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DAMON R. TALLEY

ATTORNEY AT LAW

January 8, 2010

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
PO Box 615  
Frankfort, KY 40602

RECEIVED

JAN 08 2010

PUBLIC SERVICE  
COMMISSION

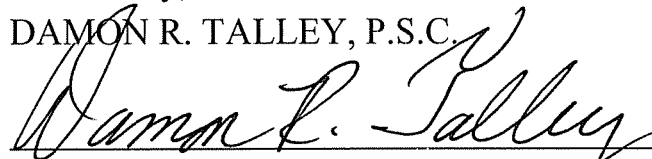
RE: Case No. 2009-00373  
Hopkinsville Water Environment Authority

Dear Mr. Derouen:

Enclosed for filing are the original and six (6) copies of Hopkinsville Water Environment Authority's Responses to the Public Service Commission's First Information Request.

Yours truly,

DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY, Counsel For

Hopkinsville Water Environment Authority

DRT:ms

Enclosures

cc: Hon Jack Hughes, Attorney for CCWD  
James Owen, General Manager, CCWD  
Hopkinsville Water Environment Authority

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JAN 08 2010

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE )  
WHOLESALE SERVICE RATES OF ) CASE NO.  
HOPKINSVILLE WATER ENVIRONMENT ) 2009-00373  
AUTHORITY )

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JAN 08 2010

PUBLIC SERVICE COMMISSION

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**RESPONSES OF HOPKINSVILLE WATER  
ENVIRONMENT AUTHORITY TO  
COMMISSION'S FIRST INFORMATION REQUEST**

\*\*\*\*\*

Comes the Hopkinsville Water Environment Authority ("HWEA"),  
for its Responses to the Public Service Commission's First Information  
Request, and states as shown on the following pages.

DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY  
PO BOX 150  
HODGENVILLE, KY 42748  
COUNSEL FOR HWEA

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE )  
WHOLESALE SERVICE RATES OF ) CASE NO.  
HOPKINSVILLE WATER ENVIRONMENT ) 2009-00373  
AUTHORITY )

**CERTIFICATION OF RESPONSES TO COMMISSION'S  
FIRST INFORMATION REQUEST**

This is to certify that I have supervised the preparation of the  
Hopkinsville Water Environment Authority's Responses to the Public  
Service Commission's First Information Request. The responses are true  
and accurate to the best of my knowledge, information and belief formed  
after reasonable inquiry.

Date: JAN. 8, 2010



\_\_\_\_\_  
Len E. Hale, General Manager  
Hopkinsville Water Environment Authority

## CERTIFICATE OF SERVICE

This is to certify that a true copy of the attached pleading was served by first class U.S. Mail, postage prepaid, this 8<sup>th</sup> day of January, 2010, to the following:

Hon. Jack N. Hughes  
124 W. Todd St.  
Frankfort, KY 40601

Mr. James Owen, Gen. Mgr.  
Christian Co. Water District  
PO Box 7  
Hopkinsville, KY 42241-0007

Mr. Len F. Hale, Gen. Mgr.  
HWEA  
PO Box 628  
Hopkinsville, KY 42241-0628

*Damon R. Talley 1-8-10*

1. Provide in written verified form the direct testimony of each WITNESS that HWEA intends to call at the scheduled hearing in this matter.

**RESPONSE:** HWEA intends to call the following witnesses at the formal Hearing in this matter:

- a. Len F. Hale, General Manager, HWEA
- b. Derrick W. Watson, Director of Operations, HWEA
- c. Russell King, Director of Finance, HWEA
- d. Rate Study Consultant

HWEA is still preparing the direct testimony of Mr. Hale, Mr. Watson and Mr. King. Their testimony will be filed as soon as completed.

The rate consultant's testimony and Cost of Service Study will be filed as soon as possible after the Cost of Service Study is completed.

2. Provide the independent auditor's reports for HWEA's water operations and sewer operations, shown separately, for the fiscal years ending June 30, 2006, June 30, 2007, June 30, 2008, and, if available, June 30, 2009.

**RESPONSE:**

The Audit Reports for the Fiscal Years ending on June 30, 2008, 2007 and 2006 were filed with the Commission on October 29, 2009.

Attached is HWEA's Audit Report for the Fiscal Year ending on June 30, 2009. HWEA's water operations and sewer operations are shown separately in the 2009 Audit Report commencing on page 26. The Operating Expenses for the Water Department are shown on pages 34 and 35 of the Audit Report. The Operating Expenses for the Wastewater Department are shown on pages 36 and 37 of the Audit Report.

**WITNESS:** Russell King

**ATTACHMENT 2**

**HWEA AUDIT**

**FYE JUNE 30, 2009**

**HOPKINSVILLE WATER  
ENVIRONMENT AUTHORITY**

**REPORT ON AUDITS OF FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**



**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
DIRECTORY OF OFFICIALS  
June 30, 2009**

**COMMISSIONERS**

**Bob Carter, Chairman  
Robert Babbage  
Breck Cayce  
Charles Turner  
Marby Schlegel, Council Member**

**ATTORNEY**

**Jack Lackey**

**GENERAL MANAGER**

**Len F. Hale**

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
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**& CO. - HOPKINSVILLE LLP**

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BUSINESS CONSULTANTS

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FIRM ID # 61-1313802

LEONARD F ADCOCK, CPA  
JOHN M. DeANGELIS, CPA  
KERRY T. FORT, CPA

## Independent Auditor's Report

To the Members of the  
City of Hopkinsville Sewerage and  
Water Works Commission d/b/a  
Hopkinsville Water Environment Authority  
Hopkinsville, Kentucky

We have audited the accompanying financial statements of the business-type activities of the Hopkinsville Water Environment Authority, Water and Wastewater Departments (HWEA), a component unit of the City of Hopkinsville, Kentucky, as of and for the years ended June 30, 2009 and 2008, which collectively comprise the HWEA's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the HWEA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the HWEA, a component unit of the City of Hopkinsville, Kentucky, as of June 30, 2009 and 2008, and the respective changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2009, on our consideration of the HWEA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 7 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hopkinsville Water Environment Authority's basic financial statements. The combining financial statements and other supplementary schedules presented on pages 27-37 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements and other supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*York, Neel & Co. - Hopkinsville, LLP*

Hopkinsville, Kentucky  
November 16, 2009

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENT  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Hopkinsville Water Environment Authority Water and Wastewater Department (HWEA) is presenting the following discussion and analysis in order to provide an overall review of financial activities for the fiscal years ending June 30, 2009 and 2008. We encourage readers to consider the information presented here in conjunction with the accompanying financial statements, and notes to the basic financial statements to enhance their understanding of financial performance.

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**FINANCIAL HIGHLIGHTS**

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- ❑ The HWEA's total assets decreased by \$1.58 million while total liabilities decreased \$3.31 million resulting in total net assets increasing approximately \$1.73 million over the course of the year's operations.
- ❑ The HWEA's operating revenues increased 8.38% in 2009, while operating expenses in 2009 increased approximately 4.47% over operating expenses for 2008.
- ❑ Investment income decreased by \$216,626 during the period, which is reflective of the HWEA's use of the bond proceeds to fund the Lake Barkley project.
- ❑ Interest expense on outstanding debt increased \$89,403, which is reflective of having to make payments on the Oak Grove debt that was assumed by the HWEA upon acquisition of the Oak Grover sewer division at the end of the previous fiscal year.

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

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This annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of the Hopkinsville Water Environment Authority. The financial statements also include notes that explain in more detail some of the information in the financial statements.

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**REQUIRED FINANCIAL STATEMENTS**

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The financial statements of the Hopkinsville Water Environment Authority report information using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Assets includes all of the HWEA's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to the HWEA's creditors (liabilities). It also provides the basis for evaluating the capital structure of the HWEA and assessing the liquidity and financial flexibility of the HWEA.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Assets. This statement measures the success of the HWEA's operations over the past year and can be used to determine profitability, credit worthiness, and whether the HWEA has successfully recovered all its costs through its user fees and other charges.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENT  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**

MANAGEMENT'S DISCUSSION AND ANALYSIS (cont.)

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**REQUIRED FINANCIAL STATEMENTS (cont.)**

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The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financial activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

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**FINANCIAL ANALYSIS OF THE HOPKINSVILLE WATER ENVIRONMENT AUTHORITY**

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The most common financial question posed to the Hopkinsville Water Environment Authority is "How did we do financially during 2009?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the HWEA's activities in a way that will help answer this question. These two statements report the net assets of the Authority and the changes in them. One can think of the HWEA's net assets – the difference between assets and liabilities – as one way to measure financial health or financial position. Over time, increases or decreases in the HWEA's net assets are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

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**NET ASSETS**

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To begin our analysis, a summary of the HWEA's Statement of Net Assets is presented in Table A-1.

**Table A-1  
Condensed Statements of Net Assets  
(000's)**

	<u>FY 2009</u>	<u>FY 2008</u>	<u>Dollar Change</u>	<u>Total Percent Change</u>
Current and Other Assets	\$ 3,459	\$ 6,247	\$ (2,788)	(44.63)%
Capital Assets	<u>91,609</u>	<u>90,404</u>	<u>1,205</u>	<u>1.33 %</u>
Total Assets	95,068	96,651	(1,583)	(1.64)%
Long-term Debt Outstanding	50,964	54,529	(3,565)	(6.54)%
Other Liabilities	<u>2,360</u>	<u>2,108</u>	<u>252</u>	<u>11.95 %</u>
Total Liabilities	53,324	56,637	(3,313)	(5.85)%
Invested in Capital Assets, Net of Related Debt	40,844	35,119	5,725	16.30 %
Restricted	61	2,824	(2,763)	(97.84)%
Unrestricted	<u>839</u>	<u>2,071</u>	<u>(1,232)</u>	<u>59.49 %</u>
Total Net Assets	<u>\$41,744</u>	<u>\$40,014</u>	<u>\$ 1,730</u>	<u>4.32%</u>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENT  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**

MANAGEMENT'S DISCUSSION AND ANALYSIS (cont.)

**NET ASSETS (cont.)**

As can be seen from the table above, net assets increased \$1.73 million during 2009. The overall net increase in net assets is primarily due to a significant increase in the amount of capital assets contributed by developers during the year coupled with a decrease in restricted assets that were used to fund the cost of the Lake Barkley project.

**Table A-2  
Condensed Statements of Revenues,  
Expenses, and Changes in Net Assets  
(000's)**

	<u>FY 2009</u>	<u>FY 2008</u>	<u>Dollar Change</u>	<u>Total Percent Change</u>
Operating revenues	\$ 10,335	\$ 9,536	\$ 799	8.38%
Nonoperating revenues	<u>49</u>	<u>257</u>	<u>(208)</u>	<u>(80.93)%</u>
Total Revenues	10,384	9,793	591	6.03%
Depreciation expense	2,809	2,532	277	10.94%
Other operating expense	6,741	6,609	132	2.00%
Interest expense	<u>1,568</u>	<u>1,478</u>	<u>90</u>	<u>6.09%</u>
Total Expense	11,118	10,619	499	4.70%
Income/(Loss) Before Contributions and Transfers	(734)	(826)	92	11.14%
Capital Contributions	2,608	980	1,628	166.12%
Capital Credit to City	<u>(144)</u>	<u>(211)</u>	<u>67</u>	<u>31.75%</u>
Changes in Net Assets	<u>1,730</u>	<u>(57)</u>	<u>1,787</u>	<u>(3,135.09)%</u>
Beginning Net Assets	<u>40,014</u>	<u>40,071</u>	<u>(57)</u>	<u>.14%</u>
Ending Net Assets	<u>\$ 41,744</u>	<u>\$ 40,014</u>	<u>\$ 1,730</u>	<u>4.32%</u>

While the Statement of Net Assets shows the change in financial position of net assets, the Statement of Revenues, Expenses, and Changes in Net Assets provides answers as to the nature and source of these changes.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENT  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**

MANAGEMENT'S DISCUSSION AND ANALYSIS (cont.)

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**BUDGETARY HIGHLIGHTS**

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The HWEA adopts an annual Operating Budget, which includes proposed expenses and the means of financing them. This operating budget remains in effect the entire year.

**Table A-3  
Budget vs. Actual  
FY 2009  
(000's)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Operating Income	\$ 9,332	\$ 10,335	\$ 1,003
Non-operating income	1,696	2,657	961
Operating expense & depreciation	(9,157)	(9,550)	(393)
Non-operating expense	<u>(1,625)</u>	<u>(1,712)</u>	<u>(87)</u>
Net Income	<u>\$ 246</u>	<u>\$ 1,730</u>	<u>\$ 1,484</u>

At the end of the 2007-2008 fiscal year, the HWEA purchased the Oak Grover sewer division, but no budget was established for the Oak Grove division for fiscal year 2008-2009. This caused actual operating income and expenses to be significantly more than budgeted. Furthermore, a major sewer project was completed during the year and all assets associated with the project were transferred to the HWEA for ongoing maintenance. As a result actual income stemming from capital contributions from developers was considerably more than budgeted.

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**CAPITAL ASSETS**

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At the end of 2009, the HWEA had \$141.6 million invested in capital assets as shown in Table A-4. During the year, the Lake Barkley Raw Water Intake Project was completed and put into service. One phase of a major sewer project was also completed and put into service. Construction in Progress at June 30, 2009, consisted primarily of a project to expand the Moss water treatment plan and a project to study the feasibility of installing natural gas lines.



**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENT  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**

MANAGEMENT'S DISCUSSION AND ANALYSIS (cont.)

**Table A-4  
Capital Assets**

	<u>FY 2009</u>	<u>FY 2008</u>	<u>Dollar Change</u>	<u>Total Percent Change</u>
Water	\$ 72,724,238	\$ 71,028,740	\$ 1,695,498	2.39%
Sewerage	<u>68,852,465</u>	<u>66,555,936</u>	<u>2,296,529</u>	<u>3.45%</u>
Sub-total	141,576,703	137,584,676	3,992,027	2.90%
Less: Accumulated Depreciation	<u>(49,967,247)</u>	<u>(47,180,968)</u>	<u>(2,786,279)</u>	<u>5.91%</u>
Net Property & Equipment	<u>\$ 91,609,456</u>	<u>\$ 90,403,708</u>	<u>\$ 1,205,748</u>	<u>1.33%</u>

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**DEBT ADMINISTRATION**

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The revenues of the water and sewer systems collateralize outstanding revenue bonds. After operation and maintenance expenses are paid, the ordinances specify that revenue bond funds be established and maintained. HWEA is in compliance with all bond ordinances. Debt obtained from the Kentucky Infrastructure Authority is for the purposes of upgrading and expanding the water and sewer systems.

As mentioned previously, the HWEA acquired the sewerage system of the City of Oak Grove, Kentucky at the end of the previous fiscal year. As part of the payment of the purchase price, the HWEA agreed to assume the debt relating to the City of Oak Grove sewerage system. The remainder of the purchase price is to be paid by the HWEA in cash over a period of time.

More detailed information about all of the HWEA's long-term liabilities is presented in Note 6 to the financial statements.

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**LOOKING FORWARD**

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During August 2009, the Hopkinsville City Council approved a water and sewer rate increase to be implemented by the HWEA. In part, the rate increase will be used to expand the Moss water treatment plan by approximately fifty percent in order to accommodate increased demand. The rate increase will also be used to consolidate sewage treatment at its Hammond Wood facility and improve that facility's infrastructure.

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**FINAL COMMENTS**

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This financial report is designed to provide our customers and creditors with a general overview of the HWEA's finances and to demonstrate accountability for funds received. Anyone having questions regarding the report or desiring additional information may contact Len Hale, General Manager, Hopkinsville Water Environment Authority, 401 East 9<sup>th</sup> Street, Hopkinsville, KY 42240 or by phone (270) 887-4246.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE  
STATEMENT OF NET ASSETS  
June 30, 2009 and 2008**

**ASSETS**

	<u>2009</u>	<u>2008</u>
Current assets		
Cash and cash equivalents	\$ 1,194,405	\$ 969,859
Customer receivables	695,170	823,257
Inventory	225,911	246,314
Prepaid expenses	<u>-</u>	<u>9,834</u>
Total current assets	2,115,486	2,049,264
Restricted assets		
Cash and cash equivalents	60,872	2,824,414
Deferred charges	674,694	723,750
Notes receivable	608,002	650,027
Property, plant and equipment		
Property, plant and equipment	140,808,763	105,845,579
Unclassified plant - construction in progress, engineering fees, and other costs	767,940	31,739,097
Accumulated depreciation	<u>(49,967,247)</u>	<u>(47,180,968)</u>
Total assets	<u>\$ 95,068,510</u>	<u>\$ 96,651,163</u>

Continued

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE  
STATEMENT OF NET ASSETS (continued)  
June 30, 2009 and 2008**

**LIABILITIES AND EQUITY**

	<u>2009</u>	<u>2008</u>
Current liabilities		
Current portion of long-term debt	\$ 2,786,314	\$ 2,442,333
Current portion of capital lease obligation	11,052	8,970
Due to Oak Grove (current portion)	788,020	788,020
Line of credit	1,300,000	-
Pennyroyal Center loan payable	150,000	-
Customer deposits	72,434	85,756
Accrued interest	291,446	280,283
Construction retainage payable	34,572	1,236,435
Accounts payable	347,451	360,430
Accrued salaries and compensated absences	<u>164,388</u>	<u>144,827</u>
Total current liabilities	5,945,677	5,347,054
Long-term debt		
Revenue bonds payable (net of current portion)	24,320,000	25,510,000
KIA - loans payable (net of current portion)	19,533,257	21,374,711
KY Rural Finance loans payable (net of current portion)	1,983,991	2,070,000
Due to Oak Grove (net of current portion)	1,405,202	2,193,222
City of Hopkinsville loan payable	112,367	113,341
Capital lease obligation (net of current portion)	<u>23,948</u>	<u>28,404</u>
Total liabilities	<u>53,324,442</u>	<u>56,636,732</u>
Net assets		
Invested in capital assets, net of related debt	40,843,981	35,119,112
Net assets, restricted	60,872	2,824,414
Net assets, unrestricted	<u>839,215</u>	<u>2,070,905</u>
Total net assets	<u>41,744,068</u>	<u>40,014,431</u>
Total liabilities and net assets	<u>\$ 95,068,510</u>	<u>\$ 96,651,163</u>

See accompanying notes to financial statements.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
For the years ended June 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
Operating revenues		
Charges for services (net of allowances of \$66,299 and \$88,539 for 2009 and 2008, respectively)	\$ 10,122,093	\$ 9,270,328
Other operating revenue	<u>213,205</u>	<u>265,945</u>
Total operating revenues	<u>10,335,298</u>	<u>9,536,273</u>
Operating expenses		
Water source of supply	455,377	669,755
Water purification	981,396	960,258
Water distribution	541,321	621,288
Sewerage plant	1,621,156	1,180,408
Sewerage mains and laterals	295,894	217,594
Administrative and general	2,632,487	2,728,428
Technical services	213,533	231,348
Depreciation	<u>2,809,261</u>	<u>2,532,508</u>
Total operating expenses	<u>9,550,425</u>	<u>9,141,587</u>
Income from operations	<u>784,873</u>	<u>394,686</u>
Non-operating revenues (expenses)		
Interest revenues	39,253	255,879
Gain on sale of fixed assets	9,871	1,575
Interest expense	<u>(1,567,826)</u>	<u>(1,478,423)</u>
Total non-operating revenues (expenses)	<u>(1,518,702)</u>	<u>(1,220,969)</u>
Income (loss) before contributions and transfers	(733,829)	(826,283)
Capital contributions (capital assets provided by developers)	2,607,866	980,615
Capital credit to City (fire hydrants)	<u>(144,400)</u>	<u>(210,940)</u>
Change in Net Assets	1,729,637	(56,608)
Net Assets - beginning of year	<u>40,014,431</u>	<u>40,071,039</u>
Net Assets - end of year	<u>\$ 41,744,068</u>	<u>\$ 40,014,431</u>

