8/01/00	5,512.00	0.00	0.00	5,512.00	0.00	5,512.00	0.00	S/L	7.00
62		Kubota Excavator	7/31/10	43,990.00	0.00	0.00	43,990.00	0.00	43,990.00	0.00	S/L	10.00
63		580N Case Backhoe	12/06/11	69,406.00	0.00	0.00	69,406.00	0.00	69,406.00	0.00	S/L	10.00
64		GPS/GIS System 12	8/06/12	6,758.00	0.00	0.00	6,758.00	0.00	6,758.00	0.00	S/L	10.00
65		GPS/GIS System	11/01/13	1,186.00	0.00	0.00	1,087.60	98.40	1,186.00	0.00	S/L	10.00
66		Herritage International	9/15/15	85,539.00	0.00	0.00	62,728.40	8,553.90	71,282.30	14,256.70	S/L	10.00
67		State Equipment	10/08/15	19,670.00	0.00	0.00	14,297.00	1,967.00	16,264.00	3,406.00	S/L	10.00
188		Kubota Tractor Mower and Loader	5/01/23	18,413.90	0.00c	0.00	0.00	1,227.59	1,227.59	17,186.31	S/L	10.00
		Mach and Equip		<u>250,474.90</u>	<u>0.00c</u>	<u>0.00</u>	<u>203,779.00</u>	<u>11,846.89</u>	<u>215,625.89</u>	<u>34,849.01</u>		
Group: Pump Equip												
68		Pump House	7/01/87	5,432.00	0.00	0.00	5,432.00	0.00	5,432.00	0.00	S/L	25.00
69		Pump Station	2/01/91	8,342.00	0.00	0.00	8,342.00	0.00	8,342.00	0.00	S/L	25.00
70		Pump Repair	3/19/10	13,760.00	0.00	0.00	7,017.40	550.40	7,567.80	6,192.20	S/L	25.00
71		2 Paco Pumps	7/19/10	9,025.00	0.00	0.00	4,482.00	361.00	4,843.00	4,182.00	S/L	25.00
72		Standpipe 74	1/01/74	22,029.00	0.00	0.00	21,588.48	440.52	22,029.00	0.00	S/L	50.00
73		Standpipe 87	7/01/87	102,464.00	0.00	0.00	72,749.68	2,049.28	74,798.96	27,665.04	S/L	50.00
74		Tank Standpipe	11/01/92	155,965.00	0.00	0.00	94,098.80	3,119.30	97,218.10	58,746.90	S/L	50.00
75		Tank Repair	8/13/10	5,068.00	0.00	0.00	1,258.16	101.36	1,359.52	3,708.48	S/L	50.00
76		Parkersburg Tank	1/01/10	352,436.00	0.00	0.00	91,633.32	7,048.72	98,682.04	253,753.96	S/L	50.00
77		Chlorine Boost	4/01/91	6,069.00	0.00	0.00	6,069.00	0.00	6,069.00	0.00	S/L	25.00
163		Petersville Pump Station	10/31/18	3,381.15	0.00	0.00	1,408.83	338.12	1,746.95	1,634.20	S/L	10.00
164		Water Tank - Donated by FFCIDA	10/06/18	441,153.00	0.00	0.00	52,080.56	12,254.25	64,334.81	376,818.19	S/L	36.00
171		Tank Rehab Project	12/17/19	79,960.00	0.00	0.00	11,994.00	3,998.00	15,992.00	63,968.00	S/L	20.00
177		Tank Rehab 20	1/03/20	6,394.38	0.00	0.00	767.34	255.78	1,023.12	5,371.26	S/L	25.00
187		Pump Station Repair and Control U	10/01/23	21,571.00	0.00c	0.00	0.00	269.64	269.64	21,301.36	S/L	20.00

Book Asset Detail 1/01/23 - 12/31/23

FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Pump Equip (continued)												
		Pump Equip		<u>1,233,049.53</u>	<u>0.00c</u>	<u>0.00</u>	<u>378,921.57</u>	<u>30,786.37</u>	<u>409,707.94</u>	<u>823,341.59</u>		
Group: Shop Equip												
78		Air Compressor	9/30/95	14,930.00	0.00	0.00	14,930.00	0.00	14,930.00	0.00	S/L	10.00
79		Shop Tools 96	9/30/96	1,307.00	0.00	0.00	1,307.00	0.00	1,307.00	0.00	S/L	10.00
80		Generator	12/30/98	1,693.00	0.00	0.00	1,693.00	0.00	1,693.00	0.00	S/L	10.00
81		Shop Tools 00	9/01/00	1,096.00	0.00	0.00	1,096.00	0.00	1,096.00	0.00	S/L	7.00
82		Forklift	8/06/09	4,000.00	0.00	0.00	4,000.00	0.00	4,000.00	0.00	S/L	10.00
83		Bucket Forks	12/17/98	900.00	0.00	0.00	900.00	0.00	900.00	0.00	S/L	10.00
84		New Lawn Mower - Cub Cadet	6/08/15	2,861.00	0.00	0.00	2,861.00	0.00	2,861.00	0.00	S/L	7.00
85		USA Bluebook	7/15/15	3,361.00	0.00	0.00	3,361.00	0.00	3,361.00	0.00	S/L	7.00
178		TT Piercing Tool	9/07/21	7,388.20	0.00	0.00	985.09	738.82	1,723.91	5,664.29	S/L	10.00
		Shop Equip		<u>37,536.20</u>	<u>0.00c</u>	<u>0.00</u>	<u>31,133.09</u>	<u>738.82</u>	<u>31,871.91</u>	<u>5,664.29</u>		
Group: Vehicles												
86		93 INT 4900 VIN #9280	4/06/99	17,250.00	0.00	0.00	17,250.00	0.00	17,250.00	0.00	S/L	5.00
89		14 Chevy Silverado #4037	11/27/13	24,385.00	0.00	0.00	24,385.00	0.00	24,385.00	0.00	S/L	7.00
91		New Service Truck	4/15/16	29,006.00	0.00	0.00	27,970.26	1,035.74	29,006.00	0.00	S/L	7.00
92		New Service Truck 2	5/30/16	25,589.00	0.00	0.00	24,065.42	1,523.58	25,589.00	0.00	S/L	7.00
93		Service Truck	10/31/17	25,266.00	0.00	0.00	25,266.00	0.00	25,266.00	0.00	S/L	5.00
161		Hawke Dump Truck	10/01/18	4,979.88	0.00	0.00	4,232.91	746.97	4,979.88	0.00	S/L	5.00
162		New Truck - Crew Cab	12/28/18	35,930.00	0.00	0.00	20,531.44	5,132.86	25,664.30	10,265.70	S/L	7.00
168		2019 Truck - Josh	5/20/19	30,851.39	0.00	0.00	22,110.17	6,170.28	28,280.45	2,570.94	S/L	5.00
186		Extended Cab P/U 2022	7/20/22	49,338.12	0.00	0.00	2,936.79	7,048.30	9,985.09	39,353.03	S/L	7.00
		Vehicles		<u>242,595.39</u>	<u>0.00c</u>	<u>0.00</u>	<u>168,747.99</u>	<u>21,657.73</u>	<u>190,405.72</u>	<u>52,189.67</u>		
Group: Water Lines												
111		Meters 08	6/30/08	167,690.00	0.00	0.00	48,629.80	3,353.80	51,983.60	115,706.40	S/L	50.00
112		Meters 09	6/30/09	37,566.00	0.00	0.00	10,142.92	751.32	10,894.24	26,671.76	S/L	50.00
113		Meters 10	6/30/10	51,382.00	0.00	0.00	12,845.84	1,027.64	13,873.48	37,508.52	S/L	50.00
114		Mains Line 85	1/01/85	464,546.00	0.00	0.00	353,055.52	9,290.92	362,346.44	102,199.56	S/L	50.00
115		Mains Line 86	7/01/86	46,302.00	0.00	0.00	33,800.24	926.04	34,726.28	11,575.72	S/L	50.00
116		Mains Line 87	7/01/87	115,527.00	0.00	0.00	82,024.24	2,310.54	84,334.78	31,192.22	S/L	50.00
117		Mains Line 89	7/01/89	765,982.00	0.00	0.00	513,207.84	15,319.64	528,527.48	237,454.52	S/L	50.00
118		Mains Line 90	7/01/90	50,628.00	0.00	0.00	32,908.36	1,012.56	33,920.92	16,707.08	S/L	50.00
119		Mains Line 91	12/01/91	10,387.00	0.00	0.00	6,457.44	207.74	6,665.18	3,721.82	S/L	50.00
120		Mains Line 92	10/01/92	37,141.00	0.00	0.00	22,470.92	742.82	23,213.74	13,927.26	S/L	50.00
121		Mains Line 93	1/01/93	2,063,270.00	0.00	0.00	1,237,961.40	41,265.40	1,279,226.80	784,043.20	S/L	50.00
122		Mains Line 94	12/01/94	26,648.00	0.00	0.00	14,966.76	532.96	15,499.72	11,148.28	S/L	50.00
123		Mains Line 97	8/01/97	2,199,065.00	0.00	0.00	1,117,858.80	43,981.30	1,161,840.10	1,037,224.90	S/L	50.00
124		Mains Line 98	12/31/98	82,799.00	0.00	0.00	39,743.88	1,655.98	41,399.86	41,399.14	S/L	50.00
125		Mains Line 99	9/13/99	5,938.00	0.00	0.00	2,771.56	118.76	2,890.32	3,047.68	S/L	50.00
126		Mains Line 00	6/06/00	7,114.00	0.00	0.00	3,212.68	142.28	3,354.96	3,759.04	S/L	50.00
127		Mains Line 01	8/31/01	8,198.00	0.00	0.00	3,497.76	163.96	3,661.72	4,536.28	S/L	50.00

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FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Water Lines (continued)												
128		Mains Line 02	6/30/02	7,847.00	0.00	0.00	3,216.64	156.94	3,373.58	4,473.42	S/L	50.00
129		Mains Line 06	5/15/06	20,256.00	0.00	0.00	6,751.72	405.12	7,156.84	13,099.16	S/L	50.00
130		Mains Line 07	6/30/07	52,798.00	0.00	0.00	16,367.76	1,055.96	17,423.72	35,374.28	S/L	50.00
131		Mains Line 10	6/01/10	2,796,522.00	0.00	0.00	703,791.64	55,930.44	759,722.08	2,036,799.92	S/L	50.00
132		Services	1/01/74	5,982.00	0.00	0.00	5,862.84	119.16	5,982.00	0.00	S/L	50.00
133		Tap Ons 91	10/01/91	21,648.00	0.00	0.00	13,529.76	432.96	13,962.72	7,685.28	S/L	50.00
134		Tap Ons 92	7/01/92	26,108.00	0.00	0.00	15,925.96	522.16	16,448.12	9,659.88	S/L	50.00
135		Tap Ons 93	7/01/93	28,601.00	0.00	0.00	16,874.12	572.02	17,446.14	11,154.86	S/L	50.00
136		Tap Ons 94	12/01/94	27,175.00	0.00	0.00	15,263.00	543.50	15,806.50	11,368.50	S/L	50.00
137		Tap Ons 95	12/31/95	6,439.00	0.00	0.00	3,476.68	128.78	3,605.46	2,833.54	S/L	50.00
138		Tap Ons 96	9/30/96	6,938.00	0.00	0.00	3,642.56	138.76	3,781.32	3,156.68	S/L	50.00
139		Tap Ons 97	9/30/97	9,785.00	0.00	0.00	4,941.20	195.70	5,136.90	4,648.10	S/L	50.00
140		Tap Ons 98	9/30/98	8,362.00	0.00	0.00	4,055.44	167.24	4,222.68	4,139.32	S/L	50.00
141		Tap Ons 99	9/30/99	11,165.00	0.00	0.00	5,191.80	223.30	5,415.10	5,749.90	S/L	50.00
142		Other Plant	1/01/74	9,597.00	0.00	0.00	9,404.64	192.36	9,597.00	0.00	S/L	50.00
143		Plant Tie In GFCW	5/31/05	34,332.00	0.00	0.00	12,073.84	686.64	12,760.48	21,571.52	S/L	50.00
145		100 Meters and Co	1/23/03	8,692.00	0.00	0.00	8,655.60	36.40	8,692.00	0.00	S/L	20.00
148		Radio Read 12	11/05/12	8,647.00	0.00	0.00	8,647.00	0.00	8,647.00	0.00	S/L	10.00
149		Radio Read 13	12/03/13	19,631.00	0.00	0.00	17,831.60	1,799.40	19,631.00	0.00	S/L	10.00
150		Meters 13	8/19/13	543.00	0.00	0.00	506.80	36.20	543.00	0.00	S/L	10.00
151		Radio Read 14	6/16/14	20,794.00	0.00	0.00	16,068.16	1,890.36	17,958.52	2,835.48	S/L	11.00
152		Meters 14	6/10/14	411.00	0.00	0.00	352.60	41.10	393.70	17.30	S/L	10.00
153		Meters 15	11/03/15	15,600.00	0.00	0.00	11,180.00	1,560.00	12,740.00	2,860.00	S/L	10.00
154		Project 2012	12/31/15	1,164,898.00	0.00	0.00	163,085.76	23,297.96	186,383.72	978,514.28	S/L	50.00
155		Radio Read Meters 16	11/07/16	27,740.00	0.00	0.00	16,644.00	2,774.00	19,418.00	8,322.00	S/L	10.00
156		Meters 17	10/03/17	20,278.00	0.00	0.00	10,645.95	2,027.80	12,673.75	7,604.25	S/L	10.00
157		Meters 18	3/31/18	41,838.05	0.00	0.00	19,873.09	4,183.81	24,056.90	17,781.15	S/L	10.00
159		Line Extensions	11/01/18	28,542.15	0.00	0.00	5,946.29	1,427.11	7,373.40	21,168.75	S/L	20.00
167		Meters - 2019	11/04/19	32,204.32	0.00	0.00	10,198.03	3,220.43	13,418.46	18,785.86	S/L	10.00
172		Water lines - 2019	12/31/19	4,212.44	0.00	0.00	631.86	210.62	842.48	3,369.96	S/L	20.00
173		Water Lines - 2020	4/22/20	5,700.84	0.00	0.00	760.11	285.04	1,045.15	4,655.69	S/L	20.00
175		Meters 20	11/05/20	44,202.68	0.00	0.00	9,577.25	4,420.27	13,997.52	30,205.16	S/L	10.00
179		2021 Meters	12/30/21	86,321.14	0.00	0.00	8,632.11	8,632.11	17,264.22	69,056.92	S/L	10.00
180		Badger Meter - 1 set	12/30/21	118,927.04	0.00	0.00	11,892.70	11,892.70	23,785.40	95,141.64	S/L	10.00
183		Meters - 22	12/31/22	37,887.37	0.00	0.00	0.00	3,788.74	3,788.74	34,098.63	S/L	10.00
184		Badger Meters - 22	8/09/22	59,292.83	0.00	0.00	2,470.53	5,929.28	8,399.81	50,893.02	S/L	10.00
185		Ringos Creek Crossing Bore	2/09/22	12,000.00	0.00	0.00	550.00	600.00	1,150.00	10,850.00	S/L	20.00
189		Waterline - Mt. Hope & KY 32	7/01/23	35,000.00	0.00c	0.00	0.00	437.50	437.50	34,562.50	S/L	40.00
		Water Lines		<u>11,007,100.86</u>	<u>0.00c</u>	<u>0.00</u>	<u>4,700,075.00</u>	<u>262,765.53</u>	<u>4,962,840.53</u>	<u>6,044,260.33</u>		
		Grand Total		<u>13,409,905.28</u>	<u>0.00c</u>	<u>0.00</u>	<u>5,737,863.70</u>	<u>351,035.62</u>	<u>6,088,899.32</u>	<u>7,321,005.96</u>		

