SCHEDULE OF ADJUSTED OPERATIONS
Northeast Woodford County Water District

	Test Year	Adjustments	Ref.	Pro Forma
Operating Revenues				
Total Retail Metered Sales	$ 784,507	$ (166)	A	$ 784,341
Other Water Revenues:				
Other Water Revenues	25,814			25,814
Total Operating Revenues	810,321	(166)		810,155
Operating Expenses				
Operation and Maintenance				
Salaries and Wages - Employees	16,696	(16,696)	B	0
		16,696	B	
Salaries and Wages - Officers		1,504	C	18,200
Purchased Water	461,760			461,760
Purchased Power	11,220			11,220
Materials and Supplies	48,651	(11,143)	D	37,508
Contractual Services - Acct.	12,920			12,920
Contractual Services - Management	50,913			50,913
Contractual Services - -Other	57,167	20,688	E	77,855
Insurance - Gen. Liability	6,053			6,053
Amort - Rate Case		3,714	F	3,714
Miscellaneous Expenses	11,403			11,403
Total Operation and Mnt. Expenses	676,783	14,763		691,546
Depreciation Expense	84,186	4,873	G	
		279	H	89,338
Amortization Expense		8,482	E	8,761
Taxes Other Than Income	2,536			2,536
Total Operating Expenses	763,505	28,397		792,181
Net Utility Operating Income	46,816	(28,563)		17,974
Gains (Losses) Sale of Utility Property				
Total Utility Operating Income	1,700	(1,700)	I	0
Other Income and Deductions:	48,516	(30,263)		18,253
Interest Income	1,303			1,303
Nonutility Income	23,512	(23,512)	J	0
Interest Expense	(21,533)			(21,533)
Net Income	$ 51,798	$ (53,775)		$ (1,977)

REFERENCES

A. The Current Billing Analysis results in pro forma metered sales revenue of $784,341. This reflects customer usage for 2024 and the tariffed water rates and indicates a decrease to Revenue from Metered Water Sales of $166 is required.

B. Northeast Woodford County Water District recorded its Commissioner Salaries in account Salaries and Wages - Employees. To correct the misclassification error Salaries and Wages - Employees is being decreased by $16,696 and Salaries and Wages – Officers is being increased by the same amount.

C. Northeast Woodford County Water District currently pays its Commissioners $16,800 as shown in the table below. Accordingly, Salaries and Wages – Officers is being increased by $1,504 to reflect the current commissioner salaries.

	Commissioner Term		Pro Forma Salaries & Wages
Commissioner	Appointed	Expired	Expense
Chairman	06/01/22	05/31/26	6,000
Secretary	04/30/24	05/01/28	6,000
Treasurer	12/02/23	12/01/27	6,200
Pro Forma Salaries & Wages - Officers			18,200

D. In 2024, Northeast Woodford County Water District installed 12 5/8-Inch by 3/4-Inch meters and 7 1-Inch meters. The cost of the meters that were installed was $6,386. In its 2024 Trial Balance, Northeast Woodford County Water District reported collecting tap-on fees of $11,056. During the test year Northeast Woodford County Water District paid its contractor to install its new meters which was recorded in the Materials and Supplies expense account. Using the current tap-on fees, Northeast Woodford County Water District estimated the meter installation cost of $11,143. Accordingly, Materials and Supplies expense is being reduced by $11,143 to eliminate the cost of labor to install the new meters.

E. Northeast Woodford County Water District and United Systems Software, Inc. (United) entered into the Utility Process Management Master Agreement on June 20, 2024. Under the terms of the agreement United will provide customer billing and collection services to Northeast Woodford County Water

District. The agreement requires Northeast Woodford County Water District to pay an initial installation fee of $25,445 and monthly recurring fees of $1,724. Because of its work schedule in 2024, United installed the customer billing system in May 2025. Northeast Woodford County Water District is amortizing the initial installation fee over the 36 month contract term for an annual amortization expense of $8,482. Contract Services – Other is being increased by $20,688 ($1,724 x 12) the annual billing and collection fee.