See accompanying notes to financial statements.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE  
STATEMENT OF CASH FLOWS  
For the years ended June 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities</b>		
Received from customers	\$ 10,236,859	\$ 9,142,201
Paid to suppliers for goods and services	(4,756,653)	(4,291,882)
Paid to employees for services - including benefits	(3,149,556)	(3,112,022)
Other operating revenue	<u>213,205</u>	<u>265,945</u>
Net cash flows from operating activities	<u>2,543,855</u>	<u>2,004,242</u>
<b>Cash flows from non-capital financing activities</b>		
Proceeds from non-capital debt	1,300,000	-
Interest paid on non-capital debt	<u>(6,854)</u>	<u>-</u>
Net cash provided (used) by non-capital financing activities	<u>1,293,146</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of fixed assets	(1,398,464)	(5,521,138)
Proceeds from disposition of fixed assets	9,871	1,575
Capital credit payments	(144,400)	(210,940)
Proceeds of capital debt	150,000	2,136,709
Principal paid on capital debt	(3,573,529)	(3,160,380)
Interest paid on capital debt	<u>(1,500,753)</u>	<u>(1,419,939)</u>
Net cash provided (used) by capital and related financing activities	<u>(6,457,275)</u>	<u>(8,174,113)</u>
<b>Cash flows from investing activities</b>		
Issuance of note receivable	-	(306,892)
Collection of note receivable	42,025	25,415
Interest earned on investments	<u>39,253</u>	<u>255,879</u>
Net cash provided (used) by investing activities	<u>81,278</u>	<u>(25,598)</u>
Net increase (decrease) in cash and cash equivalents	(2,538,996)	(6,195,469)
Cash and cash equivalents at beginning of year (includes restricted assets of \$2,824,414 and \$9,326,964 for 2009 and 2008, respectively)	<u>3,794,273</u>	<u>9,989,742</u>
Cash and cash equivalents at end of year (includes restricted assets of \$60,872 and \$2,824,414 for 2009 and 2008, respectively)	<u>\$ 1,255,277</u>	<u>\$ 3,794,273</u>

See accompanying notes to financial statements.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
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A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE  
STATEMENT OF CASH FLOWS (continued)  
For the years ended June 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b>Reconciliation of Operating Income to Cash Flows from Operating Activities</b>		
Cash flows from operating activities		
Income from operations	\$ 784,873	\$ 394,686
Adjustments to reconcile net income to cash provided by operating activities		
Depreciation	2,809,261	2,532,508
Change in assets and liabilities		
Change in accounts receivable	128,087	(109,589)
Change in inventory	20,403	227
Change in prepaid expenses	9,834	304,177
Change in accounts payable	(12,979)	(1,165,149)
Change in customer deposits	(13,322)	(18,538)
Change in accrued salaries and compensated absences	19,561	12,969
Change in construction retainage payable	<u>(1,201,863)</u>	<u>52,951</u>
Net cash provided by operating activities	<u>\$ 2,543,855</u>	<u>\$ 2,004,242</u>
<u>Supplemental Disclosures of Cash Flows Information</u>		
Cash paid during the period for:		
Interest expense (net of \$0 and \$0 capitalized interest for 2009 and 2008, respectively)	<u>\$ 1,507,607</u>	<u>\$ 1,419,939</u>
Non-cash capital and related financing activities:		
Fixed assets acquired under capital leases	\$ 8,679	\$ 44,849
Capital assets contributed by developers	2,607,866	980,615
Fixed assets acquired under other debt agreements	<u>-</u>	<u>6,515,732</u>
Total non-cash capital and related financing activities	<u>\$ 2,616,545</u>	<u>\$ 7,541,196</u>

See accompanying notes to financial statements.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
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NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a. Reporting entity

The Hopkinsville Water Environment Authority (HWEA) is responsible for sewerage and water services for residents of the City of Hopkinsville, KY (City), the City of Pembroke, KY, and the City of Crofton, KY. HWEA is also responsible for sewerage services for residents of the City of Oak Grove, KY. The City's governing body appoints the HWEA's governing board. The City's governing body also approves the rates for user charges and bond issuance authorizations. The legal liability for the general obligation portion of the HWEA's debt remains with the City. The HWEA is shown as a discretely presented component unit in the City's financial statements.

b. Basis of accounting

The operations of the HWEA are accounted for as a governmental enterprise fund, a proprietary fund type. Enterprise funds are used to account for operations which are financed and operated in a manner similar to private business enterprises in that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. Proprietary fund types use the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when they are incurred. The HWEA applies all applicable FASB pronouncements in accounting and reporting its operations.

The basic financial statements includes a statement of net assets, a statement of revenues, expenses, and changes in net assets and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- *Invested in capital assets, net of related debt* - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.
- *Restricted* - This component of net assets consists of constraints placed on net assets through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

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NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

b. Basis of accounting, continued

- *Unrestricted net assets* – This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

It is required that the statement of revenues, expenses, and changes in net assets distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are revenues generated or expenses incurred from providing goods and services. Nonoperating revenues are those not derived from the basic operations of a business. Nonoperating expenses are expenses incurred in the performance of activities not directly related to supplying the basic service of the entity.

c. Separate accounting

On December 17, 1992, the HWEA was approved for a low interest loan from the Kentucky Infrastructure Authority (KIA). Due to federal requirements under this loan program, the HWEA as of July 1, 1993, began accounting for the water and sewer systems separately. (See Supplemental Schedules and note disclosure number 16 for information on segment reporting.)

d. Cash and cash equivalents, deposits and investments

The HWEA invests all deposits not necessary for current expenditures. Investments are stated at cost, which approximates market value.

Kentucky Revised Statute 66.480 permits the HWEA to invest in U.S. Treasury obligations, U.S. Agency obligations, certain Federal instruments, repurchase agreements, commercial banks' certificates of deposits, savings and loan deposits and the Commonwealth of Kentucky investment pool.

As security for deposits of the HWEA, any bank doing such business is generally required to pledge securities in an amount to exceed funds on deposit by the HWEA. In addition, the HWEA is insured under FDIC up to \$250,000 at each bank.

For purposes of the statement of cash flows, the HWEA considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

e. Inventories

Inventories consist of expendable supplies held for consumption stated at cost, which approximates market, determined by the weighted-average method.



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NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

f. Prepaid expenses

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid expenses.

g. Restricted assets

Certain proceeds of revenue bonds of the HWEA, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Assets because their use is limited by applicable bond covenants. The "Bond and Interest Redemption" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "Depreciation" and "Equipment Maintenance & Replacement" accounts are used to report resources set aside for unusual or extraordinary maintenance, repairs, renewals and/or replacements or extensions, additions and/or improvements. The "Construction" account is used to report bond proceeds restricted for use in the cost of future expansion and rehabilitation. The "Unemployment" account is used to accumulate funds to provide for possible claims. Reservations of equity show amounts that are not appropriate for expenditures or are legally restricted for specific uses. HWEA first applies restricted resources for expenditures for which both restricted and unrestricted net assets are available.

Below is a summary of the various restricted asset accounts as of June 30:

	2009	2008
Bond and interest redemption fund	\$ 36,646	\$ 484,710
Depreciation fund	-	300,000
KIA maintenance and replacement reserve fund	-	773,455
Construction fund	-	1,242,763
Unemployment fund	24,226	23,486
Total restricted funds	\$ 60,872	\$ 2,824,414

h. Fixed assets

Property, plant and equipment are recorded at cost and depreciated using the straight-line method over estimated useful lives. Property, plant and equipment donated to the HWEA are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

i. Compensated absences

Accumulated unpaid vacation pay and other employee benefit amounts are accrued when incurred if significant at year-end. At June 30, 2009 and 2008, these liabilities included vacation pay of \$115,720 and \$107,315, respectively, to be taken as terminal pay upon retirement.

j. Long-term debt

Bond discounts and issuance costs are deferred and reported as deferred charges on the statement of net assets. These costs are amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. HWEA issued new bonds during 2005 and 2002, the proceeds of which were used to refund older bonds; and also in 2005, to provide funds for the Lake Barkley Raw Water Project. GASBS No. 23 requires that the difference between the reacquisition price and the net carrying amount of the old debt be deferred and amortized as a component of interest expense.

k. Capital Contributions

Contributed capital is recorded for receipt of capital grants or contributions from developers, customers or other sources.

l. Net Assets

Net assets comprise the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net assets are classified in the following three components: invested in capital assets, net of related liabilities; restricted for capital activity and debt service; and unrestricted net assets. Unrestricted net assets represent the net assets available for future operations or distribution.

m. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

n. Subsequent Events

Subsequent events have been evaluated through November 16, 2009, the date which the financial statements were available to be issued.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
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NOTES TO FINANCIAL STATEMENTS**

**2. RECEIVABLES**

Net receivables include the following:

	2009	2008
Customer accounts receivable	\$668,921	\$633,568
Allowance for uncollectible	-	-
Miscellaneous receivables	26,249	189,689
Total receivables	\$695,170	\$823,257

Uncollectible accounts are written off as bad debts in the period in which, in management's opinion, collection is unlikely. Normally, all accounts over 90 days old are written off as bad debts.

The HWEA has a note receivable from the Christian County Board of Education for installation of sewer lines, due in annual installments of \$32,049 including interest at 1.8% and a .2% administrative fee, due June 30, 2019. The balance of this receivable was \$317,262 and \$343,135 at June 30, 2009 and 2008, respectively.

The HWEA also has a note receivable from the Hopkinsville Industrial Foundation for the installation of sewer lines in the industrial park, due in semi-annual installments including interest at 1.0%, due April 1, 2027. The balance of this receivable was \$290,740 and \$306,892 at June 30, 2009 and 2008, respectively.

Net bad debts for the year ended June 30 were as follows:

	2009	2008
Accounts charged off in current period	\$ 77,724	\$ 70,860
Recovery of accounts previously charged off	(14,217)	(21,594)
Net bad debts	\$ 63,507	\$ 49,266

**3. INVENTORY**

Inventory as of June 30, 2009 and 2008, consisted of materials and supplies with a cost of \$225,911 and \$246,314, respectively.

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**4. PROPERTY, PLANT AND EQUIPMENT**

A summary of property, plant and equipment at June 30, 2009 is as follows:

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Capital Assets Not Being Depreciated:				
Land	\$ 881,734	\$ 723,610	\$ -	\$ 1,605,344
Construction in progress	31,594,596	430,419	31,401,577	623,438
Capital Assets Being Depreciated:				
Structures and improvements	94,735,724	34,170,229	-	128,905,953
Equipment	9,650,947	73,295	-	9,724,242
Vehicles	721,676	19,032	22,982	717,726
Less Accumulated Depreciation:				
Structures and improvements	40,238,328	2,370,718	-	42,609,046
Equipment	6,339,190	405,736	-	6,744,926
Vehicles	<u>603,451</u>	<u>32,806</u>	<u>22,982</u>	<u>613,275</u>
Total	<u>\$ 90,403,708</u>	<u>\$ 32,607,325</u>	<u>\$ 31,401,577</u>	<u>\$ 91,609,456</u>

Depreciation expense (including amortization of capitalized assets) for the years ended June 30, 2009 and June 30, 2008 was \$2,809,261 and \$2,532,508, respectively.

**5. DEFERRED CHARGES**

The selling costs and discounts associated with the issuance of the revenue bonds payable are being amortized on the straight-line method over the term of the bonds. Amortization expense charged to operations during 2009 and 2008 was \$49,056 and \$73,562, respectively.

**6. LONG-TERM DEBT**

Long-term debt at June 30 is as follows:

Revenue Bonds:	<u>Rate</u>	<u>2009</u>	<u>2008</u>
Series 1998 Maturing 2021	3.75% to 4.90%	\$ 805,000	\$ 855,000
Series 2005 A Maturing 2026	3.375% to 4.00%	23,560,000	24,535,000
Series 2005 B Maturing 2017	3.00% to 3.750%	<u>1,145,000</u>	<u>1,265,000</u>
Total Bonded Indebtedness		<u>25,510,000</u>	<u>26,655,000</u>

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**6. LONG-TERM DEBT, continued**

KIA Loans:	<u>Rate</u>	<u>2009</u>	<u>2008</u>
KIA Fund A Wastewater-Maturing 2016	1.2%	3,418,735	3,921,494
KIA Fund B Water Plant-Maturing 2026	1.9%	3,174,973	3,331,834
KIA Fund A Phase II-Maturing 2018	1.8%	1,578,242	1,738,402
KIA Fund A Wastewater-Maturing 2017	1.2%	103,052	115,253
KIA Fund A Maturing 2020	0.4%	346,854	379,135
KIA Fund A Phase III-Maturing 2021	3.8%	554,568	592,388
KIA Fund A Phase IV-Maturing 2026	1.0%	3,948,126	4,167,160
KIA Fund C Wastewater-Maturing 2018	4.00% to 4.25%	485,000	525,000
KIA Fund F, Drinking Water- Maturing 2028	1.0%	1,444,869	1,513,593
KIA Fund A Phase V-Maturing 2027	1.0%	2,250,561	2,364,136
KIA Fund F Water-Maturing 2028	3.0%	<u>3,743,089</u>	<u>3,887,432</u>
 Total KIA Loans		 <u>21,048,069</u>	 <u>22,535,827</u>
 KY Rural Finance-Maturing 2025	3.125% to 4.50%	487,500	512,500
KY Rural Finance-Maturing 2029	2.28% to 4.405%	1,577,993	1,637,500
Due to Oak Grove-Due 2012	-	2,193,222	2,981,242
Capital lease obligation	5.0%	35,000	37,374
City of Hopkinsville-note payable	-	112,367	113,342
City of Crofton-note payable; due 2009	5.0%	<u>-</u>	<u>56,216</u>
 Total debt		 50,964,151	 54,529,001
 Maturities due within one year		 <u>(3,585,386)</u>	 <u>(3,239,323)</u>
 Long-term debt		 <u>\$47,378,765</u>	 <u>\$51,289,678</u>

The HWEA has pledged future revenues of the water and sewer system to repay \$24,705,000 in revenue bonds issued in 2005. Proceeds from the bonds were used for the Lake Barkley Raw Water Intake project. Principal and interest on these bonds are payable through 2026, solely from the water and sewer system net revenues. Annual principal and interest on the bonds are expected to require approximately 20 percent of such net revenues. Principal and interest paid for the current year was \$2,123,304. Net water and sewer system revenues totaled \$10,122,093. At year-end, pledged future revenues totaled \$33,678,976, which was the amount of the remaining principal and interest payments on these bonds.

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**6. LONG-TERM DEBT, continued**

The ordinances provide that the revenue of the system is to be used first to pay operating and maintenance expenses of the system and second to establish and maintain the Revenue Bond Funds. Remaining revenues may then be used for any lawful purpose. The ordinances also contain provisions, which, among other items, restrict the issuance of additional Revenue Bonds unless the special funds noted above contain the required amounts and certain financial ratios are met. The HWEA is in compliance with all significant financial requirements as of June 30, 2009 and 2008.

The HWEA has pledged future revenues of the water and sewer system to repay \$20,563,069 in KIA loans established from 1996 through 2008, but they are subordinated to the existing revenue bonds. Proceeds from these loans were used for the expansion and upgrade of the Wastewater Treatment System (Fund A), a new Water Treatment Facility (Fund B), and infrastructure to comply with the Safe Drinking Water Act (Fund F). Principal and interest on these loans are payable through 2028, solely from the water and sewer system net revenues. Annual principal and interest on these loans are expected to require approximately 18 percent of such net revenues. Principal and interest paid for the current year was \$1,806,432. Net water and sewer system revenues totaled \$10,122,093. At year-end, pledged future revenues totaled \$23,448,359, which was the amount of the remaining principal and interest payments on these KIA loans.

On September 20, 1995, the HWEA secured a non-interest loan from the City. The loan is to be repaid quarterly in the amount of two (2) cents for each one thousand (1,000) gallons of water sold by it to any customer in Commerce Park.

During June 2008, the HWEA acquired the sewerage system of the City of Oak Grove, Kentucky for a purchase price of \$6,986,762. As part of the payment of the purchase price, the HWEA agreed to assume the debt relating to the City of Oak Grove sewerage system. The total debt assumed from the City of Oak Grove totaled \$3,530,000. The remainder of the purchase price was to be paid by the HWEA in the following manner: a payment of \$475,520 within thirty days of the execution of the contract and the remaining balance to be paid in annual installments over the next four years.

When HWEA assumed the debt of the Oak Grove sewerage system, HWEA agreed to pledge future revenues of the water and sewer system to repay this acquired debt. Debt that was assumed included two Kentucky Rural Finance revenue bonds issued in 2004, one Water and Sewer Refunding and Improvement revenue bond issued in 1998, and one KIA loan established in 1996. Proceeds from this debt were used for expansion and upgrade of existing systems. Principal and interest on the total of these obligations are payable through 2029, solely from the water and sewer system net revenues. Annual principal and interest payments on this debt are expected to require approximately 3 percent of such net revenues. Principal and interest paid for the current year was \$310,994. Net water and sewer system revenues totaled \$10,122,093. At year-end, pledged future revenues totaled \$4,704,553, which was the amount of the remaining principal and interest payments on this debt.

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**6. LONG-TERM DEBT, continued**

During the year ended June 30, 2009, the following changes occurred in long-term liabilities:

	Principal Outstanding <u>July 1, 2008</u>	<u>Additions</u>	<u>Reductions</u>	Principal Outstanding <u>June 30, 2009</u>	Due Within <u>One Year</u>
Revenue Bonds	\$ 26,655,000	\$ -	\$1,145,000	\$ 25,510,000	\$ 1,140,000
Notes Payable	27,836,627	-	2,417,476	25,419,151	2,434,333
Capital lease	<u>37,374</u>	<u>8,679</u>	<u>11,053</u>	<u>35,000</u>	<u>11,053</u>
Total	<u>\$ 54,529,001</u>	<u>\$ 8,679</u>	<u>\$3,573,529</u>	<u>\$ 50,964,151</u>	<u>\$ 3,585,386</u>

Total interest expense for 2009 and 2008 was \$1,567,826 and \$1,478,423, respectively, of which all was expensed.

The annual debt service requirements to amortize long-term debt as of June 30, 2009, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 3,585,386	\$ 1,414,288	\$ 4,999,674
2011	3,647,853	1,346,864	4,994,717
2012	3,549,405	1,276,593	4,825,998
2013	2,995,832	1,201,616	4,197,448
2014	3,075,753	1,122,692	4,198,445
2015-2019	14,153,973	4,335,364	18,489,337
2020-2024	13,195,277	2,204,657	15,399,934
2025-2029	<u>6,760,672</u>	<u>301,743</u>	<u>7,062,415</u>
Total	<u>\$50,964,151</u>	<u>\$ 13,203,817</u>	<u>\$ 64,167,968</u>

**Defeased Bonds Outstanding**

In prior years, the HWEA issued refunding bonds to defease certain outstanding bonds, for the purpose of consolidation and to achieve debt service savings. The HWEA has placed the proceeds from the refunding issues in irrevocable escrow accounts with a trust agent to insure payment of debt service on the refunded bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the HWEA's financial statements. Although defeased, the refunded debt from these earlier issues will not be actually retired until the call dates have come due or until maturity if they are not callable issues. On June 30, 2009 and 2008, the amount of bonds outstanding considered defeased is undeterminable.

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**7. CAPITAL LEASE**

On June 29, 2007, the HWEA entered into a capital lease agreement for a Panasonic phone system. The lease agreement is for a period of five years expiring on August 30, 2012, with a \$1 buyout option at the end of the lease period.

The following is an analysis of the leased assets included in property and equipment:

Equipment under Capital Leases	\$53,628
Less: Accumulated Depreciation	<u>8,734</u>
	<u>\$44,894</u>

Amortization of leased equipment under capital assets is included in depreciation expense.

The amounts of future lease payments for the next five years is as follows:

2010	\$ 11,053
2011	11,053
2012	11,053
2013	<u>1,841</u>
	<u>\$ 35,000</u>

**8. SHORT-TERM DEBT**

On December 1, 2008, the HWEA entered into an agreement with the Pennyroyal Center for a \$150 thousand non-interest bearing loan, which was to be used to extend sewer lines to service the Trilogy Center for Women.

On April 1, 2009, the HWEA entered into an agreement with Heritage Bank for a \$2 million line of credit with a fixed interest rate of 3.5%, which was to be used for general operations.

Short-term debt activity for the year-ended June 30, 2009, was as follows:

	Principal Outstanding July 1, 2008	<u>Additions</u>	<u>Reductions</u>	Principal Outstanding June 30, 2009
Line of credit	\$ -	\$ 1,300,000	\$ -	\$ 1,300,000
Pennyroyal Center	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total	<u>\$ -</u>	<u>\$ 1,450,000</u>	<u>\$ -</u>	<u>\$ 1,450,000</u>



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**9. DEFINED BENEFIT PENSION PLAN**

The HWEA participates in the statewide local government retirement system, which covers substantially all of the HWEA's employees by their election.