Book Asset Detail 1/01/23 - 12/31/23

FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Bldg/Improve												
1		Building - Office	7/01/98	104,118.00	0.00	0.00	89,801.70	2,602.95	92,404.65	11,713.35	S/L	40.00
2		Garage Building	10/23/98	45,068.00	0.00	0.00	27,229.20	1,126.70	28,355.90	16,712.10	S/L	40.00
3		Addition	4/30/99	6,934.00	0.00	0.00	4,103.10	173.35	4,276.45	2,657.55	S/L	40.00
4		Board Room Addition	5/03/99	7,601.00	0.00	0.00	4,497.18	190.03	4,687.21	2,913.79	S/L	40.00
5		2011 Building Renovations	10/04/11	51,183.00	0.00	0.00	14,395.48	1,279.58	15,675.06	35,507.94	S/L	40.00
6		Garage Renovations 11/12	4/03/12	21,041.00	0.00	0.00	5,655.18	526.03	6,181.21	14,859.79	S/L	40.00
7		New Equipment Storage Building	4/08/16	75,144.00	0.00	0.00	12,680.60	1,878.60	14,559.20	60,584.80	S/L	40.00
158		Metal Roof Restoration on Office B	5/11/18	12,840.00	0.00	0.00	3,994.67	856.00	4,850.67	7,989.33	S/L	15.00
170		Closing in of Lean To	9/20/19	17,905.90	0.00	0.00	1,662.70	511.60	2,174.30	15,731.60	S/L	35.00
		Bldg/Improve		<u>341,834.90</u>	<u>0.00c</u>	<u>0.00</u>	<u>164,019.81</u>	<u>9,144.84</u>	<u>173,164.65</u>	<u>168,670.25</u>		
Group: Comm Equip												
14		Networking Upgrades/Wiring	5/30/15	2,888.00	0.00	0.00	2,189.80	288.80	2,478.60	409.40	S/L	10.00
15		New Radio System	3/03/15	8,054.00	0.00	0.00	6,308.40	805.40	7,113.80	940.20	S/L	10.00
16		MicroCom - Telemetry	1/10/17	10,865.00	0.00	0.00	6,518.50	1,086.50	7,605.00	3,260.00	S/L	10.00
160		MicroComm. - Scada Dial Software	8/28/18	2,428.14	0.00	0.00	1,052.18	242.81	1,294.99	1,133.15	S/L	10.00
166		Radio Read Equipment	6/01/19	18,053.18	0.00	0.00	6,469.06	1,805.32	8,274.38	9,778.80	S/L	10.00
176		Radio Equipment 2020	9/14/20	4,941.72	0.00	0.00	2,306.13	988.34	3,294.47	1,647.25	S/L	5.00
		Comm Equip		<u>47,230.04</u>	<u>0.00c</u>	<u>0.00</u>	<u>24,844.07</u>	<u>5,217.17</u>	<u>30,061.24</u>	<u>17,168.80</u>		
Group: Furn/O Equip												
38		Inventory Software	12/01/12	1,756.00	0.00	0.00	1,756.00	0.00	1,756.00	0.00	S/L	7.00
39		Computer	11/20/14	1,694.00	0.00	0.00	1,694.00	0.00	1,694.00	0.00	S/L	5.00
40		Computers	5/05/14	10,647.00	0.00	0.00	10,647.00	0.00	10,647.00	0.00	S/L	5.00
41		Desk for Office (Kevin)	3/03/15	1,429.00	0.00	0.00	1,429.00	0.00	1,429.00	0.00	S/L	5.00
42		GPS Software	5/08/15	2,816.00	0.00	0.00	2,816.00	0.00	2,816.00	0.00	S/L	5.00
43		2 Laptops for Meter Reading	3/15/16	1,887.00	0.00	0.00	1,887.00	0.00	1,887.00	0.00	S/L	5.00
44		Upgraded Computer Monitors	8/15/16	1,845.00	0.00	0.00	1,558.85	263.57	1,822.42	22.58	S/L	7.00
45		Shredder	3/17/17	3,530.00	0.00	0.00	2,899.45	504.29	3,403.74	126.26	S/L	7.00
165		Office Workstation	1/02/19	2,376.83	0.00	0.00	1,901.48	475.35	2,376.83	0.00	S/L	5.00
169		Server - United	9/04/19	4,898.26	0.00	0.00	3,265.50	979.65	4,245.15	653.11	S/L	5.00
174		Computers	7/01/20	23,996.28	0.00	0.00	8,570.10	3,428.04	11,998.14	11,998.14	S/L	7.00
190		Drive Thru Desk	10/01/23	2,085.02	0.00c	0.00	0.00	52.13	52.13	2,032.89	S/L	10.00
191		Board Room Table	11/01/23	1,484.00	0.00c	0.00	0.00	24.73	24.73	1,459.27	S/L	10.00
192		Mobile Laptop	9/13/23	1,600.57	0.00c	0.00	0.00	106.70	106.70	1,493.87	S/L	5.00
		Furn/O Equip		<u>62,044.96</u>	<u>0.00c</u>	<u>0.00</u>	<u>38,424.38</u>	<u>5,834.46</u>	<u>44,258.84</u>	<u>17,786.12</u>		
Group: Land												
46		Land	7/01/87	138.00	0.00	0.00	0.00	0.00	0.00	138.00	Land	0.00
47		Land - Pumping	9/01/91	1,099.00	0.00	0.00	0.00	0.00	0.00	1,099.00	Land	0.00
48		Land	4/18/96	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	Land	0.00
49		Land	6/15/07	600.00	0.00	0.00	0.00	0.00	0.00	600.00	Land	0.00
50		Taps	1/01/82	1,020.00	0.00	0.00	0.00	0.00	0.00	1,020.00	Land	0.00

Book Asset Detail 1/01/23 - 12/31/23

FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Land (continued)												
51		Land	1/01/85	1,350.00	0.00	0.00	0.00	0.00	0.00	1,350.00	Land	0.00
52		Land	7/01/86	3,938.00	0.00	0.00	0.00	0.00	0.00	3,938.00	Land	0.00
53		Land	12/23/97	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	Land	0.00
54		Land for Building	7/01/88	21,060.00	0.00	0.00	0.00	0.00	0.00	21,060.00	Land	0.00
55		Land - General P1	7/01/89	840.00	0.00	0.00	0.00	0.00	0.00	840.00	Land	0.00
56		Road Behind Office	12/01/90	1,001.00	0.00	0.00	0.00	0.00	0.00	1,001.00	Land	0.00
57		Lot Improvement	7/01/93	6,228.00	0.00	0.00	0.00	0.00	0.00	6,228.00	Land	0.00
58		Land	6/30/96	15,000.00	0.00	0.00	0.00	0.00	0.00	15,000.00	Land	0.00
182		Land - Craft	12/30/22	75,550.00	0.00	0.00	0.00	0.00	0.00	75,550.00	Land	0.00
		Land		<u>129,824.00</u>	<u>0.00c</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>129,824.00</u>		
Group: Land Improv												
59		Blacktop Office	5/01/90	9,330.00	0.00	0.00	6,095.60	186.60	6,282.20	3,047.80	S/L	50.00
60		Land Improvements	8/08/13	44,437.00	0.00	0.00	20,923.10	2,221.85	23,144.95	21,292.05	S/L	20.00
181		Maintenance of Lot - Sealing/Stripp	7/20/21	4,447.50	0.00	0.00	900.09	635.36	1,535.45	2,912.05	S/L	7.00
		Land Improv		<u>58,214.50</u>	<u>0.00c</u>	<u>0.00</u>	<u>27,918.79</u>	<u>3,043.81</u>	<u>30,962.60</u>	<u>27,251.90</u>		
Group: Mach and Equip												
61		Hole Hog	8/01/00	5,512.00	0.00	0.00	5,512.00	0.00	5,512.00	0.00	S/L	7.00
62		Kubota Excavator	7/31/10	43,990.00	0.00	0.00	43,990.00	0.00	43,990.00	0.00	S/L	10.00
63		580N Case Backhoe	12/06/11	69,406.00	0.00	0.00	69,406.00	0.00	69,406.00	0.00	S/L	10.00
64		GPS/GIS System 12	8/06/12	6,758.00	0.00	0.00	6,758.00	0.00	6,758.00	0.00	S/L	10.00
65		GPS/GIS System	11/01/13	1,186.00	0.00	0.00	1,087.60	98.40	1,186.00	0.00	S/L	10.00
66		Herritage International	9/15/15	85,539.00	0.00	0.00	62,728.40	8,553.90	71,282.30	14,256.70	S/L	10.00
67		State Equipment	10/08/15	19,670.00	0.00	0.00	14,297.00	1,967.00	16,264.00	3,406.00	S/L	10.00
188		Kubota Tractor Mower and Loader	5/01/23	18,413.90	0.00c	0.00	0.00	1,227.59	1,227.59	17,186.31	S/L	10.00
		Mach and Equip		<u>250,474.90</u>	<u>0.00c</u>	<u>0.00</u>	<u>203,779.00</u>	<u>11,846.89</u>	<u>215,625.89</u>	<u>34,849.01</u>		
Group: Pump Equip												
68		Pump House	7/01/87	5,432.00	0.00	0.00	5,432.00	0.00	5,432.00	0.00	S/L	25.00
69		Pump Station	2/01/91	8,342.00	0.00	0.00	8,342.00	0.00	8,342.00	0.00	S/L	25.00
70		Pump Repair	3/19/10	13,760.00	0.00	0.00	7,017.40	550.40	7,567.80	6,192.20	S/L	25.00
71		2 Paco Pumps	7/19/10	9,025.00	0.00	0.00	4,482.00	361.00	4,843.00	4,182.00	S/L	25.00
72		Standpipe 74	1/01/74	22,029.00	0.00	0.00	21,588.48	440.52	22,029.00	0.00	S/L	50.00
73		Standpipe 87	7/01/87	102,464.00	0.00	0.00	72,749.68	2,049.28	74,798.96	27,665.04	S/L	50.00
74		Tank Standpipe	11/01/92	155,965.00	0.00	0.00	94,098.80	3,119.30	97,218.10	58,746.90	S/L	50.00
75		Tank Repair	8/13/10	5,068.00	0.00	0.00	1,258.16	101.36	1,359.52	3,708.48	S/L	50.00
76		Parkersburg Tank	1/01/10	352,436.00	0.00	0.00	91,633.32	7,048.72	98,682.04	253,753.96	S/L	50.00
77		Chlorine Boost	4/01/91	6,069.00	0.00	0.00	6,069.00	0.00	6,069.00	0.00	S/L	25.00
163		Petersville Pump Station	10/31/18	3,381.15	0.00	0.00	1,408.83	338.12	1,746.95	1,634.20	S/L	10.00
164		Water Tank - Donated by FFCIDA	10/06/18	441,153.00	0.00	0.00	52,080.56	12,254.25	64,334.81	376,818.19	S/L	36.00
171		Tank Rehab Project	12/17/19	79,960.00	0.00	0.00	11,994.00	3,998.00	15,992.00	63,968.00	S/L	20.00
177		Tank Rehab 20	1/03/20	6,394.38	0.00	0.00	767.34	255.78	1,023.12	5,371.26	S/L	25.00
187		Pump Station Repair and Control U	10/01/23	21,571.00	0.00c	0.00	0.00	269.64	269.64	21,301.36	S/L	20.00

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FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Pump Equip (continued)												
		Pump Equip		<u>1,233,049.53</u>	<u>0.00c</u>	<u>0.00</u>	<u>378,921.57</u>	<u>30,786.37</u>	<u>409,707.94</u>	<u>823,341.59</u>		
Group: Shop Equip												
78		Air Compressor	9/30/95	14,930.00	0.00	0.00	14,930.00	0.00	14,930.00	0.00	S/L	10.00
79		Shop Tools 96	9/30/96	1,307.00	0.00	0.00	1,307.00	0.00	1,307.00	0.00	S/L	10.00
80		Generator	12/30/98	1,693.00	0.00	0.00	1,693.00	0.00	1,693.00	0.00	S/L	10.00
81		Shop Tools 00	9/01/00	1,096.00	0.00	0.00	1,096.00	0.00	1,096.00	0.00	S/L	7.00
82		Forklift	8/06/09	4,000.00	0.00	0.00	4,000.00	0.00	4,000.00	0.00	S/L	10.00
83		Bucket Forks	12/17/98	900.00	0.00	0.00	900.00	0.00	900.00	0.00	S/L	10.00
84		New Lawn Mower - Cub Cadet	6/08/15	2,861.00	0.00	0.00	2,861.00	0.00	2,861.00	0.00	S/L	7.00
85		USA Bluebook	7/15/15	3,361.00	0.00	0.00	3,361.00	0.00	3,361.00	0.00	S/L	7.00
178		TT Piercing Tool	9/07/21	7,388.20	0.00	0.00	985.09	738.82	1,723.91	5,664.29	S/L	10.00
		Shop Equip		<u>37,536.20</u>	<u>0.00c</u>	<u>0.00</u>	<u>31,133.09</u>	<u>738.82</u>	<u>31,871.91</u>	<u>5,664.29</u>		
Group: Vehicles												
86		93 INT 4900 VIN #9280	4/06/99	17,250.00	0.00	0.00	17,250.00	0.00	17,250.00	0.00	S/L	5.00
89		14 Chevy Silverado #4037	11/27/13	24,385.00	0.00	0.00	24,385.00	0.00	24,385.00	0.00	S/L	7.00
91		New Service Truck	4/15/16	29,006.00	0.00	0.00	27,970.26	1,035.74	29,006.00	0.00	S/L	7.00
92		New Service Truck 2	5/30/16	25,589.00	0.00	0.00	24,065.42	1,523.58	25,589.00	0.00	S/L	7.00
93		Service Truck	10/31/17	25,266.00	0.00	0.00	25,266.00	0.00	25,266.00	0.00	S/L	5.00
161		Hawke Dump Truck	10/01/18	4,979.88	0.00	0.00	4,232.91	746.97	4,979.88	0.00	S/L	5.00
162		New Truck - Crew Cab	12/28/18	35,930.00	0.00	0.00	20,531.44	5,132.86	25,664.30	10,265.70	S/L	7.00
168		2019 Truck - Josh	5/20/19	30,851.39	0.00	0.00	22,110.17	6,170.28	28,280.45	2,570.94	S/L	5.00
186		Extended Cab P/U 2022	7/20/22	49,338.12	0.00	0.00	2,936.79	7,048.30	9,985.09	39,353.03	S/L	7.00
		Vehicles		<u>242,595.39</u>	<u>0.00c</u>	<u>0.00</u>	<u>168,747.99</u>	<u>21,657.73</u>	<u>190,405.72</u>	<u>52,189.67</u>		
Group: Water Lines												
111		Meters 08	6/30/08	167,690.00	0.00	0.00	48,629.80	3,353.80	51,983.60	115,706.40	S/L	50.00
112		Meters 09	6/30/09	37,566.00	0.00	0.00	10,142.92	751.32	10,894.24	26,671.76	S/L	50.00
113		Meters 10	6/30/10	51,382.00	0.00	0.00	12,845.84	1,027.64	13,873.48	37,508.52	S/L	50.00
114		Mains Line 85	1/01/85	464,546.00	0.00	0.00	353,055.52	9,290.92	362,346.44	102,199.56	S/L	50.00
115		Mains Line 86	7/01/86	46,302.00	0.00	0.00	33,800.24	926.04	34,726.28	11,575.72	S/L	50.00
116		Mains Line 87	7/01/87	115,527.00	0.00	0.00	82,024.24	2,310.54	84,334.78	31,192.22	S/L	50.00
117		Mains Line 89	7/01/89	765,982.00	0.00	0.00	513,207.84	15,319.64	528,527.48	237,454.52	S/L	50.00
118		Mains Line 90	7/01/90	50,628.00	0.00	0.00	32,908.36	1,012.56	33,920.92	16,707.08	S/L	50.00
119		Mains Line 91	12/01/91	10,387.00	0.00	0.00	6,457.44	207.74	6,665.18	3,721.82	S/L	50.00
120		Mains Line 92	10/01/92	37,141.00	0.00	0.00	22,470.92	742.82	23,213.74	13,927.26	S/L	50.00
121		Mains Line 93	1/01/93	2,063,270.00	0.00	0.00	1,237,961.40	41,265.40	1,279,226.80	784,043.20	S/L	50.00
122		Mains Line 94	12/01/94	26,648.00	0.00	0.00	14,966.76	532.96	15,499.72	11,148.28	S/L	50.00
123		Mains Line 97	8/01/97	2,199,065.00	0.00	0.00	1,117,858.80	43,981.30	1,161,840.10	1,037,224.90	S/L	50.00
124		Mains Line 98	12/31/98	82,799.00	0.00	0.00	39,743.88	1,655.98	41,399.86	41,399.14	S/L	50.00
125		Mains Line 99	9/13/99	5,938.00	0.00	0.00	2,771.56	118.76	2,890.32	3,047.68	S/L	50.00
126		Mains Line 00	6/06/00	7,114.00	0.00	0.00	3,212.68	142.28	3,354.96	3,759.04	S/L	50.00
127		Mains Line 01	8/31/01	8,198.00	0.00	0.00	3,497.76	163.96	3,661.72	4,536.28	S/L	50.00