F. Amortization Rate Case expense is being increased by $3,714 to reflect amortizing the cost of this rate case over three-years.

G. In the Final Order in Case No. 2022-00221, the Commission found that Northeast Woodford District shall use the midpoint of the depreciable lives of the National Association of Regulatory Utility Commissioners ranges, as proposed in the application and agreed upon by Commission Staff, to depreciate water plant assets for accounting purposes in all future reporting periods. Following the Commission's finding, Northeast Woodford County Water District adopted the NARUC depreciation lives. Following accounting standards, the depreciation expense for the assets placed in service in 2024 reflected depreciation calculated from the in-service date to December 31, 2024. For those assets depreciation expense is being increased by $4,873 to reflect a full-year of depreciation.

H. Depreciation expense is being increased by $279 to reflect depreciating the meter installation labor of $11,143 over 40-years.

I. In 2024, Northeast Woodford County Water District recognized The gain on the sale of assets of $1,700. Since the sale of assets is a non-recurring event, an adjustment to decrease Gain/Loss on Sale of Equipment by $1,700 is being made.

J. In 2024, Northeast Woodford County Water District switched to Edward Jones financial software. Edward Jones recognizes the value of the investment on the date it is installed, including any unrecognized gains. On December 31, 2024 the fair market value was $498,648 and the prior year value was $475,128. The $23,512 was the increase in this investment account from one year to the next (interest and fair value adjustment on the investments held). Since the gain on the investment is an unrealized gain and a non-recurring event an adjustment to decrease Nonutility income by $23,512 is being made

K. Northeast Woodford County District's amortization schedules for its Rural Development (RD) bonds and the Kentucky Infrastructure Authority (KIA) loan are shown in Table B. The five-year average of the interest payments are included in the revenue requirement calculation.