**Plan Description.** The HWEA contributes to the County Employees Retirement System (CERS), a cost-sharing multiple-employer defined benefit plan administered by the Board of Trustees of Kentucky Retirement Systems (KRS). CERS provides retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living adjustments (COLA) are provided at the discretion of the State Legislature. Section 61.645 of the Kentucky Revised Statutes assigns the authority to establish and amend benefit provisions to the KRS Board of Trustees. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601 or by calling 1-502-564-4646.

**Funding policy.** Plan members are required to contribute 5% of their annual creditable compensation and the HWEA is required to contribute at an actuarially determined rate. The current rate is 13.50% of annual covered payroll. The contribution requirements of plan members and the HWEA are established and may be amended by the KRS Board of Trustees. The HWEA's contribution to CERS for the three years ended June 30, 2009, 2008, and 2007 was \$346,368, \$400,261, and \$316,358, respectively, and is equal to the required contribution for these years.

**10. BUDGET**

Bond ordinances require that the HWEA's funds be budgeted. Actual revenues and expenditures as compared to budgeted amounts for the year ended June 30, 2009, are as follows:

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Operating Revenues	\$ 9,331,740	10,335,298	\$ 1,003,558
Operating Expenses	(6,279,270)	(6,741,164)	(461,894)
Depreciation Expense	<u>(2,877,000)</u>	<u>(2,809,261)</u>	<u>67,739</u>
Operating Income	175,470	784,873	609,403
Non-Operating Revenues	1,696,000	2,656,990	960,990
Non-Operating Expenses	<u>(1,625,200)</u>	<u>(1,712,226)</u>	<u>(87,026)</u>
Net Income	<u>\$ 246,270</u>	<u>\$ 1,729,637</u>	<u>\$ 1,483,367</u>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS**

**11. DEPOSITS AND INVESTMENTS**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the HWEA's deposits may not be returned or the HWEA will not be able to recover collateral securities in the possession of an outside party. State law requires all of the HWEA's funds to be fully insured or collateralized. At year-end, the carrying amount of the HWEA's deposits was \$1,192,005 and the bank balance was \$1,175,611. Of the bank balance, \$413,052 was covered by federal depository insurance with the balance covered by collateral held by the pledging bank. Therefore, as of June 30, 2009, none of the HWEA's deposited funds were exposed to custodial credit risk.

**12. CONTINGENCIES**

HWEA has legal actions and proceedings pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not predictable with assurance.

No accruals have been established for the matters noted above because the amount of possible loss or range of loss cannot be reasonably estimated. Management does not expect that such matters would have a material adverse affect on future financial statements for a particular year, although such an outcome is possible.

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement of the grant monies to the granting agencies. HWEA management believes that disallowances, if any, will be immaterial.

**13. RISK MANAGEMENT**

The HWEA is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The HWEA carries commercial insurance for these types of risk of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS**

**13. RISK MANAGEMENT, continued**

The HWEA's health insurance premiums are composed of a fixed and a variable portion. The variable portion is based on actual claims experienced during the year and fluctuates each month based on claims. Premiums accrued for health insurance are based on the year-to-date claims experience of HWEA. At June 30, 2009, the claims liability was \$30,187. Changes in the claims liability during the last two fiscal years are as follows:

	<u>Balance at Beginning of Fiscal Year</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at End of Fiscal Year</u>
2007-2008	\$40,360	\$272,178	\$287,057	\$25,481
2008-2009	\$25,481	\$338,595	\$333,889	\$30,187

**14. CONSTRUCTION COMMITMENT**

At June 30, 2009, the HWEA had no material projects that were pending.

**15. RECLASSIFICATIONS**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

**16. SEGMENT REPORTING**

The HWEA has low interest loans from the Kentucky Infrastructure Authority (KIA) to finance its water and sewer departments. The two departments are accounted for in a single fund, but KIA relies solely on the revenue generated by the individual activities for repayment. The Water Department operates the water supply systems for Hopkinsville, Pembroke, and Crofton. The Sewer Department operates the sewage treatment plants, sewage pumping stations, and collection systems for Hopkinsville, Pembroke, Crofton, and Oak Grove.

Summary financial information for each department as of and for the year ended June 30, 2009, is presented on the following page.

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS**

**16. SEGMENT REPORTING, continued**

	<b>Water Department</b>	<b>Sewer Department</b>
<b>CONDENSED STATEMENT OF NET ASSETS</b>		
Assets:		
Current assets	\$ 1,147,412	\$ 968,075
Capital assets	51,703,835	39,905,620
Other assets	723,453	620,115
Total assets	53,574,700	41,493,810
Liabilities:		
Current liabilities	2,142,649	3,803,028
Noncurrent liabilities	31,829,265	15,549,500
Total liabilities	33,971,914	19,352,528
Net assets:		
Invested in capital assets, net of related debt	18,745,457	22,098,524
Restricted	48,759	12,113
Unrestricted	808,570	30,645
Total net assets	\$ 19,602,786	\$ 22,141,282

**CONDENSED STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET ASSETS**

Operating revenues (pledged against debt)	\$ 4,993,003	\$ 5,342,295
Depreciation expense	(1,081,988)	(1,727,274)
Other operating expenses	(3,383,983)	(3,357,180)
Operating income	527,032	257,841
Nonoperating revenues (expenses):		
Investment income	13,899	25,354
Other nonoperating income	2,218	7,653
Interest expense	(1,225,437)	(342,389)
Capital contributions	506,998	2,100,869
Transfers	1,350,554	(1,494,954)
Changes in net assets	1,175,264	554,374
Beginning net assets	18,427,522	21,586,908
Ending net assets	\$ 19,602,786	\$ 22,141,282

**CONDENSED STATEMENT OF CASH FLOWS**

Net cash provided (used) by:		
Operating activities	\$ 637,136	\$ 1,906,719
Non-capital financing activities	-	1,293,146
Capital and related financing activities	(2,539,342)	(3,917,933)
Investing activities	13,899	67,379
Net increase (decrease)	(1,888,307)	(650,689)
Beginning cash and cash equivalents	2,509,847	1,284,426
Ending cash and cash equivalents	\$ 621,540	\$ 633,737

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY**  
**WATER AND WASTEWATER DEPARTMENTS**  
**A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**  
**COMBINING STATEMENT OF NET ASSETS**  
 June 30, 2009

**ASSETS**

	Hopkinsville		Pembroke		Crofton		Oak Grove	Totals
	Water	Sewer	Water	Sewer	Water	Sewer	Sewer	
<b>Current assets</b>								
Cash								
Petty cash and change fund	\$ 1,200	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400
Health claims fund	7,284	7,284	-	-	-	-	-	14,568
Employee reimbursement fund	8,492	-	-	-	-	-	-	8,492
Revenue fund	-	-	-	-	-	-	-	-
Operation and maintenance fund	<u>345,508</u>	<u>345,509</u>	<u>34,605</u>	<u>34,605</u>	<u>175,693</u>	<u>175,693</u>	<u>57,333</u>	<u>1,168,946</u>
Total cash	362,484	353,993	34,605	34,605	175,693	175,693	57,333	1,194,406
Receivables	328,121	198,592	7,283	5,119	13,316	9,531	133,208	695,170
Inventory	225,911	-	-	-	-	-	-	225,911
Prepaid expense	-	-	-	-	-	-	-	-
Due from other divisions	<u>110,000</u>	<u>963,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,073,540</u>
Total current assets	<u>1,026,516</u>	<u>1,516,125</u>	<u>41,888</u>	<u>39,724</u>	<u>189,009</u>	<u>185,224</u>	<u>190,541</u>	<u>3,189,027</u>
<b>Restricted assets</b>								
Bond and interest redemption fund								
Investments	36,646	-	-	-	-	-	-	36,646
Accrued interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>36,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,646</u>
Depreciation fund								
Investments	-	-	-	-	-	-	-	-
Accrued interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equipment maintenance and replacement reserve								
Investments	-	-	-	-	-	-	-	-
Accrued interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY**  
**WATER AND WASTEWATER DEPARTMENTS**  
**A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY**  
**COMBINING STATEMENT OF NET ASSETS (continued)**  
**June 30, 2009**

**ASSETS (continued)**

	Hopkinsville		Pembroke		Crofton		Oak Grove	Totals
	Water	Sewer	Water	Sewer	Water	Sewer	Sewer	
Restricted assets (continued)								
Construction fund								
Checking accounts	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage fund	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Unemployment fund								
Investments	11,765	11,765	-	-	-	-	-	23,530
Accrued interest	348	348	-	-	-	-	-	696
Subtotal	12,113	12,113	-	-	-	-	-	24,226
Total restricted assets	48,759	12,113	-	-	-	-	-	60,872
Property, plant and equipment								
Property and plant	69,727,639	58,815,872	645,202	200,506	473,998	1,217,091	7,021,426	138,101,734
General plant	1,257,734	1,449,294	-	-	-	-	-	2,707,028
Unclassified plant	619,665	148,274	-	-	-	-	-	767,939
Less accumulated depreciation	71,605,038	60,413,440	645,202	200,506	473,998	1,217,091	7,021,426	141,576,701
	20,797,409	27,885,096	77,155	144,314	145,840	711,600	205,833	49,967,247
Net property, plant & equipment	50,807,629	32,528,344	568,047	56,192	328,158	505,491	6,815,593	91,609,454
Receivable - CCBE	-	317,262	-	-	-	-	-	317,262
Receivable - Hopk Ind. Fdn.	-	290,740	-	-	-	-	-	290,740
Receivable- Crofton division	256,000	-	-	-	-	-	-	256,000
	256,000	608,002	-	-	-	-	-	864,002
Deferred charges								
Fiscal agency fees - revenue bonds	291,146	-	-	-	-	-	-	291,146
Unamortized discount revenue bonds	383,548	-	-	-	-	-	-	383,548
Total deferred charges	674,694	-	-	-	-	-	-	674,694
Total assets	\$ 52,813,598	\$ 34,664,584	\$609,935	\$ 95,916	\$517,167	\$ 690,715	\$7,006,134	\$ 96,398,049

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
COMBINING STATEMENT OF NET ASSETS (continued)  
June 30, 2009**

**LIABILITIES AND EQUITY**

	Hopkinsville		Pembroke		Crofton		Oak Grove	Totals
	Water	Sewer	Water	Sewer	Water	Sewer	Sewer	
<b>Current liabilities</b>								
Current portion of long-term debt	\$ 1,517,974	\$ 1,047,081	\$ -	\$ 12,349	\$ 16,205	\$ 16,205	\$ 176,500	\$ 2,786,314
Current portion of capital lease obligation	4,485	6,567	-	-	-	-	-	11,052
Due to Oak Grove (current portion)	-	-	-	-	-	-	788,020	788,020
Line of credit	-	1,300,000	-	-	-	-	-	1,300,000
Pennyroyal Center loan payable	-	150,000	-	-	-	-	-	150,000
Customer deposits	62,260	10,174	-	-	-	-	-	72,434
Accrued interest	254,954	14,665	103	-	87	87	21,550	291,446
Construction retainage payable	10,000	24,572	-	-	-	-	-	34,572
Accounts payable	198,472	148,506	-	472	-	-	-	347,450
Accrued salaries and compensated absences	78,109	86,279	-	-	-	-	-	164,388
Due to other divisions	-	-	110,000	-	-	-	963,540	1,073,540
<b>Total current liabilities</b>	<b>2,126,254</b>	<b>2,787,844</b>	<b>110,103</b>	<b>12,821</b>	<b>16,292</b>	<b>16,292</b>	<b>1,949,610</b>	<b>7,019,216</b>
<b>Long-term debt</b>								
Revenue bonds payable (net of current maturities)	23,565,000	-	-	-	-	-	755,000	24,320,000
KIA loans payable (net of current maturities)	7,984,959	10,703,151	-	90,703	157,222	157,222	440,000	19,533,257
KY Rural Finance loans payable (net of current maturities)	-	-	-	-	-	-	1,983,991	1,983,991
Due to Oak Grove (net of current portion)	-	-	-	-	-	-	1,405,202	1,405,202
Crofton division-note payable	-	-	-	-	256,000	-	-	256,000
City of Hopkinsville-note payable	112,367	-	-	-	-	-	-	112,367
Capital lease obligation (net of current maturities)	9,717	14,231	-	-	-	-	-	23,948
<b>Total liabilities</b>	<b>33,798,297</b>	<b>13,505,226</b>	<b>110,103</b>	<b>103,524</b>	<b>429,514</b>	<b>173,514</b>	<b>6,533,803</b>	<b>54,653,981</b>
<b>Net assets</b>								
Invested in capital assets, net of related debt	18,022,869	20,568,077	567,944	(46,860)	154,644	331,977	1,245,330	40,843,981
Net assets, restricted	48,759	12,113	-	-	-	-	-	60,872
Net assets, unrestricted	943,673	579,168	(68,112)	39,252	(66,991)	185,224	(772,999)	839,215
<b>Total net assets</b>	<b>19,015,301</b>	<b>21,159,358</b>	<b>499,832</b>	<b>(7,608)</b>	<b>87,653</b>	<b>517,201</b>	<b>472,331</b>	<b>41,744,068</b>
<b>Total liabilities and net assets</b>	<b>\$ 52,813,598</b>	<b>\$ 34,664,584</b>	<b>\$ 609,935</b>	<b>\$ 95,916</b>	<b>\$ 517,167</b>	<b>\$ 690,715</b>	<b>\$ 7,006,134</b>	<b>\$ 96,398,049</b>

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
 WATER AND WASTEWATER DEPARTMENTS  
 A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET ASSETS  
 For the Year ended June 30, 2009

	Hopkinsville		Pembroke		Crofton		Oak Grove	Totals
	Water	Sewer	Water	Sewer	Water	Sewer	Sewer	
Operating revenues	\$ 4,738,496	\$ 3,988,223	\$ 89,238	\$ 73,276	\$ 165,269	\$ 110,843	\$1,169,953	\$ 10,335,298
Operating expenses								
Water source of supply	455,377	-	-	-	-	-	-	455,377
Water purification	979,062	-	135	-	2,199	-	-	981,396
Water distribution	429,214	-	40,718	-	71,389	-	-	541,321
Sewerage plant	-	1,179,536	-	13,005	-	14,279	414,336	1,621,156
Sewerage mains and laterals	-	245,044	-	38,246	-	12,604	-	295,894
Administrative and general	1,285,822	1,318,894	5,736	4,225	10,971	6,839	-	2,632,487
Technical services	103,361	110,172	-	-	-	-	-	213,533
Depreciation	1,045,363	1,484,120	15,753	15,106	20,871	37,944	190,104	2,809,261
Total operating expenses	<u>4,298,199</u>	<u>4,337,766</u>	<u>62,342</u>	<u>70,582</u>	<u>105,430</u>	<u>71,666</u>	<u>604,440</u>	<u>9,550,425</u>
Income from operations	<u>440,297</u>	<u>(349,543)</u>	<u>26,896</u>	<u>2,694</u>	<u>59,839</u>	<u>39,177</u>	<u>565,513</u>	<u>784,873</u>
Non-operating revenues (expenses)								
Interest revenue	13,899	25,354	-	-	-	-	-	39,253
Gain (loss) on sale of fixed assets	2,218	7,653	-	-	-	-	-	9,871
Interest on bonded indebtedness	<u>(1,223,278)</u>	<u>(193,010)</u>	<u>-</u>	<u>(1,557)</u>	<u>(2,159)</u>	<u>(2,159)</u>	<u>(145,663)</u>	<u>(1,567,826)</u>
Total non-operating revenues (expenses)	<u>(1,207,161)</u>	<u>(160,003)</u>	<u>-</u>	<u>(1,557)</u>	<u>(2,159)</u>	<u>(2,159)</u>	<u>(145,663)</u>	<u>(1,518,702)</u>
Income (loss) before contributions and operating transfers	(766,864)	(509,546)	26,896	1,137	57,680	37,018	419,850	(733,829)
Capital contributions								
Capital assets provided by developers	506,998	2,100,868	-	-	-	-	-	2,607,866
Transfers (to) from								
Capital credit to City	(144,400)	-	-	-	-	-	-	(144,400)
Operating transfers in (out)	<u>1,473,650</u>	<u>(1,030,055)</u>	<u>(6,210)</u>	<u>(12,517)</u>	<u>27,514</u>	<u>15,474</u>	<u>(467,856)</u>	<u>-</u>
Net income (loss)	1,069,384	561,267	20,686	(11,380)	85,194	52,492	(48,006)	1,729,637
Net assets, beginning of year	<u>17,945,917</u>	<u>20,598,091</u>	<u>479,146</u>	<u>3,772</u>	<u>2,459</u>	<u>464,709</u>	<u>520,337</u>	<u>40,014,431</u>
Net assets, end of year	<u>\$ 19,015,301</u>	<u>\$ 21,159,358</u>	<u>\$ 499,832</u>	<u>\$ (7,608)</u>	<u>\$ 87,653</u>	<u>\$ 517,201</u>	<u>\$ 472,331</u>	<u>\$ 41,744,068</u>



HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
 WATER AND WASTEWATER DEPARTMENTS  
 A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
 SUMMARY OF PROPERTY, PLANT AND EQUIPMENT  
 June 30, 2009

Descriptions	ASSETS			ACCUMULATED DEPRECIATION				Depreciated values June 30, 2009	
	Balance	Additions	Retirements	Balance	Balance	Additions	Retirements		Balance
	June 30, 2008			June 30, 2009					June 30, 2008
<b>Water</b>									
Land	\$ 540,285	\$ 723,610	-	\$ 1,263,895	\$ -	\$ -	\$ -	\$ -	\$ 1,263,895
Structures	2,878,482	6,465	-	2,884,947	1,258,780	67,898	-	1,326,678	1,558,269
Elevated tanks	3,003,812	659,058	-	3,662,870	1,483,702	92,895	-	1,576,597	2,086,273
Transmission mains	196,595	-	-	196,595	188,759	2,239	-	190,998	5,597
Distribution mains	14,552,170	502,951	-	15,055,121	6,088,583	268,722	-	6,357,305	8,697,816
Services	2,370,657	61,102	-	2,431,759	1,118,892	50,156	-	1,169,048	1,262,711
Meters and installation	2,346,965	24,555	-	2,371,520	2,012,442	59,907	-	2,072,349	299,171
Hydrants	882,668	7,734	-	890,402	395,473	17,781	-	413,254	477,148
Purification structures	7,498,045	-	-	7,498,045	2,479,865	148,924	-	2,628,789	4,869,256
Purification equipment	4,578,060	20,229	-	4,598,289	3,095,585	166,687	-	3,262,272	1,336,017
Cast iron pipe lines	44,436	-	-	44,436	40,189	772	-	40,961	3,475
Electric pumping equipment	413,148	-	-	413,148	264,017	13,876	-	277,893	135,255
Auxiliary power units	128,790	-	-	128,790	128,790	-	-	128,790	-
Quarry - raw water supply	788,860	28,575,185	-	29,364,045	381,729	132,689	-	514,418	28,849,627
Interest during construction	42,977	-	-	42,977	28,572	739	-	29,311	13,666
<b>Total water plant</b>	<b>40,265,950</b>	<b>30,580,889</b>	<b>-</b>	<b>70,846,839</b>	<b>18,965,378</b>	<b>1,023,285</b>	<b>-</b>	<b>19,988,663</b>	<b>50,858,176</b>
<b>General</b>									
Transportation equipment	277,086	9,516	4,500	282,102	254,655	12,704	4,500	262,859	19,243
Tractors & backhoes	114,590	-	-	114,590	62,045	9,852	-	71,897	42,693
General equipment	293,346	-	-	293,346	206,608	10,323	-	216,931	76,415
Office furniture and fixtures	159,728	50	-	159,778	133,369	3,714	-	137,083	22,695
Two-way radio equipment	11,876	-	-	11,876	10,699	127	-	10,826	1,050
Computer equipment	369,532	26,510	-	396,042	310,162	21,982	-	332,144	63,898
<b>Total general plant</b>	<b>1,226,158</b>	<b>36,076</b>	<b>4,500</b>	<b>1,257,734</b>	<b>977,538</b>	<b>58,702</b>	<b>4,500</b>	<b>1,031,740</b>	<b>225,994</b>
<b>Unclassified plant</b>									
Construction in progress	29,536,632	379,328	29,296,295	619,665	-	-	-	-	619,665
<b>Total water plant</b>	<b>\$ 71,028,740</b>	<b>\$30,996,293</b>	<b>\$29,300,795</b>	<b>\$ 72,724,238</b>	<b>\$ 19,942,916</b>	<b>\$1,081,987</b>	<b>\$ 4,500</b>	<b>\$ 21,020,403</b>	<b>\$ 51,703,835</b>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
SUMMARY OF PROPERTY, PLANT AND EQUIPMENT(continued)  
June 30, 2009**