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FYE: 12/31/2023

Asset	d t	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Depreciation	Book Current Depreciation	Book End Depr	Book Net Book Value	Book Method	Book Period
Group: Water Lines (continued)												
128		Mains Line 02	6/30/02	7,847.00	0.00	0.00	3,216.64	156.94	3,373.58	4,473.42	S/L	50.00
129		Mains Line 06	5/15/06	20,256.00	0.00	0.00	6,751.72	405.12	7,156.84	13,099.16	S/L	50.00
130		Mains Line 07	6/30/07	52,798.00	0.00	0.00	16,367.76	1,055.96	17,423.72	35,374.28	S/L	50.00
131		Mains Line 10	6/01/10	2,796,522.00	0.00	0.00	703,791.64	55,930.44	759,722.08	2,036,799.92	S/L	50.00
132		Services	1/01/74	5,982.00	0.00	0.00	5,862.84	119.16	5,982.00	0.00	S/L	50.00
133		Tap Ons 91	10/01/91	21,648.00	0.00	0.00	13,529.76	432.96	13,962.72	7,685.28	S/L	50.00
134		Tap Ons 92	7/01/92	26,108.00	0.00	0.00	15,925.96	522.16	16,448.12	9,659.88	S/L	50.00
135		Tap Ons 93	7/01/93	28,601.00	0.00	0.00	16,874.12	572.02	17,446.14	11,154.86	S/L	50.00
136		Tap Ons 94	12/01/94	27,175.00	0.00	0.00	15,263.00	543.50	15,806.50	11,368.50	S/L	50.00
137		Tap Ons 95	12/31/95	6,439.00	0.00	0.00	3,476.68	128.78	3,605.46	2,833.54	S/L	50.00
138		Tap Ons 96	9/30/96	6,938.00	0.00	0.00	3,642.56	138.76	3,781.32	3,156.68	S/L	50.00
139		Tap Ons 97	9/30/97	9,785.00	0.00	0.00	4,941.20	195.70	5,136.90	4,648.10	S/L	50.00
140		Tap Ons 98	9/30/98	8,362.00	0.00	0.00	4,055.44	167.24	4,222.68	4,139.32	S/L	50.00
141		Tap Ons 99	9/30/99	11,165.00	0.00	0.00	5,191.80	223.30	5,415.10	5,749.90	S/L	50.00
142		Other Plant	1/01/74	9,597.00	0.00	0.00	9,404.64	192.36	9,597.00	0.00	S/L	50.00
143		Plant Tie In GFCW	5/31/05	34,332.00	0.00	0.00	12,073.84	686.64	12,760.48	21,571.52	S/L	50.00
145		100 Meters and Co	1/23/03	8,692.00	0.00	0.00	8,655.60	36.40	8,692.00	0.00	S/L	20.00
148		Radio Read 12	11/05/12	8,647.00	0.00	0.00	8,647.00	0.00	8,647.00	0.00	S/L	10.00
149		Radio Read 13	12/03/13	19,631.00	0.00	0.00	17,831.60	1,799.40	19,631.00	0.00	S/L	10.00
150		Meters 13	8/19/13	543.00	0.00	0.00	506.80	36.20	543.00	0.00	S/L	10.00
151		Radio Read 14	6/16/14	20,794.00	0.00	0.00	16,068.16	1,890.36	17,958.52	2,835.48	S/L	11.00
152		Meters 14	6/10/14	411.00	0.00	0.00	352.60	41.10	393.70	17.30	S/L	10.00
153		Meters 15	11/03/15	15,600.00	0.00	0.00	11,180.00	1,560.00	12,740.00	2,860.00	S/L	10.00
154		Project 2012	12/31/15	1,164,898.00	0.00	0.00	163,085.76	23,297.96	186,383.72	978,514.28	S/L	50.00
155		Radio Read Meters 16	11/07/16	27,740.00	0.00	0.00	16,644.00	2,774.00	19,418.00	8,322.00	S/L	10.00
156		Meters 17	10/03/17	20,278.00	0.00	0.00	10,645.95	2,027.80	12,673.75	7,604.25	S/L	10.00
157		Meters 18	3/31/18	41,838.05	0.00	0.00	19,873.09	4,183.81	24,056.90	17,781.15	S/L	10.00
159		Line Extensions	11/01/18	28,542.15	0.00	0.00	5,946.29	1,427.11	7,373.40	21,168.75	S/L	20.00
167		Meters - 2019	11/04/19	32,204.32	0.00	0.00	10,198.03	3,220.43	13,418.46	18,785.86	S/L	10.00
172		Water lines - 2019	12/31/19	4,212.44	0.00	0.00	631.86	210.62	842.48	3,369.96	S/L	20.00
173		Water Lines - 2020	4/22/20	5,700.84	0.00	0.00	760.11	285.04	1,045.15	4,655.69	S/L	20.00
175		Meters 20	11/05/20	44,202.68	0.00	0.00	9,577.25	4,420.27	13,997.52	30,205.16	S/L	10.00
179		2021 Meters	12/30/21	86,321.14	0.00	0.00	8,632.11	8,632.11	17,264.22	69,056.92	S/L	10.00
180		Badger Meter - 1 set	12/30/21	118,927.04	0.00	0.00	11,892.70	11,892.70	23,785.40	95,141.64	S/L	10.00
183		Meters - 22	12/31/22	37,887.37	0.00	0.00	0.00	3,788.74	3,788.74	34,098.63	S/L	10.00
184		Badger Meters - 22	8/09/22	59,292.83	0.00	0.00	2,470.53	5,929.28	8,399.81	50,893.02	S/L	10.00
185		Ringos Creek Crossing Bore	2/09/22	12,000.00	0.00	0.00	550.00	600.00	1,150.00	10,850.00	S/L	20.00
189		Waterline - Mt. Hope & KY 32	7/01/23	35,000.00	0.00c	0.00	0.00	437.50	437.50	34,562.50	S/L	40.00
		Water Lines		<u>11,007,100.86</u>	<u>0.00c</u>	<u>0.00</u>	<u>4,700,075.00</u>	<u>262,765.53</u>	<u>4,962,840.53</u>	<u>6,044,260.33</u>		
		Grand Total		<u>13,409,905.28</u>	<u>0.00c</u>	<u>0.00</u>	<u>5,737,863.70</u>	<u>351,035.62</u>	<u>6,088,899.32</u>	<u>7,321,005.96</u>		

Attachment #8

PROMISSORY NOTE
(ASSOCIATION OR ORGANIZATION)

State			
Kentucky			
County			
Fleming			
Case No.			
20-35-610716354			
FINANCE OFFICE USE ONLY			
F	LN	LC	IA
91	21		

- KIND OF LOAN:
- ASSOCIATION- ORGANIZATION
 - HOUSING-ORGANIZATION
 - PUBLIC BODY
 - OTHER

COPY

537,120.25
diff

Date August 18, 2004

FOR VALUE RECEIVED, Fleming County Water Association, Inc.

(herein called "Borrower") promises to pay to the order of the United States of America, acting through the Rural Housing Service, Rural Business-Cooperative Service, or Rural Utilities Service within the Rural Development Mission Area, the Farm Service Agency, or their successor Agencies, United States Department of Agriculture, (herein called the "Government") at its office in 220 West First Street, Morehead, KY 40351, or at such other place as the Government may hereafter designate in

writing, the principal amount of Five Hundred Fifty-Four Thousand and -----00/100 dollars (\$ 554,000.00), plus interest on the unused principal balance at the rate of Four and One Half percent (4.50 %) per annum. The said principal and interest shall be paid in the following installments on or before the following dates:

- \$ Interest Only on August 18, 2005,
- \$ Interest Only on August 18, 2006,
- \$ ----- on -----,
- \$ 30,698.00 on August 18, 2007, and
- \$ 30,698.00 thereafter on the 18th of each August

until the principal and interest are fully paid except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable Forty (40) years from the date of this note, and except that prepayments may be made as provided below. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this note shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this note and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder. No assignment of this note shall be effective unless the Borrower is notified in writing of the name and address of the assignee. The Borrower shall thereupon duly note in its records the occurrence of such assignment, together with the name and address of the assignee.

While this note is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment of Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security hereto, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

Default hereunder shall constitute default under any other instrument evidencing a debt or other obligation of Borrower to the Government or securing such a debt or other obligation and default under any such other instrument shall constitute default hereunder. Upon any such default, the Government at its option may declare all or any part of any such indebtedness immediately due and payable.

This note is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act if the box opposite "Association" is checked under the heading "KIND OF LOAN," or pursuant to Title V of the Housing Act of 1949 if the box opposite "HOUSING-ORGANIZATION" is checked. This note shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

Presentment, protest, and notice are hereby waived.

Fleming County Water Association, Inc.

(Name of Borrower)

J. E. Smith, Jr.

(Signature of Executive Official)

J. E. Smith, Jr., President

(Title of Executive Official)

P O Box 327

(Post Office Box No. or Street Address)

Flemingsburg, KY 41041

(City, State, and Zip Code)

(CORPORATE SEAL)

ATTEST:

Wayne Craft

(Signature of Attesting Official)

Wayne Craft, Secretary

(Title of Attesting Official)

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$	/ /	(6) \$	/ /
(2) \$	/ /	(7) \$	/ /
(3) \$	/ /	(8) \$	/ /
(4) \$	/ /	(9) \$	/ /
(5) \$	/ /	(10) \$	/ /
		TOTAL	

PAY TO THE ORDER OF _____

UNITED STATES OF AMERICA

(Name of Agency)

BY _____

224-12

11-00

91-23

USDA
Form RD 440-22
(Rev. 6-98)

PROMISSORY NOTE
(ASSOCIATION OR ORGANIZATION)

State			
Kentucky			
County			
Fleming			
Case No.			
20-35-610716354			
FINANCE OFFICE USE ONLY			
F	LN	LC	IA
91	23		

KIND OF LOAN:

- ASSOCIATION- ORGANIZATION
- HOUSING-ORGANIZATION
- PUBLIC BODY
- OTHER

Date May 28, 2009

FOR VALUE RECEIVED, Fleming County Water Association, Inc.
 (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Rural Housing Service, Rural Business-Cooperative Service, or Rural Utilities Service within the Rural Development Mission Area, the Farm Service Agency, or their successor Agencies, United States Department of Agriculture, (herein called the "Government") at its office in 220 West First Street,
Morehead, KY 40351, or at such other place as the Government may hereafter designate in

writing, the principal amount of Three Hundred Seventy-Five Thousand and 00/100 dollars
 (\$ 375,000.00), plus interest on the unused principal balance at the rate of Three and Five Eights percent
 (3.6250 %) per annum. The said principal and interest shall be paid in the following installments on or before the following dates:

- \$ Interest Only on May 28, 2010;
- \$ Interest Only on May 28, 2011;
- \$ ----- on -----;
- \$ 18,334.00 on May 28, 2012; and
- \$ 18,334.00 thereafter on the 28th of each May

until the principal and interest are fully paid except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable Forty (40) years from the date of this note, and except that prepayments may be made as provided below. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this note shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this note and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder. No assignment of this note shall be effective unless the Borrower is notified in writing of the name and address of the assignee. The Borrower shall thereupon duly note in its records the occurrence of such assignment, together with the name and address of the assignee.

While this note is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment of Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security hereto, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

Default hereunder shall constitute default under any other instrument evidencing a debt or other obligation of Borrower to the Government or securing such a debt or other obligation and default under any such other instrument shall constitute default hereunder. Upon any such default, the Government at its option may declare all or any part of any such indebtedness immediately due and payable.

This note is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act if the box opposite "Association" is checked under the heading "KIND OF LOAN," or pursuant to Title V of the Housing Act of 1949 if the box opposite "HOUSING-ORGANIZATION" is checked. This note shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

Presentment, protest, and notice are hereby waived.

Fleming County Water Association, Inc.

(Name of Borrower)

(CORPORATE SEAL)

J. E. Smith, Jr.

(Signature of Executive Official)

ATTEST:

J. E. Smith, Jr., President

(Title of Executive Official)

Wayne Craft

(Signature of Attesting Official)

P O Box 327

(Post Office Box No. or Street Address)

Secretary

(Title of Attesting Official)

Flemingsburg, KY 41041

(City, State, and Zip Code)

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$ 53,499.25	06/10/09	(6) \$	/ /
(2) \$ 145,323.77	07/01/09	(7) \$	/ /
(3) \$ 77,260.35	07/27/09	(8) \$	/ /
(4) \$ 74,608.87	09/02/09	(9) \$	/ /
(5) \$ 24,307.76	10/01/09	(10) \$	/ /
TOTAL			

PAY TO THE ORDER OF

UNITED STATES OF AMERICA

(Name of Agency)

BY

LOAN RESOLUTION SECURITY AGREEMENT

A RESOLUTION OF THE Board of Directors

OF THE Fleming County Water Association, Inc.

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS IN THE

PRINCIPAL AMOUNT OF \$957,000 FOR THE PURPOSE

OF PROVIDING A PORTION OF THE COST OF ACQUIRING AND CONSTRUCTING A

Water FACILITY, PROVIDING FOR THE COLLECTION, HANDLING, AND DISPOSITION OF REVENUES THEREFROM, AND AUTHORIZING MAKINGS OF PROMISSORY NOTE(S), SECURITY INSTRUMENTS, AND PLEDGES OF REVENUES TO EVIDENCE AND SECURE THE PAYMENT OF SAID INDEBTEDNESS AND FOR RELATED PURPOSES.

WHEREAS, the Fleming County Water Association, Inc.

(hereinafter referred to as the "Organization"); was organized under

KRS Chapter 273 for the purpose of providing a

Provide potable water to Fleming County residents (hereinafter referred to as the "Facility") to serve the Members of the said Organization; and

WHEREAS, a meeting of the members of the said organization was held on the 7 day of November 2012 pursuant to proper notice thereof to consider plans for the acquisition and construction methods of financing the Facility; and,

as shown by the minutes of said meeting, of the 6 members of record of the organization there were present and voting 5, and by a recorded majority vote, the Facility and its financing authorized; and,

WHEREAS, the proposed Facility is to be constructed and equipped in accordance with plans and specifications prepared by HMB Engineers

and in order to finance the Facility, the Board of Directors (hereinafter referred to as the "Board") is authorized and empowered, in their discretion, for and in the name of the organization, to make application to the United States of America, acting through the United States Department of Agriculture, (hereinafter referred to as the "Government"), for financial assistance; to cause the execution and delivery of a promissory note or notes or other evidence of indebtedness (hereinafter referred to as the "note"), and appropriate security instruments to secure any loan or loans made or insured by the Government; to comply with any requirements, terms or conditions prescribed by the Government or by Government regulations; and to execute contracts or enter into agreements and, without limitation, to take any and all other action as may be necessary, incidental or appropriate to finance, acquire, construct, complete, and/or equip the Facility for and on behalf of the Organization.

NOW THEREFORE, it is hereby resolved by the Board as follows:

Section 1. (Determination of Board). That it is necessary to defray a portion of the costs of financing the Facility by obtaining a loan made or insured by the Government in accordance with applicable provisions of the Consolidated Farm and Rural Development Act, it being determined that the Organization is unable to obtain sufficient credit elsewhere to finance the Facility, taking into consideration prevailing private and cooperative rates and terms currently available;

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0015), Washington, DC 20503.

Section 2. (Terms of Loan). That the Organization borrow \$957,000 and issue as evidence thereof an installment promissory note in the form prescribed by the Government for the full principal amount of the loan. The note shall be signed by the President, attested by the Secretary, and have the corporate seal of the Organization affixed

thereto, and shall bear interest from its date, which shall be the date of delivery, at a rate not to exceed 2.7500% percent per annum;

the principal and interest shall be paid over a period of 40 years in accordance with the payment schedule set forth in payment of the accrued interest and second to the payment of the principal. Prepayments of any installment may be made in any amount at any time at the option of the Organization.

Section 3. (Assignment and Pledge of Revenue). The indebtedness hereby authorized to be incurred, together with the interest thereon, shall be payable from the gross income and revenue to be derived from the operation of the Facility, a sufficient portion of which, to pay the principal and interest as and when the same shall become due, is hereby assigned, and pledged and shall be set aside for that purpose and this assignment and pledge shall extend to and include any assessments that may be levied pursuant to Section 5 (d) hereof.

Section 4. (Protection and Disposition of Funds). The Treasurer of the Organization shall be the custodian of all funds of the Organization. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

The Treasurer is hereby directed to establish the following accounts into which the current funds shall be continually maintained, except as otherwise provided, so long as the indebtedness hereby authorized remains unpaid:

(a) Construction Account.

The proceeds of the borrowing hereby authorized not disbursed contemporaneously with loan closing for incurred Facility

costs, and at least the amount of \$0 to be contributed by the Organization from the collection of initial connection fees, membership fees, or contributions shall be deposited in the Construction Account, which shall be established as required by the Government. Withdrawals from the construction account shall be made only on checks signed by the

Treasurer of the Organization as authorized by the Board from time to time, and with prior concurrence of the Government. At the option of the Government, the construction account may be established as a "supervised bank account". Amounts in the supervised bank account exceeding \$100,000 shall be secured by the depository bank in advance in accordance with U.S. Treasury Department Circular No. 176. Withdrawals from a supervised bank account

shall be made only on checks signed by the President of the Organization and countersigned by an authorized official of the Department of Agriculture. The Organization's share of any insurance or liquidated damages and other monies paid by defaulting contractors or their sureties will be deposited in the Construction Account to assure completion of the Facility. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on the loan or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed.

(b) General Account.

As soon as the facility becomes revenue producing, all funds received shall be set aside in an account to be designated as the General Account, and disbursements and transfers from this account shall be in the following priority: Debt Service, Operations and Maintenance, transfers to Reserve Account. Monies deposited in the General Account shall be used only in the manner and order as follows:

(1) Borrowers making monthly USDA Debt Service Payments shall use the General Account for making such payments plus operating and maintenance expenses. Also, funds will be transferred from this account to the Reserve Account in accordance with (d) below.

(2) Borrowers making other than monthly USDA Debt Service Payments shall use the General Account to pay operating and maintenance expenses. Other transfers from this account will be made in the following order: (i) Transfers to the Debt Service Account will be made in accordance with (c) below, (ii) Transfers to the Reserve Account will be made in accordance with (d) below.

(c) Debt Service Account

For borrowers on other than monthly debt service payments, transfers, in proportion to income availability, shall be made from the General Account and set aside in an account designated as the Debt Service Account, in sufficient amounts which will accumulate for the next installment on the note.

(d) Reserve Account

From the remaining funds in the General Account, after transfers and payments required in (b) (1) or (b) (2) and (c), there

shall be set aside into an account(s) designated as the Reserve Account(s) the sum of \$345.00

each month until the sum of \$41,400.00 is reached. With the prior written approval of the Government, funds may be withdrawn and used for such things as loan installments, emergency maintenance, extensions to facilities and replacement of short-lived assets, subject to conditions established by the Government.

(e) Whenever there shall accumulate in the General Account amounts in excess of those required in subsections (b)(1) and (2), (c), and (d), such excess will be used by the organization to make prepayments on the loan or retained in the General Account.