Table A
Depreciation Expense
Northeast Woodford County Water District

Date	Description	UPIS Balance	Accumulated Depreciation 12/31/06	Remaining Book Value	NARUC Avg. Life	Asset Remaining Life	Accumulated Depreciation 12/31/24	Test-Year Depreciation Expense
WATER SYSTEM:								
01-01-82	COST OF SYSTEM	467,692.70	428,463.39	39,229.31	62.50	37.50	446,247.34	1,046.12
01-01-83	ADDITIONS	4,754.00	2,852.40	1,901.60	62.50	38.50	3,692.07	49.39
01-01-84	ADDITIONS	9,768.58	5,616.90	4,151.68	62.50	39.50	7,403.70	105.11
01-01-85	ADDITIONS	6,160.00	3,388.00	2,772.00	62.50	40.50	4,551.56	68.44
01-01-86	PAINT WATER TOWER	12,000.00	12,000.00	0.00	0.00	0.00	12,000.00	0.00
01-01-86	ADDITIONS	12,218.25	6,414.60	5,803.65	62.50	41.50	8,792.00	139.85
01-01-87	ADDITIONS	9,362.32	9,362.32	0.00	0.00	0.00	9,362.32	0.00
01-01-88	ADDITIONS	7,494.33	7,494.33	0.00	0.00	0.00	7,494.33	0.00
01-01-97	Tank # 2	849,758.63	191,195.69	658,562.94	40.00	27.00	583,815.65	24,391.22
01-01-98	Paynes Mill	971.20	218.52	752.68	62.50	53.50	457.69	14.07
	additions	32,074.58	7,216.77	24,857.81	62.50	53.50	15,115.52	464.63
01-01-97	Paynes Mill Extension	11,085.41	2,494.22	8,591.19	62.50	52.50	5,276.13	163.64
01-01-97	additions	12,032.30	3,008.08	9,024.22	62.50	52.50	5,930.21	171.89
12-31-03	Redd Rd Extension	152,867.60	15,286.76	137,580.84	62.50	58.50	55,267.52	2,351.81
12-31-05	Other Additions	5,312.04	265.60	5,046.44	62.50	60.50	1,683.61	83.41
12-31-06	EIC telemetry system	39,450.00	0.00	39,450.00	10.00	9.00	39,450.00	0.00
12-31-06	UK Pipeline/Hydrant Addition	65,700.00	1,642.50	64,057.50	62.50	61.50	19,349.45	1,041.59
12-31-06	UK Meter Addition	1,500.00	150.00	1,350.00	40.00	39.00	738.46	34.62
12/31/07	Line Additions	6,014.00	0.00	6,014.00	62.50	62.50	1,635.79	96.22
12/31/07	EIC Security Alarms	1,730.00	0.00	1,730.00	10.00	10.00	1,730.00	0.00
12/31/08	Paint water tower	159,277.00	0.00	159,277.00	10.00	10.00	159,277.00	0.00
12/31/08	Meters	1,070.00	0.00	1,070.00	40.00	40.00	428.00	26.75
06/01/2010	Automated Meters - 176	39,342.00	0.00	39,342.00	40.00	40.00	13,769.70	983.55
07/01/2011	Automated Meters	30,804.00	0.00	30,804.00	40.00	40.00	10,011.30	770.10
07/01/2011	Paint Water Tower	56,600.00	0.00	56,600.00	10.00	10.00	56,600.00	0.00
12/31/2011	Frankfort Interconnect	494,733.00	0.00	525,121.00	40.00	40.00	144,408.28	13,128.03
7/1/2012	Automated Meters - 106	30,012.00	0.00	30,012.00	40.00	40.00	9,003.60	750.30
7/1/2012	Fencing of Spring Station	2,127.50	0.00	2,127.50	10.00	10.00	2,127.50	0.00
7/1/2013	Automated Meters - 107	27,077.00	0.00	27,077.00	40.00	40.00	7,446.18	676.93
11/5/2013	Line Addition	6,500.00	0.00	6,500.00	62.50	62.50	1,144.00	104.00
8/1/2013	Privacy Fence - Dogwood	2,000.00	0.00	2,000.00	10.00	10.00	2,000.00	0.00
5/30/2014	Computer software For Spring Station	4,596.00	0.00	4,596.00	3.00	3.00	4,596.00	0.00
12/31/14	Meters- 109	28,919.00	0.00	28,919.00	40.00	40.00	7,229.75	722.98
12/31/14	Telemetry	16,464.00	0.00	16,464.00	10.00	10.00	16,464.00	0.00
12/31/14	Woodlake Pump Station	77,222.00	0.00	77,222.00	40.00	40.00	19,305.30	1,930.55
12/31/15	Meters- 55	16,148.00	0.00	16,148.00	40.00	40.00	3,633.30	403.70
12/31/16	Meters-	32,386.00	0.00	32,386.00	40.00	40.00	6,477.20	809.65
12/31/17	Meters -	100,681.00	0.00	100,681.00	40.00	40.00	17,619.18	2,517.03
12/31/18	Meters	588.00	0.00	588.00	40.00	40.00	88.20	14.70
7/1/19	Meter Vault - Newtownanner Stud Farm	6,808.00	0.00	6,808.00	40.00	40.00	765.90	170.20
9/27/19	Waterline - Sugar Hill Road (part of KIA cons	129,309.00	0.00	129,309.00	40.00	40.00	13,739.08	3,232.73
12/31/19	Meters	4,487.00	0.00	4,487.00	40.00	40.00	560.88	112.18
8/15/20	Old Frankfort Pike Rebuild (part of KIA const	137,930.00	0.00	137,930.00	40.00	40.00	11,637.84	3,448.25
12/31/20	Meters	7,271.00	0.00	7,271.00	40.00	40.00	727.10	181.78
12/31/21	Meters	1,764.00	0.00	1,764.00	40.00	40.00	132.30	44.10
12/31/22	Meters	2,773.00	0.00	2,773.00	40.00	40.00	138.65	69.33
12/31/22	Big Sink Water Tank Repaint	199,150.00	0.00	199,150.00	10.00	10.00	19,915.00	19,915.00
12/31/23	Meter s	6,931.00	0.00	6,931.00	40.00	40.00	173.28	173.28
9/4/2024	Fire Hydrant (1) Merry Meadows	3,888.38	0.00	3,888.38	40.00	40.00	0.00	32.40
12/31/24	Meters	6,386.00	0.00	6,386.00	40.00	40.00	0.00	159.65
12/10/24	Pump Station	192,324.00	0.00	192,324.00	40.00	40.00	0.00	0.00
		3,330,915.44	697,070.08	2,866,831.74			1,759,411.87	80,599.18
EQUIPMENT								
01-01-87	EQUIPMENT	4,941.43	4,941.43	(0.00)	0.00	0.00	4,941.43	0.00
03/01/00	Computer system	4,985.00	4,985.00	(0.00)	0.00	0.00	4,985.00	0.00
12/31/03	PRINTER	1,695.00	1,356.00	339.00	5.00	1.00	1,695.00	0.00
12/31/04	Bank Draft Software	1,095.00	469.29	625.71	7.00	4.00	1,095.00	0.00
12/31/10	Computer Billing Software	12,405.00	0.00	12,405.00	7.00	7.00	12,405.00	0.00
12/31/10	Automated Meter Reader	8,960.00	0.00	8,960.00	7.00	7.00	8,960.00	0.00
03/09/20	Dell Desktop Computer and Accessories	2,743.00	0.00	2,743.00	7.00	7.00	1,502.12	391.86
03/08/21	Handheld Upgrade with Auxillary Communica	9,618.32	0.00	9,618.32	7.00	7.00	3,893.13	1,374.05
10/24/22	SCADA Software	12,751.00	0.00	12,751.00	7.00	7.00	2,125.17	1,821.57
		59,193.75	11,751.72	47,442.03			41,601.85	3,587.48
		3,390,109.19	708,821.80	2,914,273.77			1,801,013.72	84,186.66