Descriptions	ASSETS			ACCUMULATED DEPRECIATION				Depreciated values June 30, 2009	
	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009	Balance June 30, 2008	Additions	Retirements		Balance June 30, 2009
<b>SEWERAGE</b>									
Land	\$ 341,449	\$ -	\$ -	\$ 341,449	\$ -	\$ -	\$ -	\$ -	\$ 341,449
Buildings	3,359,083	7,661	-	3,366,744	631,516	94,200	-	725,716	2,641,028
Wastewater treatment plants									
Northside	8,884,149	8,403	-	8,892,552	5,411,996	225,848	-	5,637,844	3,254,708
Hammond-Wood	11,634,285	11,523	-	11,645,808	6,049,419	360,308	-	6,409,727	5,236,081
Machinery and equipment	2,625,148	-	-	2,625,148	1,556,567	117,942	-	1,674,509	950,639
Pumping stations	2,946,369	60,325	-	3,006,694	1,363,410	141,333	-	1,504,743	1,501,951
Mains and laterals	32,859,739	4,245,268	-	37,105,007	11,053,858	687,529	-	11,741,387	25,363,620
Interest during construction	173,140	-	-	173,140	50,498	4,329	-	54,827	118,313
<b>Total sewerage plant</b>	<b>62,823,362</b>	<b>4,333,180</b>	<b>-</b>	<b>67,156,542</b>	<b>26,117,264</b>	<b>1,631,489</b>	<b>-</b>	<b>27,748,753</b>	<b>39,407,789</b>
<b>General</b>									
Transportation equipment	444,590	9,516	18,482	435,624	348,796	20,102	18,482	350,416	85,208
Tractors & backhoes	45,625	-	-	45,625	45,625	-	-	45,625	-
General equipment	522,761	1,214	-	523,975	214,575	39,234	-	253,809	270,166
Office furniture and fixtures	155,295	8,729	-	164,024	128,426	4,669	-	133,095	30,929
Two-way radio equipment	11,876	-	-	11,876	10,700	127	-	10,827	1,049
Computer equipment	349,962	16,561	-	366,523	300,812	17,203	-	318,015	48,508
<b>Total general plant</b>	<b>1,530,109</b>	<b>36,020</b>	<b>18,482</b>	<b>1,547,647</b>	<b>1,048,934</b>	<b>81,335</b>	<b>18,482</b>	<b>1,111,787</b>	<b>435,860</b>
<b>Unclassified plant</b>									
Engineering fees	144,502	-	-	144,502	71,853	14,450	-	86,303	58,199
Construction in progress	2,057,964	51,091	2,105,282	3,773	-	-	-	-	3,773
<b>Total sewer plant</b>	<b>\$ 66,555,937</b>	<b>\$ 4,420,291</b>	<b>\$ 2,123,764</b>	<b>\$ 68,852,464</b>	<b>\$ 27,238,051</b>	<b>\$ 1,727,274</b>	<b>\$ 18,482</b>	<b>\$ 28,946,843</b>	<b>\$ 39,905,621</b>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
 WATER AND WASTEWATER DEPARTMENTS  
 A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
 SUMMARY OF SINKING FUND REQUIREMENTS  
 June 30, 2009**

Bonds Due Fiscal Year	1998	2005 A	2005 B	Total Debt Service
2010	\$ 88,195	\$ 1,905,818	\$ 166,213	\$ 2,160,226
2011	88,483	1,906,139	162,312	2,156,934
2012	88,633	1,904,605	163,337	2,156,575
2013	88,644	1,905,405	164,037	2,158,086
2014	88,513	1,903,645	164,316	2,156,474
2015	93,223	1,904,893	164,244	2,162,360
2016	97,531	1,902,600	163,809	2,163,940
2017	96,450	1,901,600	163,000	2,161,050
2018	97,690	1,903,500	-	2,001,190
2019	98,648	1,903,200	-	2,001,848
2020	99,360	1,905,600	-	2,004,960
2021	49,825	1,905,600	-	1,955,425
2022	-	1,903,200	-	1,903,200
2023	-	1,903,300	-	1,903,300
2024	-	1,900,800	-	1,900,800
2025	-	1,905,500	-	1,905,500
2026	-	1,902,300	-	1,902,300
	<u>\$ 1,075,195</u>	<u>\$ 32,367,705</u>	<u>\$ 1,311,268</u>	<u>\$ 34,754,168</u>

The sinking fund reserve requirement is the maximum total debt service on bonds due in future years. Therefore, the sinking fund reserve requirement as of June 30, 2009, is \$2,163,940. The HWEA is setting aside funds to meet this requirement.

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
 WATER AND WASTEWATER DEPARTMENTS  
 A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
 SCHEDULE OF OPERATING EXPENSES  
 For the Years Ended June 30, 2009 and 2008

	2009		2008	
	Amount	% of Net Revenues	Amount	% of Net Revenues
<b>Water Source of Supply</b>				
Labor	\$ 5,595	0.06%	\$ 5,526	0.06%
Supplies	398	0.00%	401,485	4.24%
Utilities	443,706	4.68%	251,680	2.66%
Grounds and maintenance	5,678	0.06%	11,064	0.12%
	455,377	4.81%	669,755	7.07%
<b>Water Purification</b>				
Supervision	46,427	0.49%	44,993	0.48%
Labor	246,480	2.60%	268,890	2.84%
Chemicals	295,207	3.12%	263,784	2.79%
Maintenance to structures	1,497	0.02%	1,910	0.02%
Maintenance to equipment	14,998	0.16%	15,905	0.17%
Supplies	8,614	0.09%	5,185	0.05%
Maintenance to reservoirs and tanks	1,200	0.01%	837	0.01%
Utilities	299,650	3.16%	280,272	2.96%
Training and education	1,802	0.02%	3,500	0.04%
Laboratory work	44,288	0.47%	44,030	0.46%
Laboratory supplies and expense	15,659	0.17%	22,656	0.24%
Plant security	-	0.00%	40	0.00%
Grounds and maintenance	878	0.01%	2,414	0.03%
Transportation expense	4,621	0.05%	5,484	0.06%
Miscellaneous	75	0.00%	359	0.00%
	981,396	10.36%	960,258	10.14%
<b>Water Distribution</b>				
Supervision	44,775	0.47%	58,695	0.62%
Labor	259,005	2.73%	259,351	2.74%
Supplies	93,084	0.98%	112,137	1.18%
Repairs to structures	91	0.00%	263	0.00%
Repairs to distribution mains	32,241	0.34%	59,894	0.63%
Repairs to services	12,453	0.13%	7,157	0.08%
Repair to meters	287	0.00%	1,527	0.02%
Removing and resetting meters	49,457	0.52%	48,097	0.51%
Repairs to fire hydrants	1,614	0.02%	3,111	0.03%
Transportation expense	28,058	0.30%	39,265	0.41%
Gas, oil, tires, etc-tractor/compressor	6,361	0.07%	12,949	0.14%
Grounds and maintenance	11,776	0.12%	11,741	0.12%
Training, education and licenses	752	0.01%	6,474	0.07%
Small tools	986	0.01%	594	0.01%
Miscellaneous	381	0.00%	35	0.00%
	541,321	5.72%	621,288	6.56%
Total water distribution				
	541,321	5.72%	621,288	6.56%
Subtotal carried forward	\$1,978,094	20.89%	\$2,251,301	23.77%

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
 WATER AND WASTEWATER DEPARTMENTS  
 A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
 SCHEDULE OF OPERATING EXPENSES (continued)  
 For the Years Ended June 30, 2009 and 2008

	<u>2009</u>		<u>2008</u>	
	<u>Amount</u>	<u>% of Net Revenues</u>	<u>Amount</u>	<u>% of Net Revenues</u>
Subtotal carried forward	<u>\$ 1,978,094</u>	<u>20.89%</u>	<u>\$ 2,251,301</u>	<u>23.77%</u>
<b>Water Technical Services</b>				
Labor	96,203	1.02%	107,268	1.13%
Supplies	2,484	0.03%	1,716	0.02%
Training, education and licenses	121	0.00%	1,023	0.01%
Transportation expense	3,752	0.04%	5,954	0.06%
Miscellaneous	<u>800</u>	<u>0.01%</u>	<u>800</u>	<u>0.01%</u>
Total water technical services	<u>103,360</u>	<u>1.09%</u>	<u>116,761</u>	<u>1.23%</u>
<b>Water Administrative and General</b>				
Commissioners' fees	6,000	0.06%	5,500	0.06%
Office salaries	331,691	3.50%	333,797	3.52%
Meter reading and collecting salaries	41,084	0.43%	45,558	0.48%
Employee benefits	528,203	5.58%	608,828	6.43%
Office supplies	33,193	0.35%	31,530	0.33%
Postage	19,133	0.20%	15,291	0.16%
Telephone	16,546	0.17%	17,060	0.18%
Insurance and bonds	153,873	1.62%	158,932	1.68%
Professional services	18,411	0.19%	19,102	0.20%
Safety program	32,960	0.35%	34,463	0.36%
Office building maintenance	34,672	0.37%	36,513	0.39%
Bad debts, net	37,170	0.39%	33,480	0.35%
Training, education and licenses	4,971	0.05%	4,137	0.04%
Transportation expense	11,027	0.12%	13,734	0.15%
Rez rebate payments	4,500	0.05%	12,500	0.13%
Miscellaneous	<u>29,097</u>	<u>0.31%</u>	<u>33,303</u>	<u>0.35%</u>
Total water administrative and general	<u>1,302,531</u>	<u>13.75%</u>	<u>1,403,727</u>	<u>14.82%</u>
Total water operating expense other than depreciation	<u>\$ 3,383,985</u>	<u>35.73%</u>	<u>\$ 3,771,790</u>	<u>39.82%</u>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
SCHEDULE OF OPERATING EXPENSES (continued)  
For the Years Ended June 30, 2009 and 2008**

	2009		2008	
	Amount	% of Net Revenues	Amount	% of Net Revenues
<b>Wastewater Treatment Plant</b>				
Supervision	\$ 13,240	0.14%	\$ 8,741	0.09%
Labor	346,490	3.66%	269,295	2.84%
Chemicals and materials	21,291	0.22%	18,204	0.19%
Supplies and tools	15,924	0.17%	10,116	0.11%
Lights, power, water, and fuel oil	657,630	6.94%	467,795	4.94%
Transportation expense	26,402	0.28%	24,389	0.26%
Repairs - machinery and equipment	58,050	0.61%	29,067	0.31%
Repairs - buildings	8,233	0.09%	3,586	0.04%
Maintenance of pump stations	167,696	1.77%	137,750	1.45%
Laboratory work	114,864	1.21%	98,499	1.04%
Laboratory supplies and expense	17,329	0.18%	20,144	0.21%
Permit - pretreatment compliance	44,096	0.47%	42,795	0.45%
Sludge disposal	109,588	1.16%	47,724	0.50%
Training, education and licenses	1,233	0.01%	2,073	0.02%
Billing and collection expense	18,777	0.20%	-	0.00%
Miscellaneous	313	0.00%	230	0.00%
	<u>1,621,156</u>	<u>17.12%</u>	<u>1,180,408</u>	<u>12.46%</u>
<b>Wastewater Mains and Laterals</b>				
Supervision	32,298	0.34%	40,695	0.43%
Labor	133,599	1.41%	80,482	0.85%
Supplies and tools	57,215	0.60%	33,820	0.36%
Repairs - mains and laterals	21,290	0.22%	20,084	0.21%
Repairs - truck and sewerage equipment	2,267	0.02%	2,433	0.03%
Gas, oil, and tires	31,630	0.33%	30,219	0.32%
Developer rebates	17,595	0.19%	9,860	0.10%
	<u>295,894</u>	<u>3.12%</u>	<u>217,594</u>	<u>2.30%</u>
<b>Wastewater Technical Services</b>				
Labor	102,223	1.08%	103,798	1.10%
Supplies	3,420	0.04%	3,068	0.03%
Training, education and licenses	18	0.00%	966	0.01%
Transportation expense	3,712	0.04%	5,955	0.06%
Miscellaneous	800	0.01%	800	0.01%
	<u>110,173</u>	<u>1.16%</u>	<u>114,587</u>	<u>1.21%</u>
	<u>\$ 2,027,223</u>	<u>21.40%</u>	<u>\$ 1,512,589</u>	<u>15.97%</u>

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
WATER AND WASTEWATER DEPARTMENTS  
A COMPONENT UNIT OF THE CITY OF HOPKINSVILLE, KENTUCKY  
SCHEDULE OF OPERATING EXPENSES (continued)  
For the Years Ended June 30, 2009 and 2008**

	2009		2008	
	Amount	% of Net Revenues	Amount	% of Net Revenues
Subtotal carried forward	<u>\$ 2,027,223</u>	<u>21.40%</u>	<u>\$ 1,512,589</u>	<u>15.97%</u>
<b>Sewerage Administrative and General</b>				
Commissioners' fees	6,000	0.06%	5,500	0.06%
Office salaries	326,914	3.45%	330,251	3.49%
Meter reading and collecting salaries	42,082	0.44%	45,587	0.48%
Labor - camera crew	5,230	0.06%	4,787	0.05%
Employee benefits	555,578	5.87%	497,450	5.25%
Office supplies	33,322	0.35%	31,550	0.33%
Postage	19,133	0.20%	15,291	0.16%
Telephone	16,517	0.17%	17,007	0.18%
Insurance and bonds	153,873	1.62%	160,501	1.69%
Professional services	18,411	0.19%	54,670	0.58%
Office building maintenance	34,885	0.37%	36,514	0.39%
Bad debts, net	34,925	0.37%	26,480	0.28%
Training, education and licenses	4,971	0.05%	4,137	0.04%
Safety program	32,960	0.35%	35,242	0.37%
Transportation expense	11,027	0.12%	13,734	0.15%
Rez rebate payments	4,500	0.05%	12,500	0.13%
Miscellaneous	<u>29,628</u>	<u>0.31%</u>	<u>33,500</u>	<u>0.35%</u>
Total sewer administrative and general	<u>1,329,956</u>	<u>14.04%</u>	<u>1,324,701</u>	<u>13.99%</u>
Total sewerage operating expense other than depreciation	<u><u>\$3,357,179</u></u>	<u><u>35.45%</u></u>	<u><u>\$2,837,290</u></u>	<u><u>29.96%</u></u>



**& CO. - HOPKINSVILLE LLP**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS**

To the Members of the  
City of Hopkinsville Sewerage and  
Water Works Commission d/b/a  
Hopkinsville Water Environment Authority  
Hopkinsville, Kentucky

We have audited the accompanying financial statements of the business-type activities of the Hopkinsville Water Environment Authority (HWEA), a component unit of the City of Hopkinsville, Kentucky, as of and for the year ended June 30, 2009, and have issued our report thereon dated November 16, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the HWEA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the HWEA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the HWEA's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the HWEA's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the HWEA's financial statements that is more than inconsequential will not be prevented or detected by the HWEA's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the HWEA's internal control.



Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the HWEA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the commission members of the HWEA, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*York, Neel & Co. - Hopkinsville, LLP*

Hopkinsville, Kentucky  
November 16, 2009

3.
  - a. State the 12-month test period upon which HWEA bases its proposed rate adjustment.
  - b. Explain why this test period was chosen

**RESPONSE:**

- a. HWEA proposes to use the 12-month period ending on June 30, 2009 as the Test Period.
- b. The reasons for using FYE 6-30-09 as the Test Year are:
  - (1) It is the most recent 12-month period for which audited financial statements are available;
  - (2) HWEA's largest industrial user, Flynn Industries, began phasing-out its operations in July 2007. Flynn eventually closed its operations in FY 2008. FY 2009 was the first full fiscal year of operations without any water revenue from Flynn Industries;
  - (3) FY 2009 was also the first full fiscal year of operations utilizing the Lake Barkley Raw Water System; and
  - (4) FY 2009 represents water usage that is more typical than FY 2008 because of the drought that occurred in the summer and fall of 2007.

**WITNESS:** Russell King

4. Provide the general ledgers for HWEA's water and sewer operations for the proposed test period and the most recently concluded fiscal year. These general ledgers shall include all check registers and spreadsheets used to record and track financial transactions.

**RESPONSE:**

The proposed test period is the most recently concluded fiscal year (FYE 6-30-09).

The General Ledger is over 1500 pages in length. Therefore, it is being provided on a CD (See **Attachment 4A**). Enterprise #1 or Company #1 ("CMP") is Water. Enterprise #2 or CMP #2 is Wastewater.

The check register for FYE 6-30-09 consists of 35 pages and is attached as **Attachment 4B**.

**WITNESS:** Russell King

**ATTACHMENT 4B**

**CHECK REGISTER**

July 1, 2008 to June 30, 2009

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
63675	201	CITY OF HOPKINSVILLE	11/18/08	1/28/08	4,082.43
63676	202	KENTUCKY STATE TREASURER	11/18/08	1/28/08	4,385.80
64608	317	ALLEN'S YARD SERVICE	7/02/08		150.00
64609	13	BLUE STREAK PRINTERS	7/02/08		65.00
64610	16	CAYCE MILL SUPPLY CO.	7/02/08		486.86
64611	479	LEE ERVIN	7/02/08		10.53
64612	1341	LEN HALE	7/02/08		267.72
64613	1135	HAYES SHOES	7/02/08		300.00
64614	959	HEALTH RESOURCES INC	7/02/08		452.84
64615	42	HOPKINSVILLE ELECTRIC SYSTEM	7/02/08		318.20
64616	47	HOPKINSVILLE WATER ENVIRONMENT	7/02/08		627.00
64617	1293	LAND BETWEEN THE LAKES ASSOC.	7/02/08		500.00
64618	924	MCGEE PEST CONTROL	7/02/08		84.00
64619	981	OFFICEMAX CREDIT PLAN	7/02/08		296.43
64620	65	PENNYRILE RURAL ELECTRIC	7/02/08		50,536.94
64621	1248	AIA CORPORATION	7/02/08		3,028.16
64622	81	SOUTHERN STATES COOP INC	7/02/08		209.95
64623	710	STRAEFFER PUMP & SUPPLY INC	7/02/08		10,570.00
64624	1225	SUNGARD MAILING SERVICES	7/02/08		5,000.00
64625	1059	TWO MULES DIRECTIONAL DRILLING	7/02/08		467.41
64626	1333	JUDY WAYTE	7/02/08		71.29
64627	1063	STEVE TUBBS	7/08/08		195.00
64628	199	KENTUCKY AMERICAN SEED	7/09/08		50.00
64638	3	AGRI POWER INC	7/11/08		102.26
64639	90	AIRGAS MID AMERICA	7/11/08		940.65
64640	253	AMERICAN CONCRETE INC	7/11/08		1,590.00
64641	197	ANALYTICAL PRODUCTS GROUP	7/11/08		1,190.00
64642	1096	ASHLAND SPECIALTY CHEMICALS	7/11/08		2,070.00
64643	91	ATMOS ENERGY	7/11/08		2,519.18
64644	462	BB&T FINANCIAL, FSB	7/11/08		1,900.82
64645	485	BOBBY OUTLAW DISPOSAL, LLC	7/11/08		171.84
64646	466	BRAILSFORD & COMPANY, INC.	7/11/08		326.67
64647	61	BRENNTAG MID-SOUTH INC	7/11/08		9,492.32
64648	784	CLOW WATER SYSTEMS COMPANY	7/11/08		15,925.40
64649	380	CONSTRUCTION SITE SERVICES	7/11/08		1,102.30
64650	452	CORNERSTONE INFORMATION SYSTEM	7/11/08		1,000.00
64651	25	CORNETTE'S	7/11/08		552.92
64652	601	DEATHERAGE, MYERS & LACKEY	7/11/08		1,792.43
64653	926	DUNVILLE INC	7/11/08		759.79
64654	433	EMPIRICAL LABORATORIES, LLC.	7/11/08		1,420.00
64655	479	LEE ERVIN	7/11/08		6.97
64656	1001	FASTENAL COMPANY	7/11/08		114.45
64657	536	FIRST CLASS LAWN SERVICE	7/11/08		2,144.00
64658	743	FORD HALL COMPANY INC	7/11/08		87.56
64659	1133	GRAYBAR FINANCIAL SERVICES, LL	7/11/08		747.46
64660	487	GRW AERIAL SURVEYS, INC	7/11/08		4,140.00
64661	33	HACH COMPANY	7/11/08		525.77
64662	837	HANNAN SUPPLY COMPANY	7/11/08		522.72
64663	353	HARTFORD STEAM BOILER	7/11/08		25.00
64664	39	HOPKINSVILLE AGGREGATE	7/11/08		2,482.53
64665	41	HOPKINSVILLE ELECTRIC MOTOR SE	7/11/08		6.08