(f) The accounts required in subsections (b)(1) and (2), (c), and (d) may be established and maintained as bookkeeping accounts or as separate bank accounts at the election of the Organization, unless otherwise directed by the Government.

indebtedness hereby authorized remains unpaid;

Section 5. (Other Covenants and Agreements of the Organization). The Organization covenants and agrees that so long as the indebtedness hereby authorized remains unpaid;

(a) It will indemnify the Government for any payments made or losses suffered by the Government.

(b) It will comply with applicable State laws and regulations and continually operate and maintain the Facility in good condition.

(c) It will impose and collect such rates and charges that gross revenues will be sufficient at all times to provide for payment of the operation and maintenance thereof; the installment payments on the note; and the maintenance of the various funds herein created. All service rendered by or use of the Facility shall be subject to the full rates prescribed in the rules and regulations of the Organization; no free service by or use of the Facility will be permitted.

(d) It will cause to be levied and collected such assessments as may be necessary to operate and maintain the Facility in good condition and meet installment payments on the note when the same become due if, for any reason, gross revenues are insufficient.

(e) It will establish and maintain such books and records relating to the operation of the system and its financial affairs, and will provide for the annual audit thereof, in such manner as may be required by the Government; will provide the Government without its request a copy of each such audit; and will make and forward to the Government such additional information and reports as it may from time to time require.

(f) It will provide the Government, at all reasonable times, access to all books and records relating to the Facility and access to the property of the Facility so that the Government may ascertain that the Organization is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.

(g) It will maintain at least such insurance and fidelity bond coverage as may be required by the Government.

(h) It will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Government.

(i) It will not cause or permit any voluntary dissolution of its organization, or merge or consolidate with any other organization, without obtaining the prior written consent of the Government. It will not dispose of or transfer title to the facility or any part thereof, including lands and interest in lands, by sale, security instrument, lease or other encumbrance, without obtaining the prior written consent of the Government. Revenue in excess of the amount required to maintain the accounts described by Section 4 herein will not be distributed or transferred to any other organization or legal entity.

(j) It will not modify or amend the Articles of Incorporation or the Bylaws of the Organization without the written consent of the Government.

(k) It will provide adequate service to all persons within the service area who can feasibly and legally be served and will obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the organization or public body;

(l) All present and future contract rights, accounts receivable, and general intangibles arising in connection with the facility are pledged as security for the loan.

(m) It will comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing adverse environmental impacts of the facility's construction or operation.

Section 6. (Security Instruments). In order to secure the payment of the principal and interest of the note, the President and Secretary of the Organization are hereby authorized and directed to execute and deliver good and sufficient lien instruments, where necessary, encumbering the properties and assets both real and personal constituting said Facility, as completed or as the same may be thereafter extended, including an assignment and pledge of revenues and such other instruments as may be prescribed by the Government

Section 7. (Refinancing). If at any time it shall appear to the Government that the Organization is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the Organization will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take such actions as may be required in connection with such loan.

Section 8. ("Equal Employment Opportunity under Construction Contracts and Nondiscrimination"). The President and the Secretary be and they are hereby authorized and directed to execute for and on behalf of the Organization, Form RD 400-1, "Equal Opportunity Agreement", and Form RD 400-4, "Assurance Agreement".

Section 9. In the case of a grant in the sum not to exceed \$319,000, the Organization hereby accepts the grant under the terms as offered by the Government and that the President and Secretary of the Organization are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant and the Organization hereby resolves to operate the facility under the terms as offered in said grant agreement(s).

Section 10. Default under the provisions of this agreement or any instrument incident to the making or issuing of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Organization, and default under any such instrument may be construed by the Government to constitute default hereunder.

Section 11. (Resolution of Contract). The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall constitute a contract between the Organization and the Government or assignee so long as the note hereby authorized remains unpaid.

Section 12. This resolution shall take effect and be in force from and after the 7 day of November 2012, being the date of its enactment.

The vote was: Yeas 4 Nays 0 Absent 2

Fleming County Water Association, Inc.

(SEAL) (if applicable)

By J.E. Smith
J.E. Smith
Title President

Attest: Wayne Craft
Wayne Craft
Title Secretary

CERTIFICATION

I, the undersigned, as secretary of the Fleming County Water Association, Inc. hereby certify that the Board of Directors of such Organization or Corporation is composed of _____ members of whom _____, constituting a quorum, were present at a meeting thereof duly called and held on the _____ day of _____; that the foregoing resolution was adopted at such meeting by the vote shown above, and that said resolution has not been rescinded or amended in any way.

Dated, this _____ day of _____

Wayne Craft
Wayne Craft
Secretary of Fleming County Water Association, Inc.

ASSISTANCE AGREEMENT

BETWEEN

KENTUCKY RURAL WATER FINANCE CORPORATION

AND

FLEMING COUNTY WATER ASSOCIATION, INC.

DATED

MARCH 10, 2015

IN THE AMOUNT OF \$790,000

This document was prepared by:

RUBIN & HAYS
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
(502) 569-7525

By

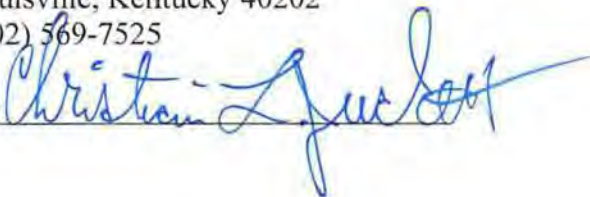


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ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of March 10, 2015 (the "Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit agency and instrumentality of various political subdivisions of the Commonwealth of Kentucky duly organized and existing under the laws of the Commonwealth of Kentucky (the "Issuer") and the Fleming County Water Association, Inc., a non-profit corporation organized and existing as a water association under the laws of the Commonwealth of Kentucky, 2772 Morehead Road, Flemingsburg, Kentucky 41041 (the "Borrower"):

WITNESSETH

WHEREAS, the Issuer has established its Public Projects Flexible Term Program (the "Program") designed to provide financing for the expansion, addition and improvements of public projects for governmental entities under which the Issuer issued its Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program), Series 2001, dated April 4, 2001, in the aggregate principal amount of \$46,000,000 (the "Series 2001 Bonds") pursuant to a Trust Indenture dated as of April 4, 2001 (the "Indenture") between the Issuer and Regions Bank, Nashville, Tennessee (as successor in interest to Fifth Third Bank and The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), the net proceeds of which will be applied for the benefit of such governmental entities by making loans, pursuant to Assistance Agreements; and

WHEREAS, pursuant to the Indenture, the Issuer has authorized the issuance of the Kentucky Rural Water Finance Corporation Public Projects Taxable Refunding Revenue Bonds (Flexible Term Program), Series 2015C (the "Series 2015C Bonds") in the aggregate principal amount of \$5,290,000, pursuant to a Supplemental Trust Indenture No. 61, dated as of March 10, 2015 by and between the Issuer and the Trustee, which Series 2015C Bonds will rank on a parity with the Series 2001 Bonds and the proceeds of which will be used by certain Governmental Agencies to acquire, construct and equip public projects described in various Assistance Agreements by and between the Governmental Agencies and the Issuer; and

WHEREAS, the Borrower has outstanding its:

1. Fleming County Water Association, Inc. Promissory Note, dated July 14, 1992, in the original authorized principal amount of \$504,000.
2. Fleming County Water Association, Inc. Promissory Note, dated April 23, 1997, in the original authorized principal amount of \$529,000.

(collectively, the "Refunded Notes"), which notes were issued by the Borrower to make improvements and extensions to the Borrower's water supply and distribution system (the "System"); and

WHEREAS, the Borrower has determined that it is necessary and desirable and in the public interest to currently refund the Refunded Notes, in order to effect substantial debt service savings (the "Project"), and the Issuer has determined that the Project is a project within the

meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Issuer; and

WHEREAS, the Borrower has designated the Issuer as its instrumentality and agency; and

WHEREAS, pursuant to this Assistance Agreement the Borrower will proceed with the Project; and

WHEREAS, it is deemed necessary and advisable for the best interests of the Borrower that it enter into this Assistance Agreement with the Issuer in order to borrow funds (the "Loan") in the amount of \$790,000 [the "Obligations"], for the purpose of providing funds for the Project, and to reaffirm the conditions and restrictions under which similar notes or obligations may be subsequently issued ranking on a parity therewith; and

WHEREAS, under the provisions of Chapter 273 of the Kentucky Revised Statutes the Borrower is authorized to enter into this Assistance Agreement and to borrow the Obligations to provide such funds for the purpose aforesaid; and

WHEREAS, the Issuer is willing to cooperate with the Borrower in making available the Loan pursuant to the Act and the Indenture to be applied to the Project upon the conditions hereinafter enumerated and the covenants by the Borrower herein contained; and

WHEREAS, the Issuer and the Borrower have determined to enter into this Assistance Agreement pursuant to the terms of the Act and the Indenture and to set forth their respective duties, rights, covenants, and obligations with respect to the financing of the Project subject to the repayment of the Loan and the Obligations and the interest thereon;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

Section 1. Definitions. As used in this Assistance Agreement, unless the context requires otherwise:

"Act" refers to Chapters 273 of the Kentucky Revised Statutes.

"Assistance Agreement" refers to this Assistance Agreement authorizing the Loan and the Obligations.

"Bondowner", "Owner", "Bondholder" means and contemplates, unless the context otherwise indicates, the registered owner of one or more of the Notes at the time issued and outstanding hereunder.

"*Borrower*" refers to the Fleming County Water Association, Inc., 2772 Morehead Road, Flemingsburg, Kentucky 41041.

"*Certified Public Accountants*" refers to an independent Certified Public Accountant or firm of Certified Public Accountants, duly licensed in Kentucky and knowledgeable about the affairs of the System and/or of other Borrower financial matters.

"*Code*" refers to the United States Internal Revenue Code of 1986, as amended, and any regulations issued thereunder.

"*Compliance Group*" refers to the Compliance Group identified and defined in the Indenture.

"*Engineer*" or "*Independent Consulting Engineer*" refers to an Independent Consulting Engineer or firm of Engineers of excellent national reputation or of recognized excellent reputation in Kentucky in the fields of water and sewer engineering.

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

"*Funds*" refers to the Revenue Fund, the Sinking Fund, the Operation and Maintenance Fund, and the Borrower Account.

"*Governing Body*" means the Board of Directors of the Borrower or such other body as shall be the governing body of said Borrower under the laws of Kentucky at any given time.

"*Indenture*" means the Trust Indenture, dated as of April 4, 2001, as originally executed or as it may from time to time be supplemented, modified or amended by any supplemental indenture, including the Supplemental Trust Indenture No. 61, dated March 10, 2015, by and between the Issuer and the Trustee.

"*Interest Payment Date*" shall mean the 1st day of each month, commencing May 1, 2015 and continuing through and including January 1, 2037 or until the Loan has been paid in full.

"*Issuer*" refers to the Kentucky Rural Water Finance Corporation, Bowling Green, Kentucky.

"*Notes*" refers to the Obligations, the Prior Notes and any additional Parity Notes.

"*Obligations*" refers to the Loan authorized by this Assistance Agreement in the principal amount of \$790,000, maturing January 1, 2037.

"*Operation and Maintenance Fund*" refers to the Fleming County Water Association, Inc. Operation and Maintenance Fund, described in Section 8 hereof.

"*Outstanding Notes*" refers collectively to all outstanding Prior Notes, the outstanding Obligations and any outstanding Parity Notes, and does not refer to any notes that have been defeased.

"*Parity Notes*" means notes issued in the future, which will, pursuant to the provisions of this Assistance Agreement, rank on a basis of parity with the Obligations and shall not be deemed to include, nor to prohibit the issuance of, notes ranking inferior in security to the Obligations.

"*Permitted Investments*" refers to the following:

(a) Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, if delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian. These investments may be accomplished through repurchase agreements reached with sources including but not limited to national or state banks chartered in the Commonwealth of Kentucky;

(b) Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency, including but not limited to:

- i. United States Treasury;
- ii. Export-Import Bank of the United States;
- iii. Farmers Home Administration;
- iv. Government National Mortgage Corporation; and
- v. Merchant Marine bonds;

(c) Obligations of any corporation of the United States government, including but not limited to:

- i. Federal Home Loan Mortgage Corporation;
- ii. Federal Farm Credit Banks;
- iii. Bank for Cooperatives;
- iv. Federal Intermediate Credit Banks;
- v. Federal Land Banks;
- vi. Federal Home Loan Banks;
- vii. Federal National Mortgage Association; and
- viii. Tennessee Valley Authority;

(d) Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institutions which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations, including surety bonds, permitted by KRS Section 41.240(4);

(e) Uncollateralized certificates of deposit issued by any bank or savings and loan institution rated on one (1) of the three (3) highest categories by a nationally recognized rating agency;

(f) Banker's acceptances for banks rated in one (1) of the three (3) highest categories by a nationally recognized rating agency;

(g) Commercial paper rated in the highest category by a nationally recognized rating agency;

(h) Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and instrumentalities;

(i) Securities issued by a state or local government, or any instrumentality of agency thereof, in the United States, and rated in one (1) of the three (3) highest categories by a nationally recognized rating agency; and

(j) Shares of mutual funds, each of which shall have the following characteristics:

- i. The mutual fund shall be an open-end diversified investment company registered under the Federal Investment Company Act of 1940, as amended;
- ii. The management company of the investment company shall have been in operation for at least five (5) years; and
- iii. All of the securities in the mutual fund shall be eligible investments under this section.

Investments in the above instruments are subject to the following conditions and limitations:

(a) The amount of money invested at any time by a local government or political subdivision in one (1) or more of the categories of investments authorized by subsection (e), (f), (g), and (i) of this definition shall not exceed twenty percent (20%) of the total amount of money invested by the local government; and

(b) No local government or political subdivision shall purchase any investment authorized herein on a margin basis or through the use of any similar leveraging technique.

"President" refers to the President of the Governing Body of the Borrower.

"Prior Notes" refers collectively to the Notes:

1. Fleming County Water Association Promissory Note, dated October 13, 1994, in the original principal amount of \$185,600, bearing interest at the rate of 4.50% per annum

2. Fleming County Water Association Promissory Note, dated October 13, 1994, in the original principal amount of \$700,000, bearing interest at the rate of 4.50% per annum
3. Fleming County Water Association Promissory Note, dated November 22, 2000, in the original principal amount of \$267,980, bearing interest at the rate of 4.50% per annum
4. Fleming County Water Association Promissory Note, dated August 18, 2004, in the original principal amount of \$532,120.25, bearing interest at the rate of 4.50% per annum
5. Fleming County Water Association Promissory Note, dated May 28, 2009, in the original principal amount of \$375,000, bearing interest at the rate of 3.625% per annum
6. Fleming County Water Association Promissory Note, dated September 24, 2014, in the original principal amount of \$668,133.92, bearing interest at the rate of 2.750% per annum

"*Program*" refers to the Issuer's Public Projects Flexible Term Program designed to provide financing for the expansion, addition and improvement of public projects for governmental entities.

"*Program Administrator*" refers to the Kentucky Rural Water Association, Inc., Bowling Green, Kentucky.

"*Program Reserve Fund*" refers to the Program Reserve Fund created and established pursuant to Section 4.2 of the Indenture.

"*Project*" refers to financing the cost to currently refund the outstanding Refunded Notes, with the proceeds of the Obligations.

"*Refunded Notes*" refers to the outstanding:

1. Fleming County Water Association, Inc. Promissory Note, dated July 14, 1992, in the original authorized principal amount of \$504,000.
2. Fleming County Water Association, Inc. Promissory Note, dated April 23, 1997, in the original authorized principal amount of \$529,000.

"*Revenue Fund*" refers to the Fleming County Water Association, Inc. Revenue Fund, described in Section 8 hereof.

"*Secretary*" refers to the Secretary of the Governing Body.

"*Sinking Fund*" refers to the Fleming County Water Association, Inc. Water Sinking Fund, described in Section 8 hereof.

"*System*" refers to the Borrower's water supply and distribution system, together with all future extensions, additions and improvements to said System.

"*Treasurer*" refers to the Treasurer of the Borrower.

"*Trustee*" refers to Regions Bank, Nashville, Tennessee.

"*U.S. Obligations*" refers to bonds, notes, or Treasury Bills, which are direct obligations of the United States of America or obligations fully guaranteed by the United States of America, including book-entry obligations of the United States Treasury-State and Local Government Series, and Trust Receipts representing an ownership interest in direct obligations of the United States.

Section 2. Reaffirmation of Declaration of Water System. That all proceedings heretofore taken for the establishment of and the supplying of water service in and to said Borrower as a water supply and distribution system are hereby in all respects ratified and confirmed; and so long as any of the Obligations hereinafter authorized or permitted to be issued remain outstanding, said System shall be owned, controlled, operated and maintained for the security and source of payment of the Obligations.

Section 3. Authorization of Obligations; Place of Payment; Manner of Execution. That pursuant to the Constitution and laws of Kentucky, and particularly Chapter 273 of the Kentucky Revised Statutes, the Borrower hereby authorizes the borrowing of \$790,000 from the Program, for the purpose of providing funds for the Project.

Said Obligations shall mature in such principal amounts, and shall bear interest as set forth in **Exhibit A** attached hereto.

The principal of, redemption price, if any, and interest on the Obligations shall be payable in lawful money of the United States of America on the Interest Payment Date to the Trustee for the Program. Such payment shall be made by the Borrower from funds on deposit in the Sinking Fund pursuant to the ACH Debit Direct Payment Method (the "ACH Debit Direct Payment Method") as described and detailed in the ACH Debit Direct Payment Authorization Form (the "ACH Authorization Form") in a form as provided by the Trustee to the Borrower. The ACH Authorization Form shall be completed, signed and forwarded to the Trustee prior to the Borrower receiving any of the proceeds of the Loan.