Table B
DEBT SERVICE SCHDULE
Northeast Woodford County Water District
CY 2026 - 2030

Summary

C.Y.	Principal	Interest	Service Fee	Annual Payment
2026	$ 40,924	$ 17,337	$ 670	$ 58,932
2027	43,239	15,642	634	59,516
2028	44,560	13,856	598	59,013
2029	46,886	11,977	560	59,424
2030	49,218	9,977	523	59,718
TOTALS	$ 224,827	$ 68,789	$ 2,986	$ 296,602
5 Year Avg	$ 44,965	$ 13,758	$ 597	$ 59,320

RD

C.Y.	Principal	Interest	Service Fee	Annual Payment
2026	$ 23,000	$ 11,471	$ -	34,471
2027	25,000	10,091	-	35,091
2028	26,000	8,625	-	34,625
2029	28,000	7,073	-	35,073
2030	30,000	5,405	-	35,405
TOTALS	132,000	42,665	-	174,665
5-Year Avg	26,400	8,533	0	34,933

KIA

C.Y.	Principal	Interest	Service Fee	Annual Payment
2026	$ 17,924	$ 5,866	$ 670	24,461
2027	18,239	5,551	634	24,425
2028	18,560	5,231	598	24,388
2029	18,886	4,904	560	24,351
2030	19,218	4,572	523	24,313
TOTALS	92,827	26,124	2,986	121,937
5-Year Avg	18,565	5,225	597	24,387

Table C
Current and Proposed Rates
Northeast Woodford County Water District

										Differences	
			Existing Rates			Proposed Rates			$		%
3/4-Inch x 5/8-Inch Meter											
First	2,000	Gallons	$	15.17	Min. Bill	$	17.16	Min. Bill	$	1.99	13.12%
Next	2,000	Gallons		0.00503	per Gallon		0.00569	per Gallon		0.000660	13.12%
Next	6,000	Gallons		0.00464	per Gallon		0.00525	per Gallon		0.000610	13.15%
Over	10,000	Gallons		0.00441	per Gallon		0.00499	per Gallon		0.000580	13.15%
2-Inch Meter											
First	20,000	Gallons	$	97.88	Min. Bill	$	110.68	Min. Bill	$	12.80	13.08%
Over	20,000	Gallons	$	0.00441	per Gallon	$	0.00499	per Gallon		0.000580	13.15%