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
64666	42	HOPKINSVILLE ELECTRIC SYSTEM	7/11/08		37,913.08
64667	43	MAX ARNOLD & SONS INC	7/11/08		8,232.37
64668	1104	HOPKINSVILLE SIGN SERVICE	7/11/08		572.50
64669	2011	HOPKINSVILLE SOLID WASTE AUTHO	7/11/08		81.92
64670	1153	HYDRASERVE, INC.	7/11/08		2,999.33
64671	199	KENTUCKY AMERICAN SEED	7/11/08		165.75
64672	110	KEY OIL COMPANY	7/11/08	7/15/08	5,911.65
64673	295	KNIGHT REFRIGERATION	7/11/08		2,054.80
64674	1266	LABORATORY PRODUCTS	7/11/08		140.50
64675	214	LABTRONX, INC.	7/11/08		5,312.74
64676	933	LAWNCUTTERS	7/11/08		38.97
64677	51	LEE MASONRY PRODUCTS LLC	7/11/08		4.16
64678	112	LEE RENTS	7/11/08		131.25
64679	1192	LOWE'S COMPANIES INC	7/11/08		733.96
64680	547	MINORITY ECONOMIC DEVELOPMENT	7/11/08		7.00
64681	916	MICKEYD INC	7/11/08		10,040.28
64682	673	MOSS MCGRAW ENVIRONMENTAL LAB	7/11/08		1,510.00
64683	227	MR. MULCH	7/11/08		65.00
64684	361	AMERICA'S OFFICE SOURCE	7/11/08		387.56
64685	60	NEPTUNE EQUIPMENT COMPANY	7/11/08		512.00
64686	444	NICH-CHEM	7/11/08		19,707.60
64687	24	O'REILLY AUTO PARTS INC	7/11/08		483.79
64688	67	OPTICAL ROBOTICS, LLC	7/11/08	7/18/08	548.52
64689	1207	PALCO ENTERPRISES	7/11/08		2,430.72
64690	1243	PENNYROYAL INTERIORS	7/11/08		247.92
64691	156	PETTER SUPPLY COMPANY	7/11/08		430.03
64692	223	PETTY CASH/REFUND DEPOSITS	7/11/08		268.28
64693	648	HOPK.-CHRISTIAN CO. PLANNING C	7/11/08		10,472.79
64694	70	POWELL'S WELDING & METAL SALES	7/11/08		4,430.38
64695	120	PREISER SCIENTIFIC INC	7/11/08		1,883.96
64696	395	PROVIDENT LIFE & ACCIDENT	7/11/08		747.29
64697	73	REMEL INC	7/11/08		308.79
64698	1240	ROGERS CHEMICAL RESOURCES LLC	7/11/08		485.25
64699	1229	ROMAINE COMPANIES	7/11/08		39.00
64700	445	SHELBY'S TRUCK BEDS & EQUIPMEN	7/11/08		48.40
64701	669	IONPURE INC	7/11/08		164.00
64702	471	SOUTHERN ELECTRIC MOTOR	7/11/08		1,533.00
64703	560	C.I. THORNBURG CO INC	7/11/08		2,850.21
64704	244	TRACER ELECTRONICS, LLC	7/11/08		577.50
64705	961	TRI STATE BEARING CO INC	7/11/08		79.14
64706	1328	TRI-STATE MAILING SYSTEMS INC	7/11/08		199.00
64707	1066	THE UPS STORE	7/11/08		36.42
64708	455	WESTERN KENTUCKY UNIVERSITY	7/11/08		420.00
64709	94	YOUNG HARDWARE CO	7/11/08		227.39
64710	484	81 ELECTRIC, INC.	7/11/08		531.50
64711	19	CHRISTIAN COUNTY WATER DISTRIC	7/11/08		15.92
64712	1065	KENTUCKY UTILITIES COMPANY	7/11/08		627.45
64713	1251	NEWWAVE COMMUNICATIONS	7/11/08		6.95
64714	958	NORTH AMERICA ADMINISTRATORS	7/11/08		16,131.90
64715	1080	PENNYRILE COLLECTION INC	7/11/08		2,478.71
64716	89	WASTE MANAGEMENT OF KY LLC	7/11/08		113.72

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
64717	6	AFLAC	7/16/08		650.63
64718	204	HERITAGE BANK	7/16/08		1,328.81
64719	202	KENTUCKY STATE TREASURER	7/16/08		4,635.39
64720	443	ARAMARK UNIFORM SERVICES	7/18/08		2,030.18
64721	201	CITY OF HOPKINSVILLE	7/18/08		3,900.93
64722	481	CITY OF OAK GROVE	7/18/08		117.09
64723	319	GARRISON SERVICE COMPANY	7/18/08		600.00
64724	38	HOLLAND ELECTRIC COMPANY	7/18/08		1,534.52
64725	110	KEY OIL COMPANY	7/18/08		5,229.28
64726	109	KENTUCKY STATE TREASURER	7/18/08		12,953.03
64727	673	MOSS MCGRAW ENVIRONMENTAL LAB	7/18/08		1,280.00
64728	67	OPTICAL ROBOTICS, LLC	7/18/08		126.74
64729	115	PENNYRILE MACHINE CO., INC.	7/18/08		250.00
64730	125	RABEN TIRE COMPANY	7/18/08		755.79
64731	710	STRAEFFER PUMP & SUPPLY INC	7/18/08		137.17
64732	96	AT&T	7/18/08		664.30
64733	79	AT&T	7/18/08		1,171.64
64734	91	ATMOS ENERGY	7/18/08		58.50
64735	1136	W. MARTIN CALHOUN	7/18/08		25.42
64736	1270	FOUR SEASONS CATERING	7/18/08		40.00
64737	1202	ALAN GIBSON	7/18/08		46.51
64738	36	HIGGINS INSURANCE INC	7/18/08		166,435.00
64739	42	HOPKINSVILLE ELECTRIC SYSTEM	7/18/08		151.22
64740	984	HOUSING AUTHORITY OF HOPKINSVI	7/18/08		46.37
64741	754	JENNIE STUART MEDICAL CENTER	7/18/08		329.00
64742	65	PENNYRILE RURAL ELECTRIC	7/18/08		727.57
64743	458	SCOTT & RITTER, INC.	7/18/08		609.63
64744	1225	SUNGARD MAILING SERVICES	7/18/08		7,663.77
64745	1225	SUNGARD MAILING SERVICES	7/18/08		3,628.90
64746	242	KENTUCKY STATE TREASURER	7/22/08		21.00
64747	1205	ADVANCE COMMERCIAL CHARGE ACCO	7/25/08		19.88
64748	79	AT&T	7/25/08		109.27
64749	1033	AT&T LONG DISTANCE SERVICE	7/25/08		37.50
64750	490	BOYS & GIRLS CLUB OF HOPKINSVI	7/25/08		250.00
64751	129	HOPK./CC CHAMBER OF COMMERCE	7/25/08		1,250.00
64752	726	CHRISTIAN COUNTY CLERK	7/25/08		31.00
64753	726	CHRISTIAN COUNTY CLERK	7/25/08		150.00
64754	201	CITY OF HOPKINSVILLE	7/25/08		203.09
64755	201	CITY OF HOPKINSVILLE	7/25/08		16,650.00
64756	47	HOPKINSVILLE WATER ENVIRONMENT	7/25/08		39.00
64757	478	LEAGUE OF WOMEN VOTERS	7/25/08		100.00
64758	981	OFFICEMAX CREDIT PLAN	7/25/08		117.65
64759	65	PENNYRILE RURAL ELECTRIC	7/25/08		575.26
64760	953	SEARS COMMERCIAL ONE	7/25/08		47.99
64761	81	SOUTHERN STATES COOP INC	7/25/08		329.60
64762	697	VERIZON WIRELESS	7/25/08		827.97
64763	369	XEROX CAPITAL SERVICES, LLC	7/25/08		549.19
64778	6	AFLAC	7/25/08		650.63
64779	201	CITY OF HOPKINSVILLE	7/25/08		4,020.21
64780	481	CITY OF OAK GROVE	7/25/08		132.92
64781	204	HERITAGE BANK	7/25/08		1,328.81

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
64782	203	KENTUCKY RETIREMENT SYSTEM	7/25/08		37,202.51
64783	202	KENTUCKY STATE TREASURER	7/25/08		4,658.70
64784	1353	MARSHALL THOMAS	7/29/08		500.00
64785	1080	PENNYRILE COLLECTION INC	8/01/08		902.20
64786	317	ALLEN'S YARD SERVICE	8/01/08		150.00
64787	1294	ASHBY ELECTRIC CO INC	8/01/08		1,888.92
64788	485	BOBBY OUTLAW DISPOSAL, LLC	8/01/08		2,248.80
64789	751	CANSLER EXCAVATING	8/01/08		125.00
64790	129	HOPK./CC CHAMBER OF COMMERCE	8/01/08		50.00
64791	19	CHRISTIAN COUNTY WATER DISTRIC	8/01/08		1,283.99
64792	277	CONSOLATION CONSTRUCTION LLC	8/01/08		1,600.00
64793	479	LEE ERVIN	8/01/08		4.78
64794	1341	LEN HALE	8/01/08		524.07
64795	42	HOPKINSVILLE ELECTRIC SYSTEM	8/01/08		37,424.10
64796	35	HOPKINSVILLE OUTDOOR EQUIPMENT	8/01/08		32.82
64797	50	JAMES KNIGHT APPLIANCE INC	8/01/08		307.40
64798	924	MCGEE PEST CONTROL	8/01/08		84.00
64799	276	PENNYRILE FIRE SAFETY	8/01/08		26.00
64800	65	PENNYRILE RURAL ELECTRIC	8/01/08		65,021.11
64801	395	PROVIDENT LIFE & ACCIDENT	8/01/08		776.68
64802	157	RANDOLPH HALE ELECTRONICS	8/01/08		52.30
64803	669	IONPURE INC	8/01/08		164.00
64804	1315	U.S. POSTAL SERVICE	8/01/08		500.00
64805	190	VISA	8/01/08		1,100.00
64817	6	AFLAC	8/08/08		650.63
64818	79	AT&T	8/08/08		1,230.66
64819	19	CHRISTIAN COUNTY WATER DISTRIC	8/08/08		15.45
64820	262	ECONOMIC DEVELOPMENT COUNCIL	8/08/08		2,500.00
64821	959	HEALTH RESOURCES INC	8/08/08		367.66
64822	204	HERITAGE BANK	8/08/08		1,328.81
64823	47	HOPKINSVILLE WATER ENVIRONMENT	8/08/08		627.00
64824	1251	NEWWAVE COMMUNICATIONS	8/08/08		6.95
64825	958	NORTH AMERICA ADMINISTRATORS	8/08/08		16,501.98
64826	202	KENTUCKY STATE TREASURER	8/08/08		4,669.16
64827	1225	SUNGARD MAILING SERVICES	8/08/08		5,000.00
64828	89	WASTE MANAGEMENT OF KY LLC	8/08/08		113.53
64829	3	AGRI POWER INC	8/08/08		47.53
64830	253	AMERICAN CONCRETE INC	8/08/08		292.00
64831	443	ARAMARK UNIFORM SERVICES	8/08/08		1,714.94
64832	91	ATMOS ENERGY	8/08/08		1,501.33
64833	462	BB&T FINANCIAL, FSB	8/08/08		1,197.66
64834	13	BLUE STREAK PRINTERS	8/08/08		175.00
64835	61	BRENNTAG MID-SOUTH INC	8/08/08		14,519.68
64836	180	BUY RITE PARTS & SUPPLY	8/08/08		7.52
64837	16	CAYCE MILL SUPPLY CO.	8/08/08		1,381.10
64838	525	CAYCE'S PHARMACY INC	8/08/08		24.90
64839	380	CONSTRUCTION SITE SERVICES	8/08/08		7,034.46
64840	25	CORNETTE'S	8/08/08		378.24
64841	601	DEATHERAGE, MYERS & LACKEY	8/08/08		1,047.86
64842	536	FIRST CLASS LAWN SERVICE	8/08/08		2,144.00
64843	33	HACH COMPANY	8/08/08		1,330.63



CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
64844	837	HANNAN SUPPLY COMPANY	8/08/08		635.00
64845	38	HOLLAND ELECTRIC COMPANY	8/08/08		1,801.12
64846	1104	HOPKINSVILLE SIGN SERVICE	8/08/08		107.00
64847	492	HTI, INC	8/08/08		7,975.00
64848	226	JV ENGINEERING, INC.	8/08/08		10,639.85
64849	1266	LABORATORY PRODUCTS	8/08/08		378.13
64850	933	LAWNCUTTERS	8/08/08		112.69
64851	1192	LOWE'S COMPANIES INC	8/08/08		164.48
64852	227	MR. MULCH	8/08/08		44.00
64853	361	AMERICA'S OFFICE SOURCE	8/08/08		558.46
64854	24	O'REILLY AUTO PARTS INC	8/08/08		272.32
64855	491	OAK GROVE UTILITIES OFFICE	8/08/08	10/09/08	411.79
64856	389	PADUCAH BLUEPRINT SUPPLY	8/08/08		179.00
64857	223	PETTY CASH/REFUND DEPOSITS	8/08/08		195.44
64858	125	RABEN TIRE COMPANY	8/08/08		366.54
64859	73	REMEL INC	8/08/08		105.07
64860	74	ROEDER IMPLEMENT CO.	8/08/08		7,276.17
64861	1240	ROGERS CHEMICAL RESOURCES LLC	8/08/08		341.25
64862	925	DAVIS PROCESS	8/08/08		4,800.00
64863	1066	THE UPS STORE	8/08/08		29.07
64864	604	USA BLUE BOOK	8/08/08		43.22
64865	178	WATER WITCH POOLS	8/08/08		46.60
64866	1333	JUDY WAYTE	8/08/08		54.32
64867	454	WESTERFIELD BUILDERS, INC.	8/08/08		12,750.00
64868	94	YOUNG HARDWARE CO	8/08/08		326.38
64869	1353	MARSHALL THOMAS	8/14/08		350.00
64870	62	A-LINE FENCE COMPANY	8/15/08		375.00
64871	404	AGRI CHEM INC	8/15/08		110.53
64872	90	AIRGAS MID AMERICA	8/15/08		545.68
64873	1068	LINDA CHILTON	8/15/08		23.76
64874	452	CORNERSTONE INFORMATION SYSTEM	8/15/08		1,000.00
64875	1018	CUMBERLAND TECHNOLOGIES, INC.	8/15/08		763.50
64876	433	EMPIRICAL LABORATORIES, LLC.	8/15/08		4,471.00
64877	1133	GRAYBAR FINANCIAL SERVICES, LL	8/15/08		747.46
64878	860	HD SUPPLY WATERWORKS, LTD	8/15/08		3,462.73
64879	39	HOPKINSVILLE AGGREGATE	8/15/08		2,178.52
64880	43	MAX ARNOLD & SONS INC	8/15/08		9,994.21
64881	110	KEY OIL COMPANY	8/15/08		5,397.09
64882	295	KNIGHT REFRIGERATION	8/15/08		80.00
64883	488	LAYNE CHRISTENSEN COMPANY	8/15/08		45,119.00
64884	112	LEE RENTS	8/15/08		197.89
64885	916	MICKEYD INC	8/15/08		7,073.83
64886	673	MOSS MCGRAW ENVIRONMENTAL LAB	8/15/08		3,660.00
64887	60	NEPTUNE EQUIPMENT COMPANY	8/15/08		2,460.00
64888	444	NICH-CHEM	8/15/08		10,111.50
64889	1207	PALCO ENTERPRISES	8/15/08		468.00
64890	156	PETTER SUPPLY COMPANY	8/15/08		144.09
64891	482	POLYDYNE, INC.	8/15/08		508.50
64892	120	PREISER SCIENTIFIC INC	8/15/08		152.17
64893	1235	PROWELL'S EQUIPMENT REPAIR	8/15/08		115.10
64894	1229	ROMAINE COMPANIES	8/15/08		816.30

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
64895	1064	LOIS SCHWERTFEGER	8/15/08		56.28
64896	255	SRECO SEWER RODDING EQUIPMENT	8/15/08		1,100.62
64897	560	C.I. THORNBURG CO INC	8/15/08		2,954.75
64898	961	TRI STATE BEARING CO INC	8/15/08		922.69
64899	493	TRI-STATE INTERNATIONAL TRUCKS	8/15/08		47.60
64900	892	WHOP AM-FM	8/15/08		100.00
64901	417	WILSON ALARM COMPANY	8/15/08		1,065.39
64902	91	ATMOS ENERGY	8/15/08		241.87
64903	245	BURGESS & NIPLE	8/15/08		16,434.86
64904	1133	GRAYBAR FINANCIAL SERVICES, LL	8/15/08		173.57
64905	42	HOPKINSVILLE ELECTRIC SYSTEM	8/15/08		217.35
64906	754	JENNIE STUART MEDICAL CENTER	8/15/08		70.00
64907	1065	KENTUCKY UTILITIES COMPANY	8/15/08		607.55
64908	109	KENTUCKY STATE TREASURER	8/15/08		14,438.01
64909	494	LISA OLIVER	8/15/08		295.00
64910	1117	HDR/QUEST ENGINEERING INC	8/15/08		44,449.45
64911	1225	SUNGARD MAILING SERVICES	8/15/08		4,665.23
64931	6	AFLAC	8/22/08		650.63
64932	79	AT&T	8/22/08		109.05
64933	1033	AT&T LONG DISTANCE SERVICE	8/22/08		26.23
64934	201	CITY OF HOPKINSVILLE	8/22/08		4,044.89
64935	481	CITY OF OAK GROVE	8/22/08		131.77
64936	188	DAVIS CONTRACTING, LLC	8/22/08		2,650.00
64937	204	HERITAGE BANK	8/22/08		1,328.81
64938	984	HOUSING AUTHORITY OF HOPKINSVI	8/22/08		45.93
64939	266	CHRIS MCGREGOR	8/22/08		24.65
64940	981	OFFICEMAX CREDIT PLAN	8/22/08		239.23
64941	65	PENNYRILE RURAL ELECTRIC	8/22/08		1,339.05
64942	953	SEARS COMMERCIAL ONE	8/22/08		616.89
64943	816	STERICYCLE INC	8/22/08		264.21
64944	620	ROBERT TUBBS	8/22/08		236.75
64945	455	WESTERN KENTUCKY UNIVERSITY	8/22/08		420.00
64946	203	KENTUCKY RETIREMENT SYSTEM	8/22/08		37,505.89
64947	96	AT&T	8/29/08		663.35
64948	495	RICKY BREWER	8/29/08		95.00
64949	19	CHRISTIAN COUNTY WATER DISTRIC	8/29/08		1,700.84
64950	201	CITY OF HOPKINSVILLE	8/29/08		16,650.00
64951	1069	DGHS DEVELOPMENT GROUP LLC	8/29/08		68.70
64952	1270	FOUR SEASONS CATERING	8/29/08		40.00
64953	226	JV ENGINEERING, INC.	8/29/08		5,575.13
64954	697	VERIZON WIRELESS	8/29/08		824.01
64955	1296	J.R. WAUFORD & COMPANY	8/29/08		53,000.00
64956	369	XEROX CAPITAL SERVICES, LLC	8/29/08		313.47
64957	1341	LEN HALE	9/03/08		264.81
64958	377	MICHAEL A. HIGGS	9/03/08		150.00
64959	202	KENTUCKY STATE TREASURER	9/03/08		4,732.77
64972	91	ATMOS ENERGY	9/05/08		1,381.52
64973	16	CAYCE MILL SUPPLY CO.	9/05/08	9/05/08	654.46
64974	804	CHRISTIAN COUNTY LUMBER & HOME	9/05/08		7.39
64975	433	EMPIRICAL LABORATORIES, LLC.	9/05/08		2,876.00
64976	479	LEE ERVIN	9/05/08		6.18