Pursuant to the ACH Debit Direct Payment Method, there shall be transferred to the Trustee on or before each Interest Payment Date, from the Sinking Fund, the amounts set forth as sinking fund payments on Exhibit A attached hereto.

In addition, in the event the Issuer is required to withdraw moneys from the Program Reserve Fund established pursuant to the Indenture to pay the principal of and interest on the Obligations and any other payments due under this Assistance Agreement on behalf of the Borrower (the "Reserve Withdrawal"), the Borrower shall pay to the Trustee, each amount set forth as sinking fund payments on Exhibit A attached hereto, pursuant to the ACH Debit Direct Payment Method an amount equal to at least 1/12 of the Reserve Withdrawal, plus accrued interest thereon at the rate equal to the highest rate of interest paid by the investments making up the Program Reserve Fund until such Reserve Withdrawal has been replenished.

Section 4. Redemption.

(a) *Optional Redemption.* Subject to the prior written approval of the Compliance Group, the Obligations maturing on or after January 1, 2026 are subject to optional redemption, in whole or in part, by the Borrower prior to their stated maturity, at any time falling on or after January 1, 2025 at a redemption price equal to 100% of the principal amount of the Obligations called for redemption, plus unpaid interest accrued to the date of redemption.

In the event that the Borrower desires to optionally redeem a portion of its Obligations, such redemption shall be in a denomination equal to \$5,000 or any integral multiple thereof.

(b) *Notice of Redemption.* The Borrower shall give the Issuer and the Trustee notice of any redemption by sending at least one such notice by first class United States mail not less than 45 and not more than 90 days prior to the date fixed for redemption.

All of said Obligations as to which the Borrower reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given, and for the retirement of which, upon the terms aforesaid, funds are duly provided, will cease to bear interest on the redemption date.

Section 5. Recognition of Prior Notes. The Borrower hereby expressly recognizes and acknowledges that the Borrower has previously created for the benefit and protection of the owners of the Prior Notes, a certain lien and pledge and certain security rights relating to the System, all as set forth in the Prior Notes.

Section 6. Obligations Payable Out of Gross Revenues on a Parity with Prior Notes. All of the Obligations and Prior Notes, together with the interest thereon and such additional notes ranking on a parity therewith heretofore issued and outstanding and that may be hereafter issued and outstanding from time to time under the conditions and restrictions hereinafter set forth, shall be payable out of the Sinking Fund and as hereinafter more specifically provided and shall be a valid claim of the holder thereof only against said fund and the fixed portion or amount of the income and gross revenues of the System of said Borrower pledged to said fund.

Section 7. Parity Coverage Requirements of the Prior Notes. It is hereby declared that prior to the issuance of any of the Obligations hereby authorized, there will be procured and filed with the Secretary of the Borrower any and all statements or certifications for the purpose of having both principal and interest on the Prior Notes and the Obligations hereby authorized payable on a parity from the income and revenues of said System with said outstanding Prior Notes.

Section 8. Flow of Funds. The income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

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

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

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

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

If the Borrower for any reason shall fail to make any monthly deposit as required, then an amount equal to the deficiency shall be set apart and deposited into the Sinking Fund out of the first available revenues in the ensuing months, which amount shall be in addition to the monthly deposit otherwise required during such succeeding months. Whenever there shall accumulate in the Sinking Fund amounts in excess of the requirements during the next twelve months for paying the principal of and interest due on the Obligations, as same fall due, such excess may be used for redemption or prepayment of any Obligations, subject to the terms and conditions set forth therein, prior to maturity.

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

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

Provided, however, the Borrower shall be allowed a credit to the extent of moneys on deposit in the Program Reserve Fund for the purpose of meeting any parity requirements; subject

however, to the limitation that moneys in the Program Reserve Fund may only be used to make payments of the Government Agency due under this Assistance Agreement, if necessary, and; provided further, that the Trustee may not seek payment for any reserve funds held by the Borrower under any Prior Notes for payment of any amounts due from the Borrower under this Assistance Agreement.

Section 9. Disposition of Proceeds of the Obligations; Borrower Account. Upon (i) the execution of this Assistance Agreement, (ii) the delivery of this Assistance Agreement to the Trustee, (iii) certification of the Compliance Group that the Loan is to be accepted in the Program, and (iv) upon receipt by the Borrower of the proceeds of the Obligations, the proceeds shall be applied as follows:

(a) *Disposition of the Proceeds.* There shall first be deducted and paid from the proceeds of the Obligations the fees and costs incurred by the Borrower and any other pertinent expenses incident to the issuance, sale and delivery of the Obligations and such other appropriate expenses as may be approved by the President, including but not limited to the Borrower's pro rata share of the Program's fees and expenses.

The balance shall be deposited to the Borrower Account to be used for the Project.

(b) *Borrower Account.* It is hereby acknowledged that a fund entitled "Fleming County Water Association, Inc. Borrower Account" (the "Borrower Account") has been created and maintained by the Trustee pursuant to the Indenture; and such amount on deposit in said Borrower Account shall be transferred to the Rural Development (the "RD") of the Department of Agriculture of the United States of America, the holder of the Refunded Notes, as may be required:

- (1) To pay the interest on the Refunded Notes to and including March 12, 2015; and
- (2) To redeem on March 12, 2015 at a price equal to 100% of principal amount the Refunded Notes that as of that date have not been redeemed, retired or otherwise paid, thereby defeasing the pledge of revenues and the property securing the Refunded Notes.

Investment income derived from investment of the Borrower Account, which shall be invested in Permitted Investments in accordance with this Assistance Agreement, shall, as received, be deposited in the Borrower Account.

The Trustee shall be obligated to send written notice to the Borrower of the need for investment directions if and whenever funds in excess of \$50,000 shall remain uninvested for a period of more than five days. In the absence of written direction from the Borrower with respect to investment of moneys held in the Borrower Account, the Trustee is hereby directed to invest funds in money market mutual funds of the Trustee or its affiliates that qualify as Permitted Investments under this Assistance Agreement.

No expenditure shall be made from the Borrower Account except for proper and authorized expenses relating to the Project as approved by the Borrower.

After completion of the Project, any balance then remaining on deposit in the Borrower Account shall, subject to any and all applicable legal provisions and applicable arbitrage regulations necessary to assure the exemption of interest on the Obligations from Federal income taxation, upon orders of the Governing Body, be transferred to the Sinking Fund, to be used for the purposes thereof.

Section 10. Parity Notes. The Obligations shall not be entitled to priority one over the other in the application of the income and revenues of the System, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the Obligations, regardless of the fact they may be actually issued and delivered at different times, and provided further that the lien and security of and for any notes or obligations hereafter issued that are payable from the income and revenues of the System, shall, except as set out herein, be subject to the priority of the Prior Notes and the Obligations as may from time to time be outstanding; provided the Borrower has reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional notes from time to time payable from the income and revenues of the System ranking on a parity with the Obligations, but only under the conditions specified hereinafter, taking into account the issuance of the Obligations.

The Borrower reserves the right to finance future extensions, additions, and/or improvements to the System by the issuance of one or more additional series of notes to be secured by a parity lien on and ratably payable from, the revenues of the System pledged to the Prior Notes and the Obligations, provided;

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

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

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

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

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

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

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

(e) The Borrower hereby covenants and agrees that in the event any additional Parity Notes are issued, the Borrower shall:

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

(2) Adjust the minimum annual amount to be deposited monthly into any depreciation fund on the same basis as that prescribed in the provisions establishing such depreciation fund, taking into account the future debt service requirements of all Notes that will then be outstanding against the System.

(f) The Borrower reserves the right to issue Parity Notes to refund or refinance any part or all of the Prior Notes and the Obligations, provided that prior to the issuance of such Parity Notes for that purpose, there shall have been procured and filed with the Secretary of the Borrower a statement by a Certified Public Accountant, as defined herein, reciting the opinion based upon necessary investigation that:

(1) after the issuance of the Parity Notes, the annual net revenues, as adjusted and defined above, of the then existing system for the fiscal year preceding the date of issuance of the Parity Notes, after taking into account the revised debt service requirements resulting from the issuance of the Parity Notes and from the elimination of the Outstanding Notes being refunded or refinanced thereby, are equal to not less than 120% of the average annual debt service requirements then scheduled to fall due in any fiscal year thereafter for principal of and interest on all of the Outstanding Notes payable from the revenues of the System, calculated in the manner specified above; or

(2) in the alternative, that the average annual debt service requirements for the Prior Notes, the Obligations, any previously issued Parity Notes and the proposed Parity Notes, in any year of maturities thereof after the redemption of the Outstanding Notes scheduled to be refunded through the issuance of the proposed Parity Notes, shall not exceed the average annual debt service requirements applicable to the then outstanding Prior Notes, the Obligations and any previously issued Parity Notes for any year prior to the issuance of the proposed Parity Notes and the redemption of the Outstanding Notes to be refunded.

Section 11. Rates and Charges for Services of the System. While the Obligations remain outstanding and unpaid, the rates for all services of the System rendered by the Borrower to its citizens, corporations, or others requiring the same, shall be reasonable and just, taking into account and consideration the cost and value of said System, the cost of maintaining and operating the same, the proper and necessary allowances for depreciation thereof, and the amounts necessary for the retirement of the Outstanding Notes and the accruing interest on all Outstanding Notes as may be outstanding under the provisions of this Assistance Agreement, and there shall be charged such rates and amounts as shall be adequate to meet all requirements of the provisions of this Assistance Agreement. Prior to the issuance of the Obligations a schedule of rates and charges for the services rendered by the System to all users adequate to meet all requirements of this Assistance Agreement has been established and adopted.

The Borrower covenants that it will not reduce the rates and charges for the services rendered by the System without first filing with the Secretary a certification of an Independent Consulting Engineer or a Certified Public Accountant that the annual net revenues (as defined in Section 10 hereof) of the then existing System for the fiscal year preceding the year in which such reduction is proposed, as such annual net revenues are adjusted, after taking into account the projected reduction in annual net revenues anticipated to result from any such proposed rate decrease, are equal to not less than 120% of the average annual debt service requirements for principal and interest on all of the then outstanding notes payable from the revenues of the System, calculated in the manner specified in Section 10 hereof.

The Borrower also covenants to cause a report to be filed with the Governing Body within four months after the end of each fiscal year by a Certified Public Accountant, setting forth the precise debt service coverage percentage of the average annual debt service requirements falling due in any fiscal year thereafter for principal of and interest on all of the then Outstanding Notes payable from the revenues of the System, produced or provided by the net revenues of the System in that fiscal year, calculated in the manner specified in Section 10 hereof; and the Borrower covenants that if and whenever such report so filed shall establish that such coverage of net revenues for such year was less than 120% of the average annual debt service requirements, the Borrower shall increase the rates by an amount sufficient, in the opinion of such Certified Public Accountant, to establish the existence of or immediate projection of, such minimum 120% coverage.

Section 12. All Obligations of this Issue Are Equal. The Obligations authorized and permitted to be issued hereunder, and from time to time outstanding, shall not be entitled to priority one over the other in the application of the income and revenues of the System regardless of the time or times of their issuance, it being the intention that there shall be no priority among the Obligations, the Prior Notes and any Parity Notes authorized or permitted to be issued under the provisions of this Assistance Agreement, regardless of the fact that they may be actually issued and delivered at different times.

Section 13. Defeasance and/or Refunding of Obligations. The Borrower reserves the right, at any time, to cause the pledge of the revenues securing the outstanding Obligations to be defeased and released by paying an amount into an escrow fund sufficient, when invested (or

sufficient without such investment, as the case may be) in cash and/or U.S. Obligations, to assure the availability in such escrow fund of an adequate amount (a) to call for redemption and to redeem and retire all of such outstanding Obligations, both as to principal and as to interest, on the next or any optional redemption date, including all costs and expenses in connection therewith, and to pay all principal and interest falling due on the outstanding Obligations to and on said date, or (b) to pay all principal and interest requirements on the outstanding Obligations as same mature, without redemption in advance of maturity, the determination of whether to defease under (a) or (b) or both to be made by the Governing Body. Such U.S. Obligations shall have such maturities as to assure that there will be sufficient funds for such purpose. If such defeasance is to be accomplished pursuant to (a), the Borrower shall take all steps necessary to publish the required notice of the redemption of the outstanding Obligations and the applicable redemption date. Upon the proper amount of such investments being placed in escrow and so secured, such revenue pledge shall be automatically fully defeased and released without any further action being necessary.

Section 14. Contractual Nature of Assistance Agreement. The provisions of this Assistance Agreement shall constitute a contract between the Borrower and the Issuer; and after the issuance of any of such Obligations, no change, variation or alteration of any kind in the provisions of this Assistance Agreement shall be made in any manner except as herein or therein provided until such time as all of the Notes authorized thereby and the interest thereon have been paid or provided for in full, or as otherwise provided herein; provided that the Governing Body may enact legislation for any other purpose not inconsistent with the terms of this Assistance Agreement, and which shall not impair the security of the Issuer and/or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provisions contained herein or in any ordinance or other proceedings pertaining hereto.

Section 15. Appointment and Duties of Trustee. The Trustee is hereby designated as the bond registrar and paying agent with respect to the Obligations.

Its duties as Trustee shall be as follows:

- (a) To register all of the Obligations in the names of the Issuer;
- (b) To cancel and destroy (or remit to the Borrower for destruction, if so requested by the Borrower) all exchanged, matured, retired and redeemed Obligations, and to maintain adequate records relevant thereto;
- (c) To remit, but only to the extent that all required funds are made available to the Trustee by the Borrower, semiannual interest payments directly to the Issuer's accounts for the Program;
- (d) To notify the Issuer of any Obligations to be redeemed and to redeem Obligations prior to their stated maturity upon receiving sufficient funds; and

(e) To supply the Borrower with a written accounting evidencing the payment of interest on and principal of the Obligations within thirty (30) days following each respective due date.

The Trustee shall be entitled to the advice of counsel and shall be protected for any acts taken by it in good faith in reliance upon such advice. The Trustee shall not be liable for any actions taken in good faith and believed by it to be within its discretion or the power conferred upon it by this Assistance Agreement, or the responsibility for the consequences of any oversight or error in judgment.

The Trustee may at any time resign from its duties set forth in this Assistance Agreement by filing its resignation with the Secretary and notifying the Issuer. Thereupon, the Issuer shall notify the Borrower of a successor Trustee which shall be an incorporated bank or trust company authorized to transact business in the United States of America. Notwithstanding the foregoing, in the event of the resignation of the Trustee, provision shall be made for the orderly transition of the books, records and accounts relating to the Obligations to the successor Trustee in order that there will be no delinquencies in the payment of interest or principal due on the Obligations.

Section 16. Provisions in Conflict Repealed. All ordinances, resolutions and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby repealed; and it is hereby specifically ordered and provided that any proceedings heretofore taken for the issuance of other notes payable or secured in any manner by all or any part of the income and revenues of the System, or any part thereof, and which have not heretofore been issued and delivered, are hereby revoked and rescinded, and none of such other notes shall be issued and delivered.

Section 17. Insurance.

(a) *Fire and Extended Coverage.* If and to the extent that the System includes structures above ground level, the Borrower shall, upon receipt of the proceeds of the sale of the Obligations, if such insurance is not already in force, procure fire and extended coverage insurance on the insurable portion of all of the facilities of the System, of a kind and in such amounts as would ordinarily be carried by private companies or public bodies engaged in operating a similar utility.

The foregoing fire and extended coverage insurance shall be maintained so long as any of the Obligations are outstanding and shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percent (80%) of the full insurable value of the damaged facility.

In the event of any damage to or destruction of any part of the System the Borrower shall promptly arrange for the application of the insurance proceeds for the repair or reconstruction of the damaged or destroyed portion thereof.

(b) *Liability Insurance on Facilities.* So long as any of the Obligations are outstanding, the Borrower shall, procure and maintain, public liability insurance relating to the operation of the facilities of the System, with limits of not less than \$200,000 for one person and

\$1,000,000 for more than one person involved in one accident, to protect the Borrower from claims for bodily injury and/or death; and not less than \$200,000 from claims for damage to property of others which may arise from the Borrower's operations of the System and any other facilities constituting a portion of the System.

(c) *Vehicle Liability Insurance.* If and to the extent that the Borrower owns or operates vehicles in the operation of the System, upon receipt of the proceeds of the Obligations, the Borrower shall, if such insurance is not already in force, procure and maintain, so long as any of the Obligations are outstanding, vehicular public liability insurance with limits of not less than \$200,000 for one person and \$1,000,000 for more than one person involved in one accident, to protect the Borrower from claims for bodily injury and/or death, and not less than \$200,000 against claims for damage to property of others which may arise from the operation of such vehicles by the Borrower.

Section 18. Changes in Use or User of System. The Borrower represents that (a) no part of the System will be sold, or otherwise disposed of without the prior written consent of the Issuer; (b) it will not permit any use of its System by any person or entity other than itself without the prior written consent of the Issuer; (c) any portion of the System consisting of personal property may be sold in the ordinary course of an established governmental program if (i) the weighted average maturity of the portion of the Obligations financing the personal property was not greater than one hundred twenty percent (120%) of the reasonably expected actual use of such personal property by the Borrower, (ii) the Borrower expected at the date of this Agreement that the fair market value of the personal property at the time of disposition would not be greater than twenty-five percent (25%) of its cost and (iii) at the time of disposition, the personal property is no longer suitable for the governmental purpose for which it was acquired.