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
64977	536	FIRST CLASS LAWN SERVICE	9/05/08		2,144.00
64978	42	HOPKINSVILLE ELECTRIC SYSTEM	9/05/08		44,310.23
64979	924	MCGEE PEST CONTROL	9/05/08		84.00
64980	673	MOSS MCGRAW ENVIRONMENTAL LAB	9/05/08		4,280.00
64981	361	AMERICA'S OFFICE SOURCE	9/05/08		492.27
64982	65	PENNYRILE RURAL ELECTRIC	9/05/08		54,609.17
64983	395	PROVIDENT LIFE & ACCIDENT	9/05/08		784.78
64984	157	RANDOLPH HALE ELECTRONICS	9/05/08		132.01
64985	1070	SOUTH UNIVERSITY ONLINE	9/05/08		2,368.00
64986	81	SOUTHERN STATES COOP INC	9/05/08		61.40
64987	1333	JUDY WAYTE	9/05/08		71.30
64988	6	AFLAC	9/05/08		650.63
64989	126	ERIC ALLEN	9/05/08		30.00
64990	79	AT&T	9/05/08		316.14
64991	19	CHRISTIAN COUNTY WATER DISTRICT	9/05/08		15.45
64992	166	HCC FOUNDATION, INC.	9/05/08		1,000.00
64993	959	HEALTH RESOURCES INC	9/05/08		431.23
64994	204	HERITAGE BANK	9/05/08		1,328.81
64995	1251	NEWWAVE COMMUNICATIONS	9/05/08		6.95
64996	958	NORTH AMERICA ADMINISTRATORS	9/05/08		16,452.38
64997	491	OAK GROVE UTILITIES OFFICE	9/05/08	10/09/08	411.79
64998	68	PITNEY BOWES INC	9/05/08		314.00
64999	202	KENTUCKY STATE TREASURER	9/05/08		4,667.89
65000	1225	SUNGARD MAILING SERVICES	9/05/08		5,000.00
65001	16	CAYCE MILL SUPPLY CO.	9/05/08		641.36
65002	243	KENTUCKY LEAGUE OF CITIES - IN	9/08/08		1,569.00
65003	233	PENNYROYAL ARTS COUNCIL	9/08/08		1,285.00
65004	223	PETTY CASH/REFUND DEPOSITS	9/08/08		501.31
65005	3	AGRI POWER INC	9/11/08		197.96
65006	90	AIRGAS MID AMERICA	9/11/08		377.68
65007	317	ALLEN'S YARD SERVICE	9/11/08		150.00
65008	253	AMERICAN CONCRETE INC	9/11/08		1,174.00
65009	443	ARAMARK UNIFORM SERVICES	9/11/08		1,824.01
65010	1294	ASHBY ELECTRIC CO INC	9/11/08		798.67
65011	462	BB&T FINANCIAL, FSB	9/11/08		4,033.00
65012	13	BLUE STREAK PRINTERS	9/11/08		110.00
65013	485	BOBBY OUTLAW DISPOSAL, LLC	9/11/08		5,522.60
65014	1060	BOYD FARM CENTER	9/11/08		13.50
65015	61	BRENNTAG MID-SOUTH INC	9/11/08		9,710.02
65016	180	BUY RITE PARTS & SUPPLY	9/11/08		38.51
65017	525	CAYCE'S PHARMACY INC	9/11/08		46.09
65018	380	CONSTRUCTION SITE SERVICES	9/11/08		1,660.20
65019	452	CORNERSTONE INFORMATION SYSTEM	9/11/08		1,000.00
65020	25	CORNETTE'S	9/11/08		723.53
65021	98	CSX TRANSPORTATION	9/11/08		226.15
65022	601	DEATHERAGE, MYERS & LACKEY	9/11/08		733.79
65023	257	DON'S LOCKSMITH	9/11/08		125.00
65024	483	F2 INDUSTRIES, LLC	9/11/08		10,207.60
65025	1133	GRAYBAR FINANCIAL SERVICES, LL	9/11/08		938.32
65026	487	GRW AERIAL SURVEYS, INC	9/11/08		6,585.00
65027	837	HANNAN SUPPLY COMPANY	9/11/08		456.24

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65028	860	HD SUPPLY WATERWORKS, LTD	9/11/08		4,674.27
65029	38	HOLLAND ELECTRIC COMPANY	9/11/08		2,018.26
65030	39	HOPKINSVILLE AGGREGATE	9/11/08		3,000.39
65031	1271	HOPKINSVILLE DOORS	9/11/08		3,696.30
65032	43	MAX ARNOLD & SONS INC	9/11/08		10,559.57
65033	2011	HOPKINSVILLE SOLID WASTE AUTHO	9/11/08		69.22
65034	47	HOPKINSVILLE WATER ENVIRONMENT	9/11/08		39.00
65035	1206	K & B HYDRAULICS KY	9/11/08		350.00
65036	400	KENNY'S ALIGNMENT CENTER	9/11/08		45.00
65037	110	KEY OIL COMPANY	9/11/08		2,939.37
65038	933	LAWNCUTTERS	9/11/08		72.43
65039	51	LEE MASONRY PRODUCTS LLC	9/11/08		176.40
65040	112	LEE RENTS	9/11/08		381.35
65041	916	MICKEYD INC	9/11/08		12,616.77
65042	60	NEPTUNE EQUIPMENT COMPANY	9/11/08		202.42
65043	444	NICH-CHEM	9/11/08		10,057.50
65044	24	O'REILLY AUTO PARTS INC	9/11/08		912.55
65045	1207	PALCO ENTERPRISES	9/11/08		582.84
65046	65	PENNYRILE RURAL ELECTRIC	9/11/08		7,013.85
65047	156	PETTER SUPPLY COMPANY	9/11/08		95.04
65048	70	POWELL'S WELDING & METAL SALES	9/11/08		6.00
65049	120	PREISER SCIENTIFIC INC	9/11/08		1,765.89
65050	125	RABEN TIRE COMPANY	9/11/08		919.85
65051	442	RANDY'S AUTOMOTIVE	9/11/08		227.12
65052	1229	ROMAINE COMPANIES	9/11/08		200.00
65053	445	SHELBY'S TRUCK BEDS & EQUIPMEN	9/11/08		253.00
65054	1134	SOUTHERN SALES COMPANY INC	9/11/08		1,216.70
65055	255	SRECO SEWER RODDING EQUIPMENT	9/11/08		500.00
65056	560	C.I. THORNBURG CO INC	9/11/08		3,008.98
65057	961	TRI STATE BEARING CO INC	9/11/08		624.07
65058	1066	THE UPS STORE	9/11/08		86.80
65059	604	USA BLUE BOOK	9/11/08		437.11
65060	671	WHAYNE SUPPLY COMPANY	9/11/08		28.38
65061	417	WILSON ALARM COMPANY	9/11/08		123.00
65062	94	YOUNG HARDWARE CO	9/11/08		33.49
65063	129	HOPK./CC CHAMBER OF COMMERCE	9/11/08		1,000.00
65064	47	HOPKINSVILLE WATER ENVIRONMENT	9/11/08		627.00
65065	1065	KENTUCKY UTILITIES COMPANY	9/11/08		636.74
65066	1071	LISA FULLER	9/11/08		400.00
65067	198	GARNEY COMPANIES, INC.	9/16/08		859,374.41
65068	1072	SINKING FORK BAPTIST CHURCH	9/16/08		5,000.00
65083	6	AFLAC	9/19/08		650.63
65084	79	AT&T	9/19/08		905.62
65085	1033	AT&T LONG DISTANCE SERVICE	9/19/08		31.83
65086	1073	FELLON-MCCORD & ASSOCIATES	9/19/08		1,000.00
65087	204	HERITAGE BANK	9/19/08		1,328.81
65088	42	HOPKINSVILLE ELECTRIC SYSTEM	9/19/08		153.32
65089	109	KENTUCKY STATE TREASURER	9/19/08		13,850.07
65090	65	PENNYRILE RURAL ELECTRIC	9/19/08		1,303.62
65091	344	W. ROGERS COMPANY	9/19/08		179,838.47
65092	1225	SUNGARD MAILING SERVICES	9/19/08		4,605.75

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65093	1329	UK INCOME TAX SEMINAR	9/19/08		229.00
65094	91	ATMOS ENERGY	9/19/08		277.38
65095	1075	RANDY ARNOLD	9/23/08		35,000.00
65096	1353	MARSHALL THOMAS	9/23/08		600.00
65097	96	AT&T	9/26/08		663.85
65098	1183	B & H AUTOMOTIVE LLC	9/26/08		145.00
65099	201	CITY OF HOPKINSVILLE	9/26/08	12/10/08	11,110.00
65100	1396	MARCUS DOXIE	9/26/08		19.96
65101	1310	FRANCOTYP-POSTALIA INC	9/26/08		66.00
65102	1394	JUSTIN GAMBLIN	9/26/08		58.98
65103	43	MAX ARNOLD & SONS INC	9/26/08		4,280.20
65104	47	HOPKINSVILLE WATER ENVIRONMENT	9/26/08		39.00
65105	984	HOUSING AUTHORITY OF HOPKINSVI	9/26/08		45.98
65106	754	JENNIE STUART MEDICAL CENTER	9/26/08		293.00
65107	1076	CURTIS LENZ	9/26/08		420.00
65108	428	MASON JAR	9/26/08		60.00
65109	981	OFFICEMAX CREDIT PLAN	9/26/08		158.76
65110	1395	H.E. PEACE	9/26/08		102.21
65111	648	HOPK.-CHRISTIAN CO. PLANNING C	9/26/08		9,308.41
65112	395	PROVIDENT LIFE & ACCIDENT	9/26/08		781.01
65113	1328	TRI-STATE MAILING SYSTEMS INC	9/26/08		150.00
65114	697	VERIZON WIRELESS	9/26/08		824.01
65115	89	WASTE MANAGEMENT OF KY LLC	9/26/08		111.61
65116	455	WESTERN KENTUCKY UNIVERSITY	9/26/08		420.00
65117	1078	WILDCAT COMPUTER SERVICES	9/26/08		77.97
65118	369	XEROX CAPITAL SERVICES, LLC	9/26/08	10/16/08	313.47
65119	201	CITY OF HOPKINSVILLE	9/26/08		217.55
65131	1341	LEN HALE	10/02/08		289.06
65132	1098	RUDOLPH'S AUTO SALES	10/02/08		6,100.00
65133	201	CITY OF HOPKINSVILLE	10/03/08		3,994.32
65134	481	CITY OF OAK GROVE	10/03/08		133.53
65135	203	KENTUCKY RETIREMENT SYSTEM	10/03/08		37,404.95
65136	202	KENTUCKY STATE TREASURER	10/03/08		4,574.95
65137	6	AFLAC	10/06/08		650.63
65138	16	CAYCE MILL SUPPLY CO.	10/06/08		333.26
65139	19	CHRISTIAN COUNTY WATER DISTRIC	10/06/08		1,458.34
65140	204	HERITAGE BANK	10/06/08		1,309.58
65141	42	HOPKINSVILLE ELECTRIC SYSTEM	10/06/08		47,126.00
65142	65	PENNYRILE RURAL ELECTRIC	10/06/08		55,000.14
65143	223	PETTY CASH/REFUND DEPOSITS	10/06/08		441.83
65144	1333	JUDY WAYTE	10/06/08		74.69
65145	404	AGRI CHEM INC	10/10/08		110.53
65146	3	AGRI POWER INC	10/10/08		131.92
65147	90	AIRGAS MID AMERICA	10/10/08		717.72
65148	317	ALLEN'S YARD SERVICE	10/10/08		150.00
65149	253	AMERICAN CONCRETE INC	10/10/08		1,097.75
65150	197	ANALYTICAL PRODUCTS GROUP	10/10/08		125.00
65151	91	ATMOS ENERGY	10/10/08		1,317.26
65152	796	B & G EQUIPMENT LLC	10/10/08		1,187.51
65153	462	BB&T FINANCIAL, FSB	10/10/08		985.51
65154	13	BLUE STREAK PRINTERS	10/10/08		95.00

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65155	485	BOBBY OUTLAW DISPOSAL, LLC	10/10/08		6,679.62
65156	61	BRENNTAG MID-SOUTH INC	10/10/08		15,059.94
65157	180	BUY RITE PARTS & SUPPLY	10/10/08		17.99
65158	726	CHRISTIAN COUNTY CLERK	10/10/08		33.75
65159	804	CHRISTIAN COUNTY LUMBER & HOME	10/10/08		34.95
65160	380	CONSTRUCTION SITE SERVICES	10/10/08		3,757.64
65161	452	CORNERSTONE INFORMATION SYSTEM	10/10/08		1,000.00
65162	25	CORNETTE'S	10/10/08		404.92
65163	1018	CUMBERLAND TECHNOLOGIES, INC.	10/10/08		70.00
65164	601	DEATHERAGE, MYERS & LACKEY	10/10/08		2,303.58
65165	176	DON'S WRECKER SERVICE	10/10/08		45.00
65166	499	THE EAGLE POST	10/10/08		199.00
65167	433	EMPIRICAL LABORATORIES, LLC.	10/10/08		5,395.00
65168	703	ESRI	10/10/08		400.00
65169	1001	FASTENAL COMPANY	10/10/08		445.47
65170	982	FILTER BELTS INC	10/10/08		792.93
65171	536	FIRST CLASS LAWN SERVICE	10/10/08		2,144.00
65172	483	F2 INDUSTRIES, LLC	10/10/08		5,103.80
65173	555	GEOCORP, INC	10/10/08		95.42
65174	528	GEOGHEGAN ROOFING/SUPPLY	10/10/08		1,167.16
65175	1133	GRAYBAR FINANCIAL SERVICES, LL	10/10/08		903.74
65176	33	HACH COMPANY	10/10/08		542.47
65177	837	HANNAN SUPPLY COMPANY	10/10/08		8.10
65178	860	HD SUPPLY WATERWORKS, LTD	10/10/08		2,015.99
65179	38	HOLLAND ELECTRIC COMPANY	10/10/08		10,849.45
65180	39	HOPKINSVILLE AGGREGATE	10/10/08		1,530.83
65181	1271	HOPKINSVILLE DOORS	10/10/08		245.00
65182	43	MAX ARNOLD & SONS INC	10/10/08		4,878.00
65183	2011	HOPKINSVILLE SOLID WASTE AUTHO	10/10/08		63.18
65184	1206	K & B HYDRAULICS KY	10/10/08		558.27
65185	49	KENTUCKY NEW ERA	10/10/08		150.00
65186	110	KEY OIL COMPANY	10/10/08		3,466.97
65187	112	LEE RENTS	10/10/08		155.54
65188	1074	LIGHT'S PLUMBING & ELECTRIC, I	10/10/08		68.97
65189	1192	LOWE'S COMPANIES INC	10/10/08		180.17
65190	924	MCGEE PEST CONTROL	10/10/08		84.00
65191	1305	MEDI, INC	10/10/08		365.00
65192	916	MICKEYD INC	10/10/08		8,666.63
65193	54	MILLIPORE CORPORATION	10/10/08		201.17
65194	673	MOSS MCGRAW ENVIRONMENTAL LAB	10/10/08		6,515.00
65195	247	MOTION INDUSTRIES INC	10/10/08		4,698.56
65196	361	AMERICA'S OFFICE SOURCE	10/10/08		492.07
65197	60	NEPTUNE EQUIPMENT COMPANY	10/10/08		2,460.00
65198	444	NICH-CHEM	10/10/08		20,079.00
65199	24	O'REILLY AUTO PARTS INC	10/10/08		440.09
65200	491	OAK GROVE UTILITIES OFFICE	10/10/08		21,996.71
65201	389	PADUCAH BLUEPRINT SUPPLY	10/10/08		295.00
65202	1207	PALCO ENTERPRISES	10/10/08		491.00
65203	1177	PENNYRILE FORD-LINCOLN-MERCURY	10/10/08		39.41
65204	115	PENNYRILE MACHINE CO., INC.	10/10/08		54.00
65205	156	PETTER SUPPLY COMPANY	10/10/08		170.80

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65206	482	POLYDYNE, INC.	10/10/08		2,034.00
65207	392	PRO MECH AUTOMOTIVE SERVICES	10/10/08		466.01
65208	125	RABEN TIRE COMPANY	10/10/08		405.21
65209	157	RANDOLPH HALE ELECTRONICS	10/10/08		74.29
65210	442	RANDY'S AUTOMOTIVE	10/10/08		21.32
65211	73	REMEL INC	10/10/08		555.79
65212	1240	ROGERS CHEMICAL RESOURCES LLC	10/10/08		341.25
65213	1229	ROMAINE COMPANIES	10/10/08		206.50
65214	453	R.A. ROSS & ASSOCIATES	10/10/08		361.66
65215	445	SHELBY'S TRUCK BEDS & EQUIPMEN	10/10/08		1,833.31
65216	925	DAVIS PROCESS	10/10/08		4,770.00
65217	669	IONPURE INC	10/10/08		498.00
65218	80	SOUTHERN PRINTING INC	10/10/08		382.00
65219	1134	SOUTHERN SALES COMPANY INC	10/10/08		5,523.92
65220	323	STRINGFELLOW, INC.	10/10/08		40.01
65221	976	T & P SALES INC	10/10/08		226.29
65222	527	TATUM'S AUTO REPAIR & TOWING	10/10/08		100.00
65223	560	C.I. THORNBURG CO INC	10/10/08		3,516.27
65224	961	TRI STATE BEARING CO INC	10/10/08		50.00
65225	493	TRI-STATE INTERNATIONAL TRUCKS	10/10/08		30.01
65226	1066	THE UPS STORE	10/10/08		245.37
65227	604	USA BLUE BOOK	10/10/08		129.28
65228	671	WHAYNE SUPPLY COMPANY	10/10/08		604.10
65229	94	YOUNG HARDWARE CO	10/10/08		98.52
65230	79	AT&T	10/10/08		1,156.97
65231	19	CHRISTIAN COUNTY WATER DISTRIC	10/10/08		16.48
65232	481	CITY OF OAK GROVE	10/10/08		100.00
65233	959	HEALTH RESOURCES INC	10/10/08		431.23
65234	47	HOPKINSVILLE WATER ENVIRONMENT	10/10/08		627.00
65235	1065	KENTUCKY UTILITIES COMPANY	10/10/08		519.15
65236	242	KENTUCKY STATE TREASURER	10/10/08		90.00
65237	321	METCALFE FLORAL COMPANY	10/10/08		47.00
65238	958	NORTH AMERICA ADMINISTRATORS	10/10/08		16,197.64
65239	78	STAFF PARTNERS, INC.	10/10/08		600.00
65240	202	KENTUCKY STATE TREASURER	10/10/08		4,541.27
65241	1225	SUNGARD MAILING SERVICES	10/10/08		5,000.00
65242	1225	SUNGARD MAILING SERVICES	10/10/08		4,213.72
65254	1087	BILLY'S VAN & TRUCK PARTS	10/17/08		105.00
65255	491	OAK GROVE UTILITIES OFFICE	10/17/08		5,096.58
65256	369	XEROX CAPITAL SERVICES, LLC	10/17/08		313.47
65257	6	AFLAC	10/17/08		650.63
65258	91	ATMOS ENERGY	10/17/08		222.05
65259	460	BILLNM PROPERTIES, LLC	10/17/08		7,000.00
65260	42	HOPKINSVILLE ELECTRIC SYSTEM	10/17/08		162.28
65261	226	JV ENGINEERING, INC.	10/17/08		11,344.15
65262	1251	NEWWAVE COMMUNICATIONS	10/17/08		6.95
65263	1080	PENNYRILE COLLECTION INC	10/17/08		2,196.82
65264	78	STAFF PARTNERS, INC.	10/17/08		600.00
65265	537	SUNSHINE FILTERS OF PINELLAS,	10/17/08		504.34
65266	1315	U.S. POSTAL SERVICE	10/17/08		500.00
65267	89	WASTE MANAGEMENT OF KY LLC	10/17/08		112.67