Section 19. Security Instruments. In order to secure the payment of the principal and interest of the Obligations, the President and Secretary of the Borrower are hereby authorized and directed to execute and deliver good and sufficient lien instruments, where necessary, encumbering the properties and assets both real and personal constituting the System, as completed or as the same may be thereafter extended, including an assignment and pledge of revenues and such other instruments as may be prescribed by the Issuer.

Section 20. Event of Default; Remedies. The following items shall constitute an "Event of Default" on the part of the Borrower:

(a) The failure to pay principal on the Obligations when due and payable, either at maturity or by proceedings for redemption;

(b) The failure to pay any installment of interest on the Obligations when the same shall become due and payable;

(c) The failure of the Borrower to fulfill any of its obligations pursuant to this Assistance Agreement and to cure any such failure within 30 days after receipt of written notice of such failure; and/or

(d) The failure to promptly repair, replace or reconstruct essential facilities of the System after any major damage and/or destruction thereof.

Upon the occurrence of an Event of Default, the Issuer or the Trustee on its behalf, as owner of the Obligations, may enforce and compel the performance of all duties and obligations of the Borrower as set forth herein. Upon the occurrence of an Event of Default, then, upon the filing of suit by the Trustee or the Issuer, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Borrower, with power to charge and collect rates sufficient to provide for the payment of the principal of and interest on the Obligations, and for the payment of operation and maintenance expenses of the System, and to provide and apply the income and revenues in conformity with this Assistance Agreement and with the laws of the Commonwealth of Kentucky.

In addition to and apart from the foregoing, upon the occurrence of an Event of Default, the owner of any of the Obligations may require the Borrower by demand, court order, injunction, or otherwise, to raise all applicable rates charged for services of the System a reasonable amount, consistent with the requirements of this Assistance Agreement.

Section 21. Annual Reports. The Borrower hereby agrees to provide or cause to be provided to the Issuer and the Compliance Group audited financial statements prepared in accordance with generally accepted accounting principles (commencing with the fiscal year ended December 31, 2015) and such other financial information and/or operating data as requested by the Issuer or the Compliance Group.

The annual financial information and operating data, including audited financial statements, will be made available on or before 180 days after the end of each fiscal year.

Section 22. Supplemental Assistance Agreement. The Borrower may, but only with the consent of the Issuer, execute one or more supplemental Assistance Agreements as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Assistance Agreement;
- (b) to subject to the lien and pledge of this Assistance Agreement additional revenues, properties, or collateral which may legally be subjected;
- (c) to add to the conditions, limitations and restrictions on the issuance of notes, other conditions, limitations and restrictions thereafter to be observed;
- (d) to add to the covenants and agreements of the Borrower in this Assistance Agreement, other covenants and agreements thereafter to be incurred by the Borrower or to surrender any right or power herein reserved to or conferred upon the Borrower;
- (e) to effect the issuance of additional Parity Notes; and/or

(f) to modify the terms and conditions of this Assistance Agreement at the request of the Issuer in order to assist the Issuer in operating the Program or to maintain any rating the Issuer may have on its Program obligations.

Section 23. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given hereunder and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power and any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 24. Waivers. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 25. Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto shall become in default under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will pay on demand therefore to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party.

Section 26. Signatures of Officers. If any of the officers whose signatures or facsimile signatures appear on this Assistance Agreement or any other document evidencing the Obligations cease to be such officers before delivery of the Obligations, such signatures shall nevertheless be valid for all purposes the same as if such officers had remained in office until delivery.

Section 27. Severability Clause. If any section, paragraph, clause or provision of this Assistance Agreement shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Assistance Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Fleming County Water Association, Inc. has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By Stephen T. Owen
President

Attest:

By _____
Secretary/Treasurer

FLEMING COUNTY WATER ASSOCIATION, INC.

By _____
President

Attest:

By _____
Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Fleming County Water Association, Inc. has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By _____
President

Attest:

By 
Secretary/Treasurer

FLEMING COUNTY WATER ASSOCIATION, INC.

By _____
President

Attest:

By _____
Secretary

IN WITNESS WHEREOF, the Kentucky Rural Water Finance Corporation has caused this Assistance Agreement to be signed in its name by its President and attested by its Secretary/Treasurer and the Fleming County Water Association, Inc. has caused this Assistance Agreement to be signed in corporate name and by its officer thereunder duly authorized, all as of the day and year first above written.

KENTUCKY RURAL WATER FINANCE CORPORATION

By _____
President

Attest:

By _____
Secretary/Treasurer

FLEMING COUNTY WATER ASSOCIATION, INC.

By *[Signature]*
President

Attest:

By *Wayne Galt*
Secretary

D
E

Attachment #9

2004 RD LOAN

Loan Amortization Schedule

Enter values		Loan summary	
91-21 Loan amount	\$ 554,000.00	Scheduled payment	\$ 30,698.00
Annual interest rate	4.50 %	Scheduled number of payments	40
Loan period in years	40	Actual number of payments	38
Number of payments per year	1	Total early payments	\$ -
Start date of loan	8/18/2006	Total interest	\$ 611,998.83
Optional extra payments			

2005 & 2006 interest only payment.

Lender name: Fleming Co Water Association, Inc.

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	8/18/2007	\$ 554,000.00	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 5,768.00	\$ 24,930.00	\$ 548,232.00	\$ 24,930.00
2	8/18/2008	\$ 548,232.00	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 6,027.56	\$ 24,670.44	\$ 542,204.44	\$ 49,600.44
3	8/18/2009	\$ 542,204.44	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 6,298.80	\$ 24,399.20	\$ 535,905.64	\$ 73,999.64
4	8/18/2010	\$ 535,905.64	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 6,582.25	\$ 24,115.75	\$ 529,323.39	\$ 98,115.39
5	8/18/2011	\$ 529,323.39	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 6,878.45	\$ 23,819.55	\$ 522,444.95	\$ 121,934.95
6	8/18/2012	\$ 522,444.95	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 7,187.98	\$ 23,510.02	\$ 515,256.97	\$ 145,444.97
7	8/18/2013	\$ 515,256.97	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 7,511.44	\$ 23,186.56	\$ 507,745.53	\$ 168,631.53
8	8/18/2014	\$ 507,745.53	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 7,849.45	\$ 22,848.55	\$ 499,896.08	\$ 191,480.08
9	8/18/2015	\$ 499,896.08	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 8,202.68	\$ 22,495.32	\$ 491,693.41	\$ 213,975.41
10	8/18/2016	\$ 491,693.41	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 8,571.80	\$ 22,126.20	\$ 483,121.61	\$ 236,101.61
11	8/18/2017	\$ 483,121.61	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 8,957.53	\$ 21,740.47	\$ 474,164.08	\$ 257,842.08
12	8/18/2018	\$ 474,164.08	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 9,360.62	\$ 21,337.38	\$ 464,803.46	\$ 279,179.46
13	8/18/2019	\$ 464,803.46	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 9,781.84	\$ 20,916.16	\$ 455,021.62	\$ 300,095.62
14	8/18/2020	\$ 455,021.62	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 10,222.03	\$ 20,475.97	\$ 444,799.59	\$ 320,571.59
15	8/18/2021	\$ 444,799.59	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 10,682.02	\$ 20,015.98	\$ 434,117.57	\$ 340,587.57
16	8/18/2022	\$ 434,117.57	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 11,162.71	\$ 19,535.29	\$ 422,954.87	\$ 360,122.87
17	8/18/2023	\$ 422,954.87	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 11,665.03	\$ 19,032.97	\$ 411,289.83	\$ 379,155.83
18	8/18/2024	\$ 411,289.83	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 12,189.96	\$ 18,508.04	\$ 399,099.88	\$ 397,663.88
19	8/18/2025	\$ 399,099.88	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 12,738.51	\$ 17,959.49	\$ 386,361.37	\$ 415,623.37
20	8/18/2026	\$ 386,361.37	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 13,311.74	\$ 17,386.26	\$ 373,049.63	\$ 433,009.63
21	8/18/2027	\$ 373,049.63	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 13,910.77	\$ 16,787.23	\$ 359,138.87	\$ 449,796.87
22	8/18/2028	\$ 359,138.87	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 14,536.75	\$ 16,161.25	\$ 344,602.12	\$ 465,958.12
23	8/18/2029	\$ 344,602.12	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 15,190.90	\$ 15,507.10	\$ 329,411.21	\$ 481,465.21
24	8/18/2030	\$ 329,411.21	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 15,874.50	\$ 14,823.50	\$ 313,536.72	\$ 496,288.72
25	8/18/2031	\$ 313,536.72	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 16,588.85	\$ 14,109.15	\$ 296,947.87	\$ 510,397.87
26	8/18/2032	\$ 296,947.87	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 17,335.35	\$ 13,362.65	\$ 279,612.52	\$ 523,760.52
27	8/18/2033	\$ 279,612.52	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 18,115.44	\$ 12,582.56	\$ 261,497.09	\$ 536,343.09
28	8/18/2034	\$ 261,497.09	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 18,930.63	\$ 11,767.37	\$ 242,566.45	\$ 548,110.45
29	8/18/2035	\$ 242,566.45	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 19,782.51	\$ 10,915.49	\$ 222,783.94	\$ 559,025.94
30	8/18/2036	\$ 222,783.94	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 20,672.72	\$ 10,025.28	\$ 202,111.22	\$ 569,051.22
31	8/18/2037	\$ 202,111.22	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 21,603.00	\$ 9,095.00	\$ 180,508.23	\$ 578,146.23
32	8/18/2038	\$ 180,508.23	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 22,575.13	\$ 8,122.87	\$ 157,933.10	\$ 586,269.10
33	8/18/2039	\$ 157,933.10	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 23,591.01	\$ 7,106.99	\$ 134,342.09	\$ 593,376.09
34	8/18/2040	\$ 134,342.09	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 24,652.61	\$ 6,045.39	\$ 109,689.48	\$ 599,421.48
35	8/18/2041	\$ 109,689.48	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 25,761.97	\$ 4,936.03	\$ 83,927.51	\$ 604,357.51
36	8/18/2042	\$ 83,927.51	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 26,921.26	\$ 3,776.74	\$ 57,006.25	\$ 608,134.25
37	8/18/2043	\$ 57,006.25	\$ 30,698.00	\$ -	\$ 30,698.00	\$ 28,132.72	\$ 2,565.28	\$ 28,873.53	\$ 610,699.53
38	8/18/2044	\$ 28,873.53	\$ 30,698.00	\$ -	\$ 28,873.53	\$ 27,574.22	\$ 1,299.31	\$ -	\$ 611,998.83

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2009 RD LOAN

Loan Amortization Schedule

Enter values		Loan summary	
91-23 Loan amount	\$ 375,000.00	Scheduled payment	\$ 18,334.00
Annual interest rate	3.625%	Scheduled number of payments	40
Loan period in years	40	Actual number of payments	38
Number of payments per year	1	Total early payments	\$ -
Start date of loan	5/28/2011	Total interest	\$ 321,462.91
Optional extra payments			

2010 & 2011 interest only payment.

Lender name: Fleming Co Water Association, Inc.

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	5/28/2012	\$ 375,000.00	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 4,740.25	\$ 13,593.75	\$ 370,259.75	\$ 13,593.75
2	5/28/2013	\$ 370,259.75	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 4,912.08	\$ 13,421.92	\$ 365,347.67	\$ 27,015.67
3	5/28/2014	\$ 365,347.67	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 5,090.15	\$ 13,243.85	\$ 360,257.52	\$ 40,259.52
4	5/28/2015	\$ 360,257.52	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 5,274.66	\$ 13,059.34	\$ 354,982.85	\$ 53,318.85
5	5/28/2016	\$ 354,982.85	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 5,465.87	\$ 12,868.13	\$ 349,516.98	\$ 66,186.98
6	5/28/2017	\$ 349,516.98	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 5,664.01	\$ 12,669.99	\$ 343,852.97	\$ 78,856.97
7	5/28/2018	\$ 343,852.97	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 5,869.33	\$ 12,464.67	\$ 337,983.64	\$ 91,321.64
8	5/28/2019	\$ 337,983.64	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 6,082.09	\$ 12,251.91	\$ 331,901.55	\$ 103,573.55
9	5/28/2020	\$ 331,901.55	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 6,302.57	\$ 12,031.43	\$ 325,598.98	\$ 115,604.98
10	5/28/2021	\$ 325,598.98	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 6,531.04	\$ 11,802.96	\$ 319,067.94	\$ 127,407.94
11	5/28/2022	\$ 319,067.94	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 6,767.79	\$ 11,566.21	\$ 312,300.16	\$ 138,974.16
12	5/28/2023	\$ 312,300.16	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 7,013.12	\$ 11,320.88	\$ 305,287.04	\$ 150,295.04
13	5/28/2024	\$ 305,287.04	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 7,267.34	\$ 11,066.66	\$ 298,019.69	\$ 161,361.69
14	5/28/2025	\$ 298,019.69	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 7,530.79	\$ 10,803.21	\$ 290,488.91	\$ 172,164.91
15	5/28/2026	\$ 290,488.91	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 7,803.78	\$ 10,530.22	\$ 282,685.13	\$ 182,695.13
16	5/28/2027	\$ 282,685.13	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 8,086.66	\$ 10,247.34	\$ 274,598.47	\$ 192,942.47
17	5/28/2028	\$ 274,598.47	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 8,379.81	\$ 9,954.19	\$ 266,218.66	\$ 202,896.66
18	5/28/2029	\$ 266,218.66	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 8,683.57	\$ 9,650.43	\$ 257,535.09	\$ 212,547.09
19	5/28/2030	\$ 257,535.09	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 8,998.35	\$ 9,335.65	\$ 248,536.73	\$ 221,882.73
20	5/28/2031	\$ 248,536.73	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 9,324.54	\$ 9,009.46	\$ 239,212.19	\$ 230,892.19
21	5/28/2032	\$ 239,212.19	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 9,662.56	\$ 8,671.44	\$ 229,549.63	\$ 239,563.63
22	5/28/2033	\$ 229,549.63	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 10,012.83	\$ 8,321.17	\$ 219,536.81	\$ 247,884.81
23	5/28/2034	\$ 219,536.81	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 10,375.79	\$ 7,958.21	\$ 209,161.02	\$ 255,843.02
24	5/28/2035	\$ 209,161.02	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 10,751.91	\$ 7,582.09	\$ 198,409.10	\$ 263,425.10
25	5/28/2036	\$ 198,409.10	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 11,141.67	\$ 7,192.33	\$ 187,267.43	\$ 270,617.43
26	5/28/2037	\$ 187,267.43	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 11,545.56	\$ 6,788.44	\$ 175,721.88	\$ 277,405.88
27	5/28/2038	\$ 175,721.88	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 11,964.08	\$ 6,369.92	\$ 163,757.80	\$ 283,775.80
28	5/28/2039	\$ 163,757.80	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 12,397.78	\$ 5,936.22	\$ 151,360.02	\$ 289,712.02
29	5/28/2040	\$ 151,360.02	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 12,847.20	\$ 5,486.80	\$ 138,512.82	\$ 295,198.82
30	5/28/2041	\$ 138,512.82	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 13,312.91	\$ 5,021.09	\$ 125,199.91	\$ 300,219.91
31	5/28/2042	\$ 125,199.91	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 13,795.50	\$ 4,538.50	\$ 111,404.40	\$ 304,758.40
32	5/28/2043	\$ 111,404.40	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 14,295.59	\$ 4,038.41	\$ 97,108.81	\$ 308,796.81
33	5/28/2044	\$ 97,108.81	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 14,813.81	\$ 3,520.19	\$ 82,295.01	\$ 312,317.01
34	5/28/2045	\$ 82,295.01	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 15,350.81	\$ 2,983.19	\$ 66,944.20	\$ 315,300.20
35	5/28/2046	\$ 66,944.20	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 15,907.27	\$ 2,426.73	\$ 51,036.93	\$ 317,726.93
36	5/28/2047	\$ 51,036.93	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 16,483.91	\$ 1,850.09	\$ 34,553.02	\$ 319,577.02
37	5/28/2048	\$ 34,553.02	\$ 18,334.00	\$ -	\$ 18,334.00	\$ 17,081.45	\$ 1,252.55	\$ 17,471.56	\$ 320,829.56
38	5/28/2049	\$ 17,471.56	\$ 18,334.00	\$ -	\$ 17,471.56	\$ 16,838.22	\$ 633.34	\$ -	\$ 321,462.91