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65268	204	HERITAGE BANK	10/17/08		1,309.58
65269	443	ARAMARK UNIFORM SERVICES	10/20/08		2,889.13
65270	109	KENTUCKY STATE TREASURER	10/20/08		14,930.42
65271	1353	MARSHALL THOMAS	10/20/08		600.00
65272	96	AT&T	10/24/08		663.85
65273	79	AT&T	10/24/08		109.17
65274	1033	AT&T LONG DISTANCE SERVICE	10/24/08		36.99
65275	903	BUSINESS & LEGAL REPORTS	10/24/08		725.06
65276	176	DON'S WRECKER SERVICE	10/24/08		50.00
65277	538	MELISSA FARMER	10/24/08		112.69
65278	1270	FOUR SEASONS CATERING	10/24/08		40.00
65279	1400	DONALD HARRIS, JR	10/24/08		15.01
65280	47	HOPKINSVILLE WATER ENVIRONMENT	10/24/08		39.00
65281	984	HOUSING AUTHORITY OF HOPKINSVI	10/24/08		45.99
65282	754	JENNIE STUART MEDICAL CENTER	10/24/08		206.00
65283	540	MONTGOMERY VOLUNTEER FIRE DEPT	10/24/08		50.00
65284	981	OFFICEMAX CREDIT PLAN	10/24/08		151.97
65285	65	PENNYRILE RURAL ELECTRIC	10/24/08		1,304.55
65286	1399	APRIL MONICA SMITH	10/24/08		5.33
65287	81	SOUTHERN STATES COOP INC	10/24/08		261.85
65288	78	STAFF PARTNERS, INC.	10/24/08		600.00
65289	1397	JESSICA H. STREET	10/24/08		8.26
65290	454	WESTERFIELD BUILDERS, INC.	10/24/08		6,859.00
65291	369	XEROX CAPITAL SERVICES, LLC	10/24/08		620.55
65292	1398	CHANG JUN ZHOU	10/24/08		6.36
65307	6	AFLAC	10/31/08		650.63
65308	16	CAYCE MILL SUPPLY CO.	10/31/08		581.56
65309	726	CHRISTIAN COUNTY CLERK	10/31/08		150.00
65310	19	CHRISTIAN COUNTY WATER DISTRIC	10/31/08		1,251.76
65311	539	D & M PAINTING CORPORATION	10/31/08		81,358.20
65312	210	EMPLOYEES SPECIAL FUND	10/31/08	10/31/08	11,110.00
65313	204	HERITAGE BANK	10/31/08		1,309.58
65314	42	HOPKINSVILLE ELECTRIC SYSTEM	10/31/08		279.89
65315	195	KENTUCKY DEPARTMENT OF TREASUR	10/31/08		14,767.38
65316	1296	J.R. WAUFORD & COMPANY	10/31/08		12,380.02
65317	201	CITY OF HOPKINSVILLE	10/31/08		11,110.00
65318	90	AIRGAS MID AMERICA	11/07/08		327.72
65319	91	ATMOS ENERGY	11/07/08		1,201.59
65320	796	B & G EQUIPMENT LLC	11/07/08		10.98
65321	462	BB&T FINANCIAL, FSB	11/07/08		685.18
65322	13	BLUE STREAK PRINTERS	11/07/08		152.00
65323	485	BOBBY OUTLAW DISPOSAL, LLC	11/07/08		4,388.76
65324	525	CAYCE'S PHARMACY INC	11/07/08		42.00
65325	784	CLOW WATER SYSTEMS COMPANY	11/07/08		14,105.64
65326	380	CONSTRUCTION SITE SERVICES	11/07/08		2,700.41
65327	25	CORNETTE'S	11/07/08		724.57
65328	601	DEATHERAGE, MYERS & LACKEY	11/07/08		1,297.50
65329	499	THE EAGLE POST	11/07/08		250.00
65330	433	EMPIRICAL LABORATORIES, LLC.	11/07/08		1,346.00
65331	1310	FRANCOTYP-POSTALIA INC	11/07/08		66.00
65332	483	F2 INDUSTRIES, LLC	11/07/08		5,103.80



CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65333	940	G & S EMBROIDERY	11/07/08		85.50
65334	1133	GRAYBAR FINANCIAL SERVICES, LL	11/07/08		921.03
65335	448	GREATER HOP CHAMBER COMMUNITY	11/07/08		1,000.00
65336	1341	LEN HALE	11/07/08		366.66
65337	860	HD SUPPLY WATERWORKS, LTD	11/07/08		29,502.04
65338	38	HOLLAND ELECTRIC COMPANY	11/07/08		1,400.95
65339	42	HOPKINSVILLE ELECTRIC SYSTEM	11/07/08		44,765.46
65340	2011	HOPKINSVILLE SOLID WASTE AUTHO	11/07/08		166.06
65341	45	IKT SERVICE INC	11/07/08		8.48
65342	544	RICHARD KNIGHT	11/07/08		30.00
65343	933	LAWNCUTTERS	11/07/08		10.55
65344	51	LEE MASONRY PRODUCTS LLC	11/07/08		13.00
65345	1192	LOWE'S COMPANIES INC	11/07/08		138.03
65346	924	MCGEE PEST CONTROL	11/07/08		84.00
65347	673	MOSS MCGRAW ENVIRONMENTAL LAB	11/07/08		1,325.00
65348	142	NASHVILLE RUBBER & GASKET INC	11/07/08		610.98
65349	444	NICH-CHEM	11/07/08		15,883.20
65350	24	O'REILLY AUTO PARTS INC	11/07/08		422.53
65351	146	ORBECO-HELLIGE, INC.	11/07/08		29.12
65352	389	PADUCAH BLUEPRINT SUPPLY	11/07/08		111.15
65353	1207	PALCO ENTERPRISES	11/07/08		468.00
65354	65	PENNYRILE RURAL ELECTRIC	11/07/08		68,351.86
65355	223	PETTY CASH/REFUND DEPOSITS	11/07/08		180.00
65356	70	POWELL'S WELDING & METAL SALES	11/07/08		8.18
65357	392	PRO MECH AUTOMOTIVE SERVICES	11/07/08		716.55
65358	395	PROVIDENT LIFE & ACCIDENT	11/07/08		1,274.23
65359	125	RABEN TIRE COMPANY	11/07/08		52.00
65360	157	RANDOLPH HALE ELECTRONICS	11/07/08		56.99
65361	953	SEARS COMMERCIAL ONE	11/07/08		139.99
65362	78	STAFF PARTNERS, INC.	11/07/08		2,044.43
65363	961	TRI STATE BEARING CO INC	11/07/08		402.50
65364	542	TRIGG COUNTY FISCAL COURT	11/07/08		70,312.00
65365	1002	UNIFORMS PLUS & CARHARTT	11/07/08		1,247.00
65366	1066	THE UPS STORE	11/07/08		96.25
65367	604	USA BLUE BOOK	11/07/08		477.35
65368	697	VERIZON WIRELESS	11/07/08		787.81
65369	541	WATERWORKS CAR WASH & LUBE	11/07/08		168.00
65370	1333	JUDY WAYTE	11/07/08		78.08
65371	94	YOUNG HARDWARE CO	11/07/08		87.02
65372	79	AT&T	11/07/08		1,174.12
65373	19	CHRISTIAN COUNTY WATER DISTRIC	11/07/08		16.54
65374	201	CITY OF HOPKINSVILLE	11/07/08		5,874.34
65375	481	CITY OF OAK GROVE	11/07/08		196.06
65376	959	HEALTH RESOURCES INC	11/07/08		431.23
65377	47	HOPKINSVILLE WATER ENVIRONMENT	11/07/08		648.00
65378	1401	SCOTTY JONES	11/07/08		820.00
65379	203	KENTUCKY RETIREMENT SYSTEM	11/07/08		55,413.59
65380	1065	KENTUCKY UTILITIES COMPANY	11/07/08		501.70
65381	1251	NEWWAVE COMMUNICATIONS	11/07/08		6.95
65382	958	NORTH AMERICA ADMINISTRATORS	11/07/08		16,197.64
65383	89	WASTE MANAGEMENT OF KY LLC	11/07/08		109.34

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65384	417	WILSON ALARM COMPANY	11/07/08		54.00
65385	202	KENTUCKY STATE TREASURER	11/07/08		9,091.30
65395	253	AMERICAN CONCRETE INC	11/14/08		522.00
65396	197	ANALYTICAL PRODUCTS GROUP	11/14/08		961.00
65397	443	ARAMARK UNIFORM SERVICES	11/14/08		1,991.46
65398	61	BRENNTAG MID-SOUTH INC	11/14/08		9,082.72
65399	452	CORNERSTONE INFORMATION SYSTEM	11/14/08		1,000.00
65400	545	D2 ENERGY, LLC	11/14/08		2,103.75
65401	33	HACH COMPANY	11/14/08		1,596.89
65402	39	HOPKINSVILLE AGGREGATE	11/14/08		4,044.84
65403	43	MAX ARNOLD & SONS INC	11/14/08		8,830.93
65404	1153	HYDRASERVE, INC.	11/14/08		2,882.10
65405	110	KEY OIL COMPANY	11/14/08		2,632.02
65406	295	KNIGHT REFRIGERATION	11/14/08		35.00
65407	1266	LABORATORY PRODUCTS	11/14/08		42.46
65408	916	MICKEYD INC	11/14/08		5,165.75
65409	60	NEPTUNE EQUIPMENT COMPANY	11/14/08		191.15
65410	361	AMERICA'S OFFICE SOURCE	11/14/08		596.79
65411	120	PREISER SCIENTIFIC INC	11/14/08		174.04
65412	1235	PROWELL'S EQUIPMENT REPAIR	11/14/08		1,542.48
65413	1240	ROGERS CHEMICAL RESOURCES LLC	11/14/08		341.25
65414	1229	ROMAINE COMPANIES	11/14/08		276.00
65415	445	SHELBY'S TRUCK BEDS & EQUIPMEN	11/14/08		1,408.39
65416	560	C.I. THORNBURG CO INC	11/14/08		1,918.71
65417	1311	TRACTOR SUPPLY CREDIT PLAN	11/14/08		91.98
65418	6	AFLAC	11/14/08		650.63
65419	1033	AT&T LONG DISTANCE SERVICE	11/14/08		31.86
65420	91	ATMOS ENERGY	11/14/08		414.52
65421	495	RICKY BREWER	11/14/08		63.00
65422	204	HERITAGE BANK	11/14/08		1,309.58
65423	42	HOPKINSVILLE ELECTRIC SYSTEM	11/14/08		151.11
65424	491	OAK GROVE UTILITIES OFFICE	11/14/08		3,120.82
65425	1080	PENNYRILE COLLECTION INC	11/14/08		1,297.17
65426	78	STAFF PARTNERS, INC.	11/14/08		1,588.80
65427	202	KENTUCKY STATE TREASURER	11/14/08		4,631.89
65428	109	KENTUCKY STATE TREASURER	11/20/08		13,446.09
65429	317	ALLEN'S YARD SERVICE	11/21/08		150.00
65430	96	AT&T	11/21/08		663.85
65431	79	AT&T	11/21/08		109.17
65432	19	CHRISTIAN COUNTY WATER DISTRICT	11/21/08		1,327.68
65433	201	CITY OF HOPKINSVILLE	11/21/08		11,110.00
65434	539	D & M PAINTING CORPORATION	11/21/08		123,962.40
65435	1073	FELLON-MCCORD & ASSOCIATES	11/21/08	12/10/08	6,048.73
65436	1270	FOUR SEASONS CATERING	11/21/08		40.00
65437	1402	JAMES GRIFFITH	11/21/08		820.00
65438	47	HOPKINSVILLE WATER ENVIRONMENT	11/21/08		39.00
65439	984	HOUSING AUTHORITY OF HOPKINSVI	11/21/08		45.21
65440	226	JV ENGINEERING, INC.	11/21/08		7,666.53
65441	65	PENNYRILE RURAL ELECTRIC	11/21/08		1,390.73
65442	816	STERICYCLE INC	11/21/08		264.21
65443	1225	SUNGARD MAILING SERVICES	11/21/08		10,904.34

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65444	369	XEROX CAPITAL SERVICES, LLC	11/21/08		317.90
65457	6	AFLAC	12/03/08		650.63
65458	16	CAYCE MILL SUPPLY CO.	12/03/08		1,202.46
65459	1341	LEN HALE	12/03/08		330.42
65460	204	HERITAGE BANK	12/03/08		1,309.58
65461	42	HOPKINSVILLE ELECTRIC SYSTEM	12/03/08		39,629.90
65462	243	KENTUCKY LEAGUE OF CITIES - IN	12/03/08		4,009.00
65463	981	OFFICEMAX CREDIT PLAN	12/03/08		116.31
65464	65	PENNYRILE RURAL ELECTRIC	12/03/08		70,792.78
65465	223	PETTY CASH/REFUND DEPOSITS	12/03/08		15.10
65466	395	PROVIDENT LIFE & ACCIDENT	12/03/08		645.56
65467	78	STAFF PARTNERS, INC.	12/03/08		2,777.75
65468	697	VERIZON WIRELESS	12/03/08		778.96
65469	201	CITY OF HOPKINSVILLE	12/03/08		3,995.12
65470	481	CITY OF OAK GROVE	12/03/08		130.38
65471	204	HERITAGE BANK	12/03/08		7,000.00
65472	203	KENTUCKY RETIREMENT SYSTEM	12/03/08		37,410.68
65473	202	KENTUCKY STATE TREASURER	12/03/08		4,660.66
65474	129	HOPK./CC CHAMBER OF COMMERCE	12/03/08		700.00
65475	1403	CHRISTIAN COUNTY BAND BOOSTERS	12/03/08		500.00
65476	19	CHRISTIAN COUNTY WATER DISTRIC	12/03/08		16.48
65477	1327	DODGE STORE	12/03/08		204.00
65478	262	ECONOMIC DEVELOPMENT COUNCIL	12/03/08		2,500.00
65479	198	GARNEY COMPANIES, INC.	12/03/08		100,000.00
65480	959	HEALTH RESOURCES INC	12/03/08		431.23
65481	36	HIGGINS INSURANCE INC	12/03/08		136,575.00
65482	251	HOPKINSVILLE POSTMASTER	12/03/08		106.00
65483	1251	NEWWAVE COMMUNICATIONS	12/03/08		6.95
65484	958	NORTH AMERICA ADMINISTRATORS	12/03/08		16,500.40
65485	491	OAK GROVE UTILITIES OFFICE	12/03/08		458.37
65486	150	PENNYROYAL AREA MUSEUM	12/03/08		600.00
65487	548	PINNACLE DATA SYSTEMS	12/03/08		5,000.00
65488	1353	MARSHALL THOMAS	12/03/08		3,000.00
65489	89	WASTE MANAGEMENT OF KY LLC	12/03/08		106.30
65508	90	AIRGAS MID AMERICA	12/12/08		612.01
65509	253	AMERICAN CONCRETE INC	12/12/08		771.75
65510	197	ANALYTICAL PRODUCTS GROUP	12/12/08		819.00
65511	1096	ASHLAND SPECIALTY CHEMICALS	12/12/08		1,008.00
65512	91	ATMOS ENERGY	12/12/08		2,492.85
65513	462	BB&T FINANCIAL, FSB	12/12/08		387.13
65514	13	BLUE STREAK PRINTERS	12/12/08		154.00
65515	485	BOBBY OUTLAW DISPOSAL, LLC	12/12/08		3,296.52
65516	1060	BOYD FARM CENTER	12/12/08		20.03
65517	61	BRENNIAG MID-SOUTH INC	12/12/08		3,397.30
65518	180	BUY RITE PARTS & SUPPLY	12/12/08		101.56
65519	751	CANSLER EXCAVATING	12/12/08		97.50
65520	525	CAYCE'S PHARMACY INC	12/12/08		20.82
65521	380	CONSTRUCTION SITE SERVICES	12/12/08		3,589.25
65522	452	CORNERSTONE INFORMATION SYSTEM	12/12/08		1,880.00
65523	25	CORNETTE'S	12/12/08		258.30
65524	176	DON'S WRECKER SERVICE	12/12/08		89.00

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65525	499	THE EAGLE POST	12/12/08		50.00
65526	433	EMPIRICAL LABORATORIES, LLC.	12/12/08		3,143.00
65527	1001	FASTENAL COMPANY	12/12/08		9.15
65528	1073	FELLON-MCCORD & ASSOCIATES	12/12/08		6,048.73
65529	483	F2 INDUSTRIES, LLC	12/12/08		5,103.80
65530	940	G & S EMBROIDERY	12/12/08		9.00
65531	555	GECCORP, INC	12/12/08		89.24
65532	1133	GRAYBAR FINANCIAL SERVICES, LL	12/12/08		921.03
65533	33	HACH COMPANY	12/12/08		819.46
65534	860	HD SUPPLY WATERWORKS, LTD	12/12/08		1,999.37
65535	38	HOLLAND ELECTRIC COMPANY	12/12/08		3,514.45
65536	39	HOPKINSVILLE AGGREGATE	12/12/08		1,330.81
65537	1104	HOPKINSVILLE SIGN SERVICE	12/12/08		36.00
65538	2011	HOPKINSVILLE SOLID WASTE AUTHO	12/12/08		953.13
65539	1266	LABORATORY PRODUCTS	12/12/08		177.00
65540	933	LAWNCUTTERS	12/12/08		29.50
65541	1192	LOWE'S COMPANIES INC	12/12/08		132.50
65542	320	MAPSYNC	12/12/08		580.00
65543	924	MCGEE PEST CONTROL	12/12/08		84.00
65544	1008	DAN MEADOWS CONSTRUCTION CO.	12/12/08		300.00
65545	321	METCALFE FLORAL COMPANY	12/12/08		36.00
65546	916	MICKEYD INC	12/12/08		2,604.81
65547	673	MOSS MCGRAW ENVIRONMENTAL LAB	12/12/08		3,370.00
65548	60	NEPTUNE EQUIPMENT COMPANY	12/12/08		1,685.00
65549	444	NICH-CHEM	12/12/08		10,035.00
65550	24	O'REILLY AUTO PARTS INC	12/12/08		295.91
65551	361	AMERICA'S OFFICE SOURCE	12/12/08		416.39
65552	470	ORR SAFETY CORPORATION	12/12/08		35.59
65553	340	P & S FARMS	12/12/08		137.50
65554	546	PACTEC, INC.	12/12/08		560.48
65555	1207	PALCO ENTERPRISES	12/12/08		508.00
65556	156	PETER SUPPLY COMPANY	12/12/08		129.02
65557	549	HENRY PRATT COMPANY	12/12/08		326.53
65558	392	PRO MECH AUTOMOTIVE SERVICES	12/12/08		110.67
65559	1235	PROWELL'S EQUIPMENT REPAIR	12/12/08		83.97
65560	125	RABEN TIRE COMPANY	12/12/08		977.04
65561	157	RANDOLPH HALE ELECTRONICS	12/12/08		142.83
65562	442	RANDY'S AUTOMOTIVE	12/12/08		674.04
65563	1229	ROMAINE COMPANIES	12/12/08		38.00
65564	917	SEAY OIL COMPANY	12/12/08		132.28
65565	78	STAFF PARTNERS, INC.	12/12/08		1,111.00
65566	560	C.I. THORNBURG CO INC	12/12/08		2,571.30
65567	244	TRACER ELECTRONICS, LLC	12/12/08		67.95
65568	961	TRI STATE BEARING CO INC	12/12/08		247.09
65569	1066	THE UPS STORE	12/12/08		42.52
65570	541	WATERWORKS CAR WASH & LUBE	12/12/08		26.98
65571	1333	JUDY WAYTE	12/12/08		67.90
65572	455	WESTERN KENTUCKY UNIVERSITY	12/12/08		840.00
65573	417	WILSON ALARM COMPANY	12/12/08		123.00
65574	94	YOUNG HARDWARE CO	12/12/08		17.01
65575	6	AFLAC	12/12/08		650.63