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Annual Amortization Factor & Amortization Schedule Calculator				
FLEMING COUNTY WATER ASSOCIATION - Loan 91-25-2012				
\$	957,000.00	Loan Amount		**Disclaimer - Please note that the breakdown of principal and interest payments shown are an estimate only and don't account for leap years. Actual amounts are dependent upon the actual date of application of payment. Interest accrues daily from one payment to the next.
	2.750%	Interest Rate (entered as a percentage i.e. 3.625%)		
	40	Term		
	2	# of Years of Principal Deferral (select from drop-down)		
	38	Amortization Period		
	1	Payments per Year		
	42.75	Amortization Factor		
\$	40,912.00	Payment		
	9/24/2014	Date of Loan Closing		
				Balance
	Payment	Interest	Principal	\$
	9/24/2015	Interest Only	\$ -	\$ 957,000.00
	9/24/2016	Interest Only	\$ -	\$ 957,000.00
	9/24/2017	\$ 26,317.50	\$ 14,594.50	\$ 942,405.50
	9/24/2018	\$ 25,916.15	\$ 14,995.85	\$ 927,409.65
	9/24/2019	\$ 25,503.77	\$ 15,408.23	\$ 912,001.42
	9/24/2020	\$ 25,148.75	\$ 15,763.25	\$ 896,238.17
	9/24/2021	\$ 24,646.55	\$ 16,265.45	\$ 879,972.72
	9/24/2022	\$ 24,199.25	\$ 16,712.75	\$ 863,259.97
	9/24/2023	\$ 23,739.65	\$ 17,172.35	\$ 846,087.62
	9/24/2024	\$ 23,331.16	\$ 17,580.84	\$ 828,506.77
	9/24/2025	\$ 22,783.94	\$ 18,128.06	\$ 810,378.71
	9/24/2026	\$ 22,285.41	\$ 18,626.59	\$ 791,752.12
	9/24/2027	\$ 21,773.18	\$ 19,138.82	\$ 772,613.31
	9/24/2028	\$ 21,305.08	\$ 19,606.92	\$ 753,006.38
	9/24/2029	\$ 20,707.68	\$ 20,204.32	\$ 732,802.06
	9/24/2030	\$ 20,152.06	\$ 20,759.94	\$ 712,042.12
	9/24/2031	\$ 19,581.16	\$ 21,330.84	\$ 690,711.27
	9/24/2032	\$ 19,046.60	\$ 21,865.40	\$ 668,845.87
	9/24/2033	\$ 18,393.26	\$ 22,518.74	\$ 646,327.13
	9/24/2034	\$ 17,774.00	\$ 23,138.00	\$ 623,189.13
	9/24/2035	\$ 17,137.70	\$ 23,774.30	\$ 599,414.83
	9/24/2036	\$ 16,529.07	\$ 24,382.93	\$ 575,031.90
	9/24/2037	\$ 15,813.38	\$ 25,098.62	\$ 549,933.28
	9/24/2038	\$ 15,123.17	\$ 25,788.83	\$ 524,144.44
	9/24/2039	\$ 14,413.97	\$ 26,498.03	\$ 497,646.42
	9/24/2040	\$ 13,722.77	\$ 27,189.23	\$ 470,457.19
	9/24/2041	\$ 12,937.57	\$ 27,974.43	\$ 442,482.76
	9/24/2042	\$ 12,168.28	\$ 28,743.72	\$ 413,739.03
	9/24/2043	\$ 11,377.82	\$ 29,534.18	\$ 384,204.86
	9/24/2044	\$ 10,594.58	\$ 30,317.42	\$ 353,887.44
	9/24/2045	\$ 9,731.90	\$ 31,180.10	\$ 322,707.34
	9/24/2046	\$ 8,874.45	\$ 32,037.55	\$ 290,669.80
	9/24/2047	\$ 7,993.42	\$ 32,918.58	\$ 257,751.21
	9/24/2048	\$ 7,107.58	\$ 33,804.42	\$ 223,946.79
	9/24/2049	\$ 6,158.54	\$ 34,753.46	\$ 189,193.33
	9/24/2050	\$ 5,202.82	\$ 35,709.18	\$ 153,484.15
	9/24/2051	\$ 4,220.81	\$ 36,691.19	\$ 116,792.96
	9/24/2052	\$ 3,220.61	\$ 37,691.39	\$ 79,101.57

9/24/2053	\$	2,175.29	\$	- 38,736.71	\$	40,364.86
9/24/2054	\$	1,110.03	\$	39,801.97	\$	562.89
9/24/2055	\$	15.48	\$	40,896.52	\$	(40,333.63)
9/24/2056	\$	-	\$	-	\$	-
9/24/2057	\$	-	\$	-	\$	-
9/24/2058	\$	-	\$	-	\$	-
9/24/2059	\$	-	\$	-	\$	-
9/24/2060	\$	-	\$	-	\$	-
9/24/2061	\$	-	\$	-	\$	-
9/24/2062	\$	-	\$	-	\$	-
9/24/2063	\$	-	\$	-	\$	-
9/24/2064	\$	-	\$	-	\$	-
9/24/2065	\$	-	\$	-	\$	-
9/24/2066	\$	-	\$	-	\$	-
9/24/2067	\$	-	\$	-	\$	-
9/24/2068	\$	-	\$	-	\$	-
9/24/2069	\$	-	\$	-	\$	-
9/24/2070	\$	-	\$	-	\$	-
9/24/2071	\$	-	\$	-	\$	-
9/24/2072	\$	-	\$	-	\$	-
9/24/2073	\$	-	\$	-	\$	-
9/24/2074	\$	-	\$	-	\$	-
9/24/2075	\$	-	\$	-	\$	-
9/24/2076	\$	-	\$	-	\$	-
9/24/2077	\$	-	\$	-	\$	-
9/24/2078	\$	-	\$	-	\$	-
9/24/2079	\$	-	\$	-	\$	-
9/24/2080	\$	-	\$	-	\$	-
9/24/2081	\$	-	\$	-	\$	-
9/24/2082	\$	-	\$	-	\$	-
9/24/2083	\$	-	\$	-	\$	-
9/24/2084	\$	-	\$	-	\$	-
9/24/2085	\$	-	\$	-	\$	-
9/24/2086	\$	-	\$	-	\$	-
9/24/2087	\$	-	\$	-	\$	-
9/24/2088	\$	-	\$	-	\$	-
9/24/2089	\$	-	\$	-	\$	-
9/24/2090	\$	-	\$	-	\$	-
9/24/2091	\$	-	\$	-	\$	-
9/24/2092	\$	-	\$	-	\$	-
9/24/2093	\$	-	\$	-	\$	-
9/24/2094	\$	-	\$	-	\$	-
9/24/2095	\$	-	\$	-	\$	-
9/24/2096	\$	-	\$	-	\$	-
9/24/2097	\$	-	\$	-	\$	-
9/24/2098	\$	-	\$	-	\$	-
9/24/2099	\$	-	\$	-	\$	-
9/24/2100	\$	-	\$	-	\$	-
9/24/2101	\$	-	\$	-	\$	-
9/24/2102	\$	-	\$	-	\$	-
9/24/2103	\$	-	\$	-	\$	-

2015 KRWFC LOAN

KRWFC Flexible Term Program Series 2015 C Sinking Fund Payment Schedule

Borrower: Fleming County Water Association
Closing Date: 03/10/15

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
4/15-7/15	3,000.00	2,702.26	5,702.26
8/15-1/16	3,000.00	2,299.79	5,299.79
2/16-7/16	2,500.00	2,224.79	4,724.79
8/16-1/17	2,500.00	2,224.79	4,724.79
2/17-7/17	2,916.67	2,149.79	5,066.46
8/17-1/18	2,916.67	2,149.79	5,066.46
2/18-7/18	2,916.67	2,062.29	4,978.96
8/18-1/19	2,916.67	2,062.29	4,978.96
2/19-7/19	2,916.67	1,974.79	4,891.46
8/19-1-20	2,916.67	1,974.79	4,891.46
2/20-7/20	2,916.67	1,887.29	4,803.96
8/20-1/21	2,916.67	1,887.29	4,803.96
2/21-7/21	2,916.67	1,799.79	4,716.46
8/21-1/22	2,916.67	1,799.79	4,716.46
2/22-7/22	3,333.33	1,712.29	5,045.63
8/22-1/23	3,333.33	1,712.29	5,045.63
2/23-7/23	3,333.33	1,612.29	4,945.63
8/23-1/24	3,333.33	1,612.29	4,945.63
2/24-7/24	3,333.33	1,512.29	4,845.63
8/24-1/25	3,333.33	1,512.29	4,845.63
2/25-7/25	3,333.33	1,412.29	4,745.63
8/25-1/26	3,333.33	1,412.29	4,745.63
2/26-7/26	3,333.33	1,283.96	4,617.29
8/26-1/27	3,333.33	1,283.96	4,617.29
2/27-7/27	3,750.00	1,155.63	4,905.63
8/27-1/28	3,750.00	1,155.63	4,905.63
2/28-7/28	3,750.00	1,011.25	4,761.25
8/28-1/29	3,750.00	1,011.25	4,761.25
2/29-7/29	3,750.00	866.88	4,616.88
8/29-1/30	3,750.00	866.88	4,616.88
2/30-7/30	4,166.67	722.50	4,889.17
8/30-2/31	4,166.67	722.50	4,889.17
2/31-7/31	4,166.67	562.08	4,728.75
8/31-1/32	4,166.67	562.08	4,728.75
2/32-7/32	1,666.67	401.67	2,068.33
8/32-1/33	1,666.67	401.67	2,068.33
2/33-7/33	2,083.33	337.50	2,420.83
8/33-1/34	2,083.33	337.50	2,420.83
2/34-7/34	2,083.33	257.29	2,340.63
8/34-1/35	2,083.33	257.29	2,340.63
2/35-7/35	2,083.33	177.08	2,260.42
8/35-1/36	2,083.33	177.08	2,260.42
2/36-7/36	2,083.33	88.54	2,171.88
8/36-1/37	2,083.33	88.54	2,171.88
	<u>790,000.00</u>	<u>327,155.27</u>	<u>1,117,155.27</u>

Attachment #10

IRS E-file Signature Authorization for a Tax Exempt Entity

For calendar year 2023, or fiscal year beginning _____, 2023, and ending _____, 20_____

2023

Department of the Treasury
Internal Revenue Service

Do not send to the IRS. Keep for your records.
Go to www.irs.gov/Form8879TE for the latest information.

Name of filer FLEMING COUNTY WATER ASSOC INC	EIN or SSN 61-0716354
Name and title of officer or person subject to tax STEPHEN H MILLER	PRESIDENT

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a Form 990 check here <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	<u>2,244,536</u>
2a Form 990-EZ check here <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b	_____
3a Form 1120-POL check here <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	_____
4a Form 990-PF check here <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part V, line 5)	4b	_____
5a Form 8868 check here <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b	_____
6a Form 990-T check here <input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4)	6b	_____
7a Form 4720 check here <input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1)	7b	_____
8a Form 5227 check here <input type="checkbox"/>	b FMV of assets at end of tax year (Form 5227, Item D)	8b	_____
9a Form 5330 check here <input type="checkbox"/>	b Tax due (Form 5330, Part II, line 19)	9b	_____
10a Form 8038-CP check here <input type="checkbox"/>	b Amount of credit payment requested (Form 8038-CP, Part III, line 22)	10b	_____

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above entity or I am a person subject to tax with respect to (name of entity) _____, (EIN) _____ and that I have examined a copy of the 2023 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

I authorize MORGAN AND ASSOCIATES LLC to enter my PIN 16354 as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the tax year 2023 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2023 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax *Stephen H Miller* Date _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN. 61404526040
Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2023 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature _____ Date 06/07/2024

ERO Must Retain This Form—See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

2023

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2023 calendar year, or tax year beginning _____, and ending _____

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization FLEMING COUNTY WATER ASSOC INC
 Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) / Room/suite
PO BOX 327
 City or town / State / ZIP code
FLEMINGSBURG KY 41041-0327
 Foreign country name / Foreign province/state/county / Foreign postal code

D Employer identification number
61-0716354

E Telephone number
606-845-2067

G Gross receipts \$ 2244536.

F Name and address of principal officer: KEVIN CORNETTE
PO BOX 327 FLEMINGSBURG KY 41041

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. See instructions

I Tax-exempt status: 501(c)(3) 501(c) 12 (insert no.) 4947(a)(1) or 527

J Website: _____

K Form of organization: Corporation Trust Association Other

L Year of formation: _____

M State of legal domicile: _____

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>PROVIDING WATER SERVICE FOR FLEMING COUNTY KENTUCKY</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>6</u>
	4 Number of independent voting members of the governing body (Part VI, line 1b)	<u>4</u>	<u>6</u>
	5 Total number of individuals employed in calendar year 2023 (Part V, line 2a)	<u>5</u>	<u>12</u>
	6 Total number of volunteers (estimate if necessary)	<u>6</u>	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	<u>7a</u>	
b Net unrelated business taxable income from Form 990-T, Part I, line 11	<u>7b</u>		
Revenue	8 Contributions and grants (Part VIII, line 1h)	<u>3010.</u>	<u>2850.</u>
	9 Program service revenue (Part VIII, line 2g)	<u>2180650.</u>	<u>2225240.</u>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>951.</u>	<u>16446.</u>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>2184611.</u>	<u>2244536.</u>
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	<u>746541.</u>	<u>738665.</u>
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25)		
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<u>1641437.</u>	<u>1586189.</u>	
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<u>2387978.</u>	<u>2324854.</u>	
19 Revenue less expenses. Subtract line 18 from line 12	<u>-203367.</u>	<u>-80318.</u>	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	<u>9062297.</u>	<u>8850492.</u>
	21 Total liabilities (Part X, line 26)	<u>2572298.</u>	<u>2440808.</u>
	22 Net assets or fund balances. Subtract line 21 from line 20	<u>6489999.</u>	<u>6409684.</u>

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature of officer: [Signature] Date: _____
KEVIN CORNETTE PRESIDENT
 Type or print name and title

Paid Preparer Use Only
 Print preparer's name: BRENDA M MORGAN CPA Preparer's signature: _____ Date: _____
 Check if self-employed PTIN: P01347282
 Firm's name: MORGAN AND ASSOCIATES LLC Firm's EIN: 32-0034770
 Firm's address: 349 BROADWAY STREET WEST LIBERTY KY 41472 Phone no.: 606-743-1884

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
PROVIDING WATER SERVICE TO FLEMING COUNTY KENTUCKY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1802868 including grants of \$) (Revenue \$)
PROVIDED WATER SERVICE TO APPROXIMATELY 4000 CUSTOMERS IN FLEMING COUNTY KY

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1802868 .

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors? See instructions		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? If "Yes," complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments—other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments—program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 8 and 11e? If "Yes," complete Schedule G, Part I. See instructions.		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		X
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, and Yes/No columns. Rows include questions 22 through 38 regarding grants, compensation, tax-exempt bonds, excess benefit transactions, and controlled entities.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V. []

Table with 3 columns: Question number, Question text, and Yes/No columns. Rows include questions 1a, 1b, and 1c regarding Form 1096, Form W-2G, and backup withholding rules.

Part VII Statements Regarding Other IRS Filings and Tax Compliance (continued)			Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 12		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b	If "Yes," was it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation on Schedule O	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9	Sponsoring organizations maintaining donor advised funds.			
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter:			
a	Contributionless and taxable contributions included on Part VIII, line 12	10a		
b	Gross receipts included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter:			
a	Gross income from members or shareholders	11a	2228090.	
b	Gross income from other sources (Do not enter amounts due or paid to other sources against amounts included from them)	11b	16446.	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c	Enter the amount of bonds on hand	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b		
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payments during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15		X
16	Is the organization an investment institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X
17	Section 501(c)(21) organizations. Did the trust, or any disqualified or other person, engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 990-B.	17		X

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI.

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
1b	Enter the number of voting members included on line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?	X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
10b	b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13.	X	
12b	b Were officers, directors, trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done.	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, including data and contemporaneous substantiation of the deliberation and decision?		
15a	a The organization's CEO, Executive Director, or top management official.		X
15b	b Other officers or key employees of the organization		X
16a	Did the organization, directly or indirectly, contribute assets to, or participate in a joint venture or similar arrangement with a for-profit entity during the year?		X
16b	b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its contribution in light of the tax arrangements under applicable federal tax law, and take steps to safeguard the arrangement to avoid conflicts with related parties in such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed: _____
- 18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only, except for 501(c)(29)s) available for public inspection. Indicate how you made these available. Check all that apply.
 Over website Another's website Upon request Other (explain on Schedule O)
- 19 Describe any standards or whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, position, and telephone number of the person who possesses the organization's books and records

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) STEPHEN MILLER PRESIDENT	2			X			0	0	0	
(2) CONNIE CRANE VP	2			X			0	0	0	
(3) KIRBY STORY TREASURER	2			X			0	0	0	
(4) WAYNE CRAFT SECRETARY	2			X			0	0	0	
(5) P WAGONER DIRECTOR	2	X					0	0	0	
(6) C MARSHALL DIRECTOR	2	X					0	0	0	
(7) K CORNETT SUPERINTENDENT	40			X			85403.0	0	0	
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Subtotal							85403.			
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							85403.			

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII.

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b	2850.			
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f	1g	\$			
	h	Total. Add lines 1a-1f		2850.			
Program Service Revenue			Business Code				
	2a	METERED WATER SALES	221000	2029739.	2029739.		
	b	PENALTIES	221000	30181.	30181.		
	c	OTHER REVENUE	221000	165320.	165320.		
	d					
	e					
	f	All other program service revenue					
g	Total. Add lines 2a-2f		2225240.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		16446.	16446.		
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross rents	6a	(i) Real	(ii) Personal		
			6b				
			6c				
	d	Net rental income or (loss)					
	7a	Gross amount from sales of assets other than inventory	7a	(i) Securities	(ii) Other		
			7b				
			7c				
	d	Net gain or (loss)					
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a				
			8b				
c	Net income or (loss) from fundraising events						
9a	Gross income from gaming activities. See Part IV, line 19	9a					
		9b					
c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances	10a					
		10b					
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
	11a					
	b					
	c					
	d	All other revenue					
e	Total. Add lines 11a-11d						
12	Total revenue. See instructions			2244536.	2241686.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX.

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2	Grants and other assistance to domestic individuals. See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 16 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	99403.		99403.	
6	Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	422412.	248829.	173583.	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	47346.	27934.	19412.	
9	Other employee benefits	131561.	55936.	75625.	
10	Payroll taxes	37943.	22386.	15557.	
11	Fees for services (nonemployees):				
a	Management				
b	Legal				
c	Accounting				
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees				
g	Other. If line 11g amount exceeds 10% of line 25, column (A), amount list line 11g expenses on Schedule O.				
12	Advertising and promotion	647.	317.	330.	
13	Office expenses				
14	Information technology				
15	Royalties				
16	Occupancy				
17	Travel				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	78712.	78712.		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	353116.	353116.		
23	Insurance	29198.	14307.	14891.	
24	Other expenses. Itemize expenses not covered above (see miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount list line 24e expenses on Schedule O.)				
a	Professional fundraising services	72573.	35561.	37012.	
b	Miscellaneous expenses	294944.	256500.	38444.	
c	Interest	19793.	9699.	10094.	
d	Depreciation, depletion, and amortization	16108.	13584.	2524.	
e	All other expenses	721098.	685987.	35111.	
25	Total functional expenses. Add lines 1 through 24e.	2324854.	1802868.	521986.	
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASU 958-720).				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X.

		(A)		(B)	
		Beginning of year		End of year	
Assets	1	Cash—non-interest-bearing	407697.	1	623893.
	2	Savings and temporary cash investments	492319.	2	499355.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	262048.	4	247387.
	5	Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	277778.	8	109152.
	9	Prepaid expenses and deferred charges	9965.	9	9965.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 13432655.		
	b	Less: accumulated depreciation	10b 6091364.	7591573.	10c 7341291.
	11	Investments—publicly traded securities		11	
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11		13	
	14	Intangible assets	20917.	14	19449.
	15	Other assets. See Part IV, line 11		15	
16	Total assets. Add lines 1 through 15 (must equal line 33)	9062297.	16	8850492.	
Liabilities	17	Accounts payable and accrued expenses	302904.	17	239931.
	18	Grants payable		18	
	19	Deferred revenue	29831.	19	25473.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23	Secured mortgages and notes payable to unrelated third parties	2087689.	23	2009155.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D	151874.	25	166249.
	26	Total liabilities. Add lines 17 through 25	2572298.	26	2440808.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.				
	27	Net assets without donor restrictions	6002975.	27	5909828.
	28	Net assets with donor restrictions	487024.	28	499856.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.				
	29	Capital stock or trust principal, or current funds		29	
	30	Paid-in or capital surplus, or land, building, or equipment fund		30	
	31	Retained earnings, endowment, accumulated income, or other funds		31	
	32	Total net assets or fund balances	6489999.	32	6409684.
33	Total liabilities and net assets/fund balances	9062297.	33	8850492.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2244536.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2324854.
3	Revenue less expenses. Subtract line 2 from line 1	3	-80318.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	6489999.
5	Net unrealized gains (losses) on investments	5	
6	Donated equipment and facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	6409681.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both. <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both. <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the uniform guidance, 2 C.F.R. Part 200, Subpart F?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits		

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No. 1545-0047

2023

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Attach to Form 990.
Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization FLEMING COUNTY WATER ASSOC INC	Employer identification number 61-0716354
---	---

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to/during year		
3 Aggregate value of grants from/during year		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for allowable purposes and not for the benefit of the donor or donor advisor, or for any other purpose serving the donor's private inurement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of all conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement or easements at the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage retained by conservation easements	2b
c Number of conservation easements on a certified historic structure included on line 2a	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the year

4 Number of states where property subject to conservation easement is located

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue reported on Form 990, Part VII, line 1	\$
(ii) Assets included on Form 990, Part X	\$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following information as required to be reported under FASB ASC 958 relating to these items:

a Revenue reported on Form 990, Part VII, line 1	\$
b Assets included on Form 990, Part X	\$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).
- a Public exhibition
 - b Emergency preparedness
 - c Preservation by all generations
 - d Loan or exchange program
 - e Other
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year did the organization solicit or receive donations of art, historical treasures, or other similar assets to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part IV, line 21.

- 1a Is the organization or agent trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part 00? Yes No
- b If "Yes" on line 1a, complete the following table.
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f End of year balance | 1f |
- 2a Did the organization have an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes" on line 2a, complete the explanation in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other awards, grants, scholarships, and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment 0.00%
 - b Permanent endowment 0.00%
 - c Term endowment 0.00%
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|--------|----|
| (i) Unrelated organizations | 3a(i) | |
| (ii) Related organizations | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		129,823.		129,823.
b Buildings		341,835.	173,166.	168,669.
c Leasehold improvements				
d Equipment		250,476.	215,590.	34,886.
e Other		12,710,521.	5,702,608.	7,007,913.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				7,341,291.

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closed-end funds		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, line 12, col. (B))		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, line 13, col. (B))		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 15, col. (B))	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) CUSTOMER DEPOSITS	166,249.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B))	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII.

SCHEDULE O
(Form 990)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

2023

Attach to Form 990 or Form 990-EZ.

**Open to Public
Inspection**

Go to www.irs.gov/Form990 for the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization

FLEMING COUNTY WATER ASSOC INC

Employer identification number

61-0716354

PART VI SECTION B LINE 11B

A COPY OF THE COMPLETED 990 IS GIVEN TO THE SUPERINTENDENT
FOR APPROVAL AND DISSEMINATION TO THE BOARD PRIOR TO FILING

PART VI SECTION B LINE 11C

THE BOARD MEETS MONTHLY AND ANY CONFLICTS OF INTEREST
ISSUES ARE DISCUSSED AND HANDLED ACCORDING TO POLICY

PART VI SECTION B LINE 19

GOVERNING DOCUMENTS, POLICIES AND FINANCIAL STATEMENTS
ARE MADE AVAILABLE UPON REQUEST OF THE SUPERINTENDENT

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service

Attach to your tax return.

Go to www.irs.gov/Form4562 for instructions and the latest information.

Attachment

Sequence No. 179

Table with 3 columns: Name(s) shown on return (FLEMING COUNTY WATER ASSOC), Business or activity to which this form relates (WATER SERVICE), and Identifying number (61-0716354).

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 5 columns for Section 179 election calculations, including lines 1 through 13 for maximum amount, total cost, threshold, reduction, and carryover.

Note: Don't use Part II of Part I below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

Table with 2 columns for Special Depreciation Allowance and Other Depreciation, including lines 14 through 16.

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

Table with 2 columns for MACRS depreciation, including lines 17 and 18.

Section B Assets Placed in Service During 2023 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Description, (b) Month placed in service, (c) Basis, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows for 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, and 27.5-year assets.

Section C Assets Placed in Service During 2023 Tax Year Using the Alternative Depreciation System

Table with 4 columns: (a) Description, (b) Recovery period, (c) Convention, (d) Method. Includes rows for 12-year, 30-year, and 40-year assets.

Part IV Summary (See instructions.)

Table with 2 columns for Summary, including lines 21 through 23 for listed property, total depreciation, and section 253A costs.

Attachment #11

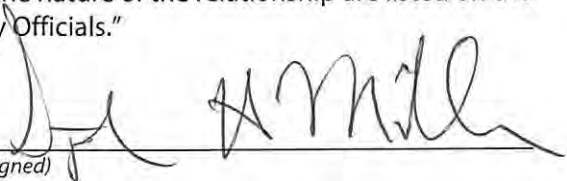
**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between Fleming County Water Association, Inc. ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

Stephen H. Miller
(Print Name)


(Signed)

President
(Position/Office)

* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

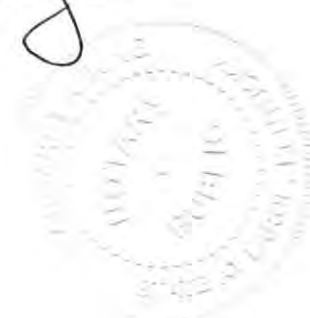
COMMONWEALTH OF KENTUCKY

COUNTY OF Fleming

Subscribed and sworn to before me by Stephen H Miller
(Name)

this 14 day of August, 2024.

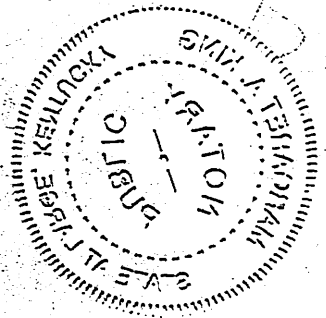
Margaret A. King
NOTARY PUBLIC
State-at-Large



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Handwritten text, possibly a date or location, including the word "Klein".

Handwritten signature or name.



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Connie Crain
(Print Name)

Connie Crain
(Signed)

Vice President
(Position/Office)

* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

COMMONWEALTH OF KENTUCKY

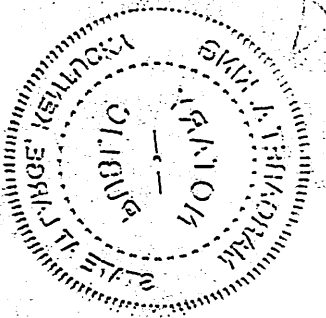
COUNTY OF Fleming

Subscribed and sworn to before me by Connie Crain
(Name)

this 14 day of August, 2024.

Margaret A. Kiz
NOTARY PUBLIC
State-at-Large





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Handwritten signature

Handwritten signature

**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Wayne Craft
(Print Name)


(Signed)

Secretary
(Position/Office)

* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

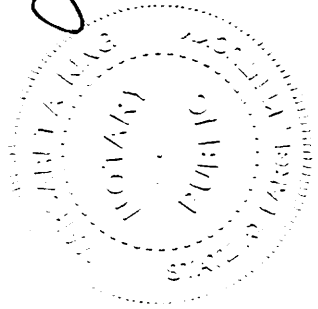
COMMONWEALTH OF KENTUCKY

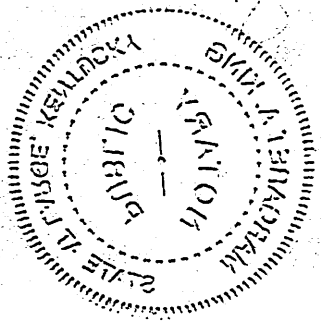
COUNTY OF Fleming

Subscribed and sworn to before me by Wayne Craft
(Name)

this 14 day of August, 2024.

Margaret A King
NOTARY PUBLIC
State-at-Large





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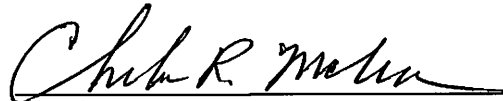
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Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
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Charles "Chuck" Marshall
(Print Name)


(Signed)

Director
(Position/Office)

* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

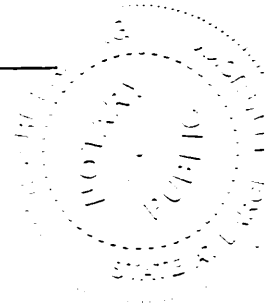
COMMONWEALTH OF KENTUCKY

COUNTY OF Fleming

Subscribed and sworn to before me by Charles R. Marshall
(Name)

this 14 day of August, 2024.

Margaret A. Kij
NOTARY PUBLIC
State-at-Large

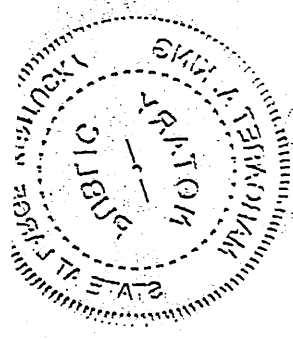


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**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Rhonda Hawkins
(Print Name)

Rhonda Hawkins
(Signed)

Director
(Position/Office)

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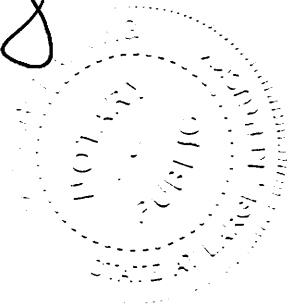
COMMONWEALTH OF KENTUCKY

COUNTY OF Fleming

Subscribed and sworn to before me by Rhonda Hawkins
(Name)

this 14 day of August, 2024.

Margaret A. King
NOTARY PUBLIC
State-at-Large



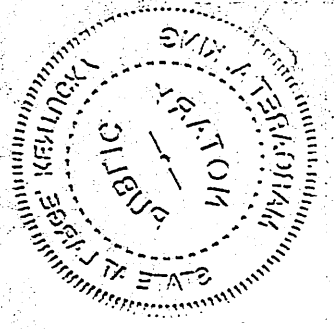
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James H. ...

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**STATEMENT OF DISCLOSURE OF
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Phillip Wagoner

(Print Name)



(Signed)

Director

(Position/Office)

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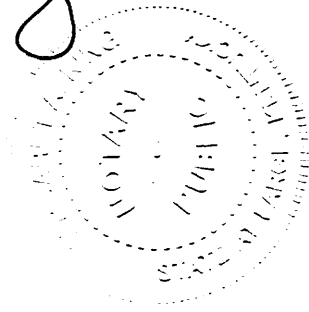
COMMONWEALTH OF KENTUCKY

COUNTY OF Fleming

Subscribed and sworn to before me by Phillip C. Wagoner
(Name)

this 14 day of August, 2024.

Margaret A. King
NOTARY PUBLIC
State-at-Large

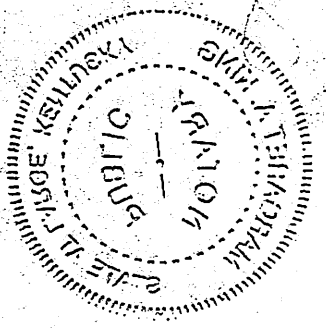


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General James
Magill D. Gillis

Magill D. Gillis

Magill D. Gillis



**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

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Kevin Cornette

(Print Name)



(Signed)

Superintendent

(Position/Office)

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COMMONWEALTH OF KENTUCKY

COUNTY OF Fleming

Subscribed and sworn to before me by Kevin Conette
(Name)

this 14 day of August, 2024.

Margaret D. King
NOTARY PUBLIC
State-at-Large

Attachment #12

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLEMING COUNTY WATER ASSOCIATION PROPOSING ADJUSTMENTS TO ITS WATER RATES AND CHARGES AND AUTHORIZING ITS PRESIDENT TO FILE AN APPLICATION WITH THE PSC SEEKING APPROVAL OF THE PROPOSED RATE ADJUSTMENT

WHEREAS, the Fleming County Water Association (“Association”) is a water association created and organized under the provisions of KRS Chapter 273. The Association is subject to the jurisdiction of the Kentucky Public Service Commission (“PSC”);

WHEREAS, prudent financial management dictates that the Association take appropriate action to adjust its water rates and charges; and

WHEREAS, KRS 278.180 and 807 KAR 5:076 provide the legal mechanism for the Association to propose adjustments to its water rates and charges;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF FLEMING COUNTY WATER ASSOCIATION 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.

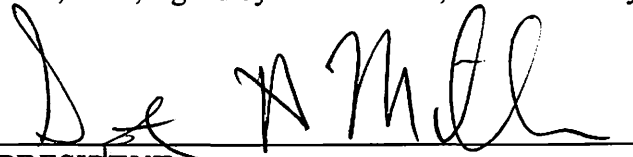
Section 2. The Association proposes to adjust its monthly water rates and charges as set forth in **Appendix A**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The proposed rates and charges set forth in **Appendix A** are subject to any minor adjustments that may be made by the PSC. The proposed rate adjustment shall not become effective until PSC approval has been obtained.

Section 3. The President and Superintendent are hereby authorized and directed to prepare, execute, and file with the PSC, by utilizing the Alternative Rate Adjustment Procedure for Small Utilities set forth in 807 KAR 5:076, an Alternative Rate Filing (“ARF”) Application, Tariff Sheets, and all other documents that may be required by the PSC.

Section 4. The President, Superintendent, and all other appropriate Association staff are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement this Resolution.

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

ADOPTED BY THE BOARD OF DIRECTORS OF FLEMING COUNTY WATER ASSOCIATION at a meeting held on August 14, 2024, signed by the President, and attested by the Secretary.



PRESIDENT

ATTEST:



SECRETARY

CERTIFICATION

I, Secretary of the Fleming County Water Association (the “Association”), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Association at a meeting properly held on August 14, 2024, signed by the President of the Association, attested by me as Secretary, and now in full force and effect.

WITNESS my hand this 14th day of August 2024.



SECRETARY

Appendix A
CURRENT AND PROPOSED RATES
Fleming County Water Association

CURRENT RATE SCHEDULE	PROPOSED RATE SCHEDULE
<p><u>ALL METERS</u></p> <p>First 2,000 gallons \$18.88 Minimum Bill</p> <p>Next 8,000 gallons 7.04 per 1,000 gallons</p> <p>Next 40,000 gallons 5.59 per 1,000 gallons</p> <p>Over 50,000 gallons 4.39 per 1,000 gallons</p>	<p><u>ALL METERS</u></p> <p>First 2,000 gallons \$ 21.42 Minimum Bill</p> <p>Next 8,000 gallons 7.99 per 1,000 gallons</p> <p>Next 40,000 gallons 6.34 per 1,000 gallons</p> <p>Over 50,000 gallons 4.98 per 1,000 gallons</p>