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65576	79	AT&T	12/12/08		1,164.23
65577	550	THOMAS BERRY	12/12/08		50.25
65578	460	BILLNM PROPERTIES, LLC	12/12/08		1,000.00
65579	705	WILLIAM J. CHAUDOIN, JR	12/12/08		103.50
65580	201	CITY OF HOPKINSVILLE	12/12/08		11,110.00
65581	166	HCC FOUNDATION, INC.	12/12/08		1,000.00
65582	204	HERITAGE BANK	12/12/08		1,309.58
65583	47	HOPKINSVILLE WATER ENVIRONMENT	12/12/08		648.00
65584	1065	KENTUCKY UTILITIES COMPANY	12/12/08		596.08
65585	548	PINNACLE DATA SYSTEMS	12/12/08		3,866.99
65586	1315	U.S. POSTAL SERVICE	12/12/08		500.00
65587	179	DERRICK WATSON	12/12/08		52.70
65588	1098	RUDOLPH'S AUTO SALES	12/15/08		6,100.00
65589	1098	RUDOLPH'S AUTO SALES	12/15/08		6,500.00
65590	443	ARAMARK UNIFORM SERVICES	12/19/08		1,913.78
65591	551	BERRY TRUCKING, INC.	12/19/08		452.58
65592	601	DEATHERAGE, MYERS & LACKEY	12/19/08		946.64
65593	41	HOPKINSVILLE ELECTRIC MOTOR SE	12/19/08		118.26
65594	43	MAX ARNOLD & SONS INC	12/19/08		4,276.95
65595	754	JENNIE STUART MEDICAL CENTER	12/19/08		545.00
65596	110	KEY OIL COMPANY	12/19/08		964.38
65597	1159	SOUTHERN MECHANICAL	12/19/08		1,890.00
65598	91	ATMOS ENERGY	12/19/08		1,734.99
65599	201	CITY OF HOPKINSVILLE	12/19/08		223.29
65600	539	D & M PAINTING CORPORATION	12/19/08		306,169.42
65601	1132	EAGLE AMBASSADOR	12/19/08		250.00
65602	204	HERITAGE BANK	12/19/08		400.00
65603	42	HOPKINSVILLE ELECTRIC SYSTEM	12/19/08		149.41
65604	109	KENTUCKY STATE TREASURER	12/19/08		12,727.93
65605	65	PENNYRILE RURAL ELECTRIC	12/19/08		1,433.35
65606	1117	HDR/QUEST ENGINEERING INC	12/19/08		9,558.00
65607	78	STAFF PARTNERS, INC.	12/19/08		1,976.55
65608	202	KENTUCKY STATE TREASURER	12/19/08		5,045.59
65609	1296	J.R. WAUFORD & COMPANY	12/19/08		23,025.17
65622	6	AFLAC	12/30/08		650.63
65623	96	AT&T	12/30/08		666.85
65624	79	AT&T	12/30/08		109.17
65625	1033	AT&T LONG DISTANCE SERVICE	12/30/08		24.23
65626	19	CHRISTIAN COUNTY WATER DISTRICT	12/30/08		1,140.71
65627	201	CITY OF HOPKINSVILLE	12/30/08		11,110.00
65628	204	HERITAGE BANK	12/30/08		1,309.58
65629	42	HOPKINSVILLE ELECTRIC SYSTEM	12/30/08		160.29
65630	984	HOUSING AUTHORITY OF HOPKINSVILLE	12/30/08		45.21
65631	754	JENNIE STUART MEDICAL CENTER	12/30/08		118.00
65632	552	LAKESHORE ENGINEERING SERVICES	12/30/08		13,034.70
65633	65	PENNYRILE RURAL ELECTRIC	12/30/08		67,140.15
65634	395	PROVIDENT LIFE & ACCIDENT	12/30/08		785.18
65635	697	VERIZON WIRELESS	12/30/08		789.24
65636	369	XEROX CAPITAL SERVICES, LLC	12/30/08		317.90
65637	203	KENTUCKY RETIREMENT SYSTEM	1/07/09		39,287.97
65646	90	AIRGAS MID AMERICA	1/09/09		186.80

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65647	91	ATMOS ENERGY	1/09/09		5,309.99
65648	460	BILLNM PROPERTIES, LLC	1/09/09		1,000.00
65649	485	BOBBY OUTLAW DISPOSAL, LLC	1/09/09		171.84
65650	1060	BOYD FARM CENTER	1/09/09		23.37
65651	554	BW'S DINER	1/09/09		67.00
65652	16	CAYCE MILL SUPPLY CO.	1/09/09		2,089.71
65653	452	CORNERSTONE INFORMATION SYSTEM	1/09/09		1,000.00
65654	1341	LEN HALE	1/09/09		300.78
65655	106	HOLIDAY PARK VALU+FOODS	1/09/09		45.99
65656	38	HOLLAND ELECTRIC COMPANY	1/09/09		586.84
65657	39	HOPKINSVILLE AGGREGATE	1/09/09		85.14
65658	41	HOPKINSVILLE ELECTRIC MOTOR SE	1/09/09		8.41
65659	42	HOPKINSVILLE ELECTRIC SYSTEM	1/09/09		47,098.31
65660	2011	HOPKINSVILLE SOLID WASTE AUTHO	1/09/09		111.39
65661	1192	LOWE'S COMPANIES INC	1/09/09		507.48
65662	924	MCGEE PEST CONTROL	1/09/09		234.00
65663	321	METCALFE FLORAL COMPANY	1/09/09		210.00
65664	24	O'REILLY AUTO PARTS INC	1/09/09		396.67
65665	491	OAK GROVE UTILITIES OFFICE	1/09/09		3.32
65666	361	AMERICA'S OFFICE SOURCE	1/09/09		512.92
65667	981	OFFICEMAX CREDIT PLAN	1/09/09		237.43
65668	115	PENNYRILE MACHINE CO., INC.	1/09/09		30.00
65669	65	PENNYRILE RURAL ELECTRIC	1/09/09		10,037.63
65670	163	PENNYRILE SECURITY SYSTEMS	1/09/09		96.00
65671	1243	PENNYROYAL INTERIORS	1/09/09		12.22
65672	223	PETTY CASH/REFUND DEPOSITS	1/09/09		39.96
65673	548	PINNACLE DATA SYSTEMS	1/09/09		5,000.00
65674	783	PIONEERS INCORPORATED	1/09/09		1,873.75
65675	70	POWELL'S WELDING & METAL SALES	1/09/09		132.00
65676	125	RABEN TIRE COMPANY	1/09/09		276.70
65677	442	RANDY'S AUTOMOTIVE	1/09/09		285.74
65678	1229	ROMAINE COMPANIES	1/09/09		38.00
65679	76	SHERWIN WILLIAMS	1/09/09		41.34
65680	302	JIM SMITH CONTRACTING CO.	1/09/09		3,519.52
65681	1134	SOUTHERN SALES COMPANY INC	1/09/09		5,106.84
65682	81	SOUTHERN STATES COOP INC	1/09/09		122.88
65683	78	STAFF PARTNERS, INC.	1/09/09		2,312.00
65684	553	WASCON INC.	1/09/09		1,475.00
65685	455	WESTERN KENTUCKY UNIVERSITY	1/09/09		420.00
65686	94	YOUNG HARDWARE CO	1/09/09		57.18
65687	6	AFLAC	1/09/09		642.32
65688	19	CHRISTIAN COUNTY WATER DISTRIC	1/09/09		16.48
65689	98	CSX TRANSPORTATION	1/09/09		100.00
65690	959	HEALTH RESOURCES INC	1/09/09		431.23
65691	204	HERITAGE BANK	1/09/09		1,263.43
65692	1065	KENTUCKY UTILITIES COMPANY	1/09/09		903.47
65693	958	NORTH AMERICA ADMINISTRATORS	1/09/09		15,919.27
65694	494	LISA OLIVER	1/09/09		275.25
65695	1117	HDR/QUEST ENGINEERING INC	1/09/09		1,917.00
65696	3	AGRI POWER INC	1/16/09		460.08
65697	253	AMERICAN CONCRETE INC	1/16/09		148.50

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65698	443	ARAMARK UNIFORM SERVICES	1/16/09		2,339.19
65699	462	BB&T FINANCIAL, FSB	1/16/09		987.11
65700	61	BRENNTAG MID-SOUTH INC	1/16/09		7,812.72
65701	380	CONSTRUCTION SITE SERVICES	1/16/09		118.52
65702	25	CORNETTE'S	1/16/09		258.30
65703	601	DEATHERAGE, MYERS & LACKEY	1/16/09		510.00
65704	257	DON'S LOCKSMITH	1/16/09		24.00
65705	545	D2 ENERGY, LLC	1/16/09		340.00
65706	433	EMPIRICAL LABORATORIES, LLC.	1/16/09		1,184.00
65707	1001	FASTENAL COMPANY	1/16/09		9.25
65708	556	FREEDOM WASTE SERVICE	1/16/09		105.27
65709	483	F2 INDUSTRIES, LLC	1/16/09		5,103.80
65710	1141	G. NEIL	1/16/09		88.59
65711	555	GEOCORP, INC	1/16/09		428.71
65712	1133	GRAYBAR FINANCIAL SERVICES, LL	1/16/09		921.03
65713	448	GREATER HOP CHAMBER COMMUNITY	1/16/09		2,500.00
65714	33	HACH COMPANY	1/16/09		725.15
65715	837	HANNAN SUPPLY COMPANY	1/16/09		47.25
65716	1135	HAYES SHOES	1/16/09		5,780.60
65717	36	HIGGINS INSURANCE INC	1/16/09		726.74
65718	1271	HOPKINSVILLE DOORS	1/16/09		45.00
65719	43	MAX ARNOLD & SONS INC	1/16/09		3,838.76
65720	47	HOPKINSVILLE WATER ENVIRONMENT	1/16/09		39.00
65721	1206	K & B HYDRAULICS KY	1/16/09		400.00
65722	49	KENTUCKY NEW ERA	1/16/09		59.00
65723	110	KEY OIL COMPANY	1/16/09		315.90
65724	214	LABTRONX, INC.	1/16/09		598.00
65725	916	MICKEYD INC	1/16/09		4,248.76
65726	54	MILLIPORE CORPORATION	1/16/09		260.98
65727	673	MOSS MCGRAW ENVIRONMENTAL LAB	1/16/09		4,610.00
65728	247	MOTION INDUSTRIES INC	1/16/09		3,982.31
65729	60	NEPTUNE EQUIPMENT COMPANY	1/16/09		1,935.91
65730	444	NICH-CHEM	1/16/09		10,143.00
65731	470	ORR SAFETY CORPORATION	1/16/09		402.37
65732	1189	PACESETTER PRINTING	1/16/09		498.75
65733	1207	PALCO ENTERPRISES	1/16/09		468.00
65734	156	PETTER SUPPLY COMPANY	1/16/09		101.52
65735	1307	PORTA/GRACE MFG	1/16/09		2,000.00
65736	157	RANDOLPH HALE ELECTRONICS	1/16/09		75.89
65737	1240	ROGERS CHEMICAL RESOURCES LLC	1/16/09		341.25
65738	480	SCHAEFFER MFG. CO.	1/16/09		397.00
65739	445	SHELBY'S TRUCK BEDS & EQUIPMEN	1/16/09		20.95
65740	925	DAVIS PROCESS	1/16/09		4,800.00
65741	669	IONPURE INC	1/16/09		356.00
65742	1159	SOUTHERN MECHANICAL	1/16/09		50.00
65743	255	SRECO SEWER RODDING EQUIPMENT	1/16/09		967.53
65744	560	C.I. THORNBURG CO INC	1/16/09		1,025.69
65745	961	TRI STATE BEARING CO INC	1/16/09		59.05
65746	1066	THE UPS STORE	1/16/09		32.62
65747	1333	JUDY WAYTE	1/16/09		74.69
65748	892	WHOP AM-FM	1/16/09		576.00

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65749	725	YORK, NEEL & CO.-HOPKINSVILLE.	1/16/09		20,650.00
65750	105	AMERICAN WATER WORKS ASSOCIATI	1/20/09		3,210.00
65751	79	AT&T	1/20/09		1,154.71
65752	91	ATMOS ENERGY	1/20/09		3,414.77
65753	460	BILLNM PROPERTIES, LLC	1/20/09		200.00
65754	1407	ROGER DIMMICK	1/20/09		9.13
65755	1342	CLINT DULIN	1/20/09		30.00
65756	1073	FELLON-MCCORD & ASSOCIATES	1/20/09		28,597.92
65757	1406	SUSAN FUCCI	1/20/09		86.17
65758	128	HOME BUILDERS ASSOCIATION	1/20/09		100.00
65759	42	HOPKINSVILLE ELECTRIC SYSTEM	1/20/09		214.84
65760	47	HOPKINSVILLE WATER ENVIRONMENT	1/20/09		627.00
65761	984	HOUSING AUTHORITY OF HOPKINSVI	1/20/09		45.21
65762	754	JENNIE STUART MEDICAL CENTER	1/20/09		369.00
65763	109	KENTUCKY STATE TREASURER	1/20/09		11,139.64
65764	1251	NEWWAVE COMMUNICATIONS	1/20/09		6.95
65765	1404	P & E DISTRIBUTING	1/20/09		19.47
65766	548	PINNACLE DATA SYSTEMS	1/20/09		5,061.09
65767	78	STAFF PARTNERS, INC.	1/20/09		667.20
65768	267	STATON'S ART & FRAMING	1/20/09		308.00
65769	1405	WHVO/HAM BROADCASTING	1/20/09		75.00
65781	201	CITY OF HOPKINSVILLE	1/23/09		4,175.54
65782	481	CITY OF OAK GROVE	1/23/09		132.77
65783	202	KENTUCKY STATE TREASURER	1/23/09		4,545.21
65784	6	AFLAC	1/23/09		642.32
65785	96	AT&T	1/23/09		665.97
65786	79	AT&T	1/23/09		108.94
65787	198	GARNEY COMPANIES, INC.	1/23/09		27,882.07
65788	204	HERITAGE BANK	1/23/09		1,071.12
65789	557	HERITAGE CHRISTIAN ACADEMY	1/23/09		50.00
65790	65	PENNYRILE RURAL ELECTRIC	1/23/09		1,716.76
65791	458	SCOTT & RITTER, INC.	1/23/09		50,894.75
65792	78	STAFF PARTNERS, INC.	1/23/09		1,112.00
65793	697	VERIZON WIRELESS	1/23/09		786.85
65794	1033	AT&T LONG DISTANCE SERVICE	1/30/09		17.51
65795	19	CHRISTIAN COUNTY WATER DISTRIC	1/30/09		1,147.49
65796	201	CITY OF HOPKINSVILLE	1/30/09		11,110.00
65797	556	FREEDOM WASTE SERVICE	1/30/09		105.27
65798	42	HOPKINSVILLE ELECTRIC SYSTEM	1/30/09		435.56
65799	548	PINNACLE DATA SYSTEMS	1/30/09		5,000.00
65800	395	PROVIDENT LIFE & ACCIDENT	1/30/09		756.77
65801	811	DAWN REIGEL	1/30/09		20.00
65802	1408	JOANNE SCOTT	1/30/09		500.00
65803	369	XEROX CAPITAL SERVICES, LLC	1/30/09		572.93
65812	6	AFLAC	2/06/09		642.32
65813	91	ATMOS ENERGY	2/06/09		6,767.98
65814	13	BLUE STREAK PRINTERS	2/06/09		75.00
65815	16	CAYCE MILL SUPPLY CO.	2/06/09	2/06/09	392.37
65816	726	CHRISTIAN COUNTY CLERK	2/06/09		150.00
65817	726	CHRISTIAN COUNTY CLERK	2/06/09		1.75
65818	1270	FOUR SEASONS CATERING	2/06/09		40.00



CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65819	1341	LEN HALE	2/06/09		497.95
65820	959	HEALTH RESOURCES INC	2/06/09		431.23
65821	204	HERITAGE BANK	2/06/09		1,055.74
65822	203	KENTUCKY RETIREMENT SYSTEM	2/06/09		37,455.15
65823	1192	LOWE'S COMPANIES INC	2/06/09		312.68
65824	958	NORTH AMERICA ADMINISTRATORS	2/06/09		15,390.49
65825	491	OAK GROVE UTILITIES OFFICE	2/06/09		97.66
65826	981	OFFICEMAX CREDIT PLAN	2/06/09		118.48
65827	65	PENNYRILE RURAL ELECTRIC	2/06/09		65,093.07
65828	223	PETTY CASH/REFUND DEPOSITS	2/06/09		33.00
65829	548	PINNACLE DATA SYSTEMS	2/06/09		4,993.82
65830	202	KENTUCKY STATE TREASURER	2/06/09		9,094.33
65831	558	TRIGG COUNTY CLERK	2/06/09		102.00
65832	1333	JUDY WAYTE	2/06/09		61.11
65833	16	CAYCE MILL SUPPLY CO.	2/06/09		387.91
65834	3	AGRI POWER INC	2/13/09		103.50
65835	90	AIRGAS MID AMERICA	2/13/09		419.10
65836	559	ALL AMERICAN GASKET, INC	2/13/09		108.46
65837	361	AMERICA'S OFFICE SOURCE	2/13/09		867.90
65838	443	ARAMARK UNIFORM SERVICES	2/13/09		1,841.63
65839	462	BB&T FINANCIAL, FSB	2/13/09		3,857.94
65840	1011	BECKMAR ENVIRONMENTAL LAB	2/13/09		120.00
65841	485	BOBBY OUTLAW DISPOSAL, LLC	2/13/09		1,171.68
65842	61	BRENNTAG MID-SOUTH INC	2/13/09		3,336.00
65843	180	BUY RITE PARTS & SUPPLY	2/13/09		44.45
65844	201	CITY OF HOPKINSVILLE	2/13/09		3,899.44
65845	481	CITY OF OAK GROVE	2/13/09		135.54
65846	452	CORNERSTONE INFORMATION SYSTEM	2/13/09		4,739.00
65847	25	CORNETTE'S	2/13/09		407.25
65848	1018	CUMBERLAND TECHNOLOGIES, INC.	2/13/09		122.50
65849	533	NICHOLAS W. DATTILO	2/13/09		1,072.59
65850	601	DEATHERAGE, MYERS & LACKEY	2/13/09		1,035.20
65851	545	D2 ENERGY, LLC	2/13/09		1,508.75
65852	433	EMPIRICAL LABORATORIES, LLC.	2/13/09		1,756.00
65853	561	ENVIRONMENTAL RESOURCE ASSOCIA	2/13/09		514.00
65854	820	ENVIRONMENTAL SCIENCE CORP.	2/13/09		485.00
65855	562	RAINSOFT	2/13/09		564.50
65856	1001	FASTENAL COMPANY	2/13/09		36.51
65857	982	FILTER BELTS INC	2/13/09		562.05
65858	1310	FRANCOTYP-POSTALIA INC	2/13/09		66.00
65859	483	F2 INDUSTRIES, LLC	2/13/09		10,207.60
65860	1133	GRAYBAR FINANCIAL SERVICES, LL	2/13/09		921.03
65861	33	HACH COMPANY	2/13/09		928.95
65862	837	HANNAN SUPPLY COMPANY	2/13/09		47.70
65863	860	HD SUPPLY WATERWORKS, LTD	2/13/09		1,796.65
65864	39	HOPKINSVILLE AGGREGATE	2/13/09		1,066.52
65865	42	HOPKINSVILLE ELECTRIC SYSTEM	2/13/09		46,637.85
65866	43	MAX ARNOLD & SONS INC	2/13/09		4,074.08
65867	47	HOPKINSVILLE WATER ENVIRONMENT	2/13/09		39.00
65868	492	HTI, INC	2/13/09		4,051.00
65869	72	IDEXX DISTRIBUTION, INC.	2/13/09		747.93

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65870	1226	INDUSTRIAL PRODUCTS CORPORATIO	2/13/09		250.64
65871	467	KENTUCKY STATE TREASURER	2/13/09		250.00
65872	110	KEY OIL COMPANY	2/13/09		2,167.96
65873	933	LAWNCUTTERS	2/13/09		1,821.66
65874	51	LEE MASONRY PRODUCTS LLC	2/13/09		26.00
65875	924	MCGEE PEST CONTROL	2/13/09		350.00
65876	60	NEPTUNE EQUIPMENT COMPANY	2/13/09		2,460.00
65877	444	NICH-CHEM	2/13/09		20,155.50
65878	20	NSI SOLUTIONS, INC.	2/13/09		362.00
65879	24	O'REILLY AUTO PARTS INC	2/13/09		481.24
65880	67	OPTICAL ROBOTICS, LLC	2/13/09		73.08
65881	146	ORBECO-HELLLIGE, INC.	2/13/09		50.38
65882	470	ORR SAFETY CORPORATION	2/13/09		197.86
65883	1207	PALCO ENTERPRISES	2/13/09		468.00
65884	63	PATRIOT CHEVROLET INC	2/13/09		279.78
65885	1080	PENNYRILE COLLECTION INC	2/13/09		2,493.09
65886	115	PENNYRILE MACHINE CO., INC.	2/13/09		30.00
65887	65	PENNYRILE RURAL ELECTRIC	2/13/09		9,497.03
65888	70	POWELL'S WELDING & METAL SALES	2/13/09		15.00
65889	120	PREISER SCIENTIFIC INC	2/13/09		519.04
65890	125	RABEN TIRE COMPANY	2/13/09		59.95
65891	157	RANDOLPH HALE ELECTRONICS	2/13/09		160.48
65892	1229	ROMAINE COMPANIES	2/13/09		347.00
65893	689	SAM'S CLUB	2/13/09		70.00
65894	917	SEAY OIL COMPANY	2/13/09		1,157.94
65895	925	DAVIS PROCESS	2/13/09		4,736.00
65896	471	SOUTHERN ELECTRIC MOTOR	2/13/09		4,425.76
65897	1159	SOUTHERN MECHANICAL	2/13/09		8,390.00
65898	80	SOUTHERN PRINTING INC	2/13/09		408.00
65899	81	SOUTHERN STATES COOP INC	2/13/09		51.90
65900	560	C.I. THORNBURG CO INC	2/13/09		2,382.46
65901	961	TRI STATE BEARING CO INC	2/13/09		311.01
65902	194	TRIO SIGNS, INC.	2/13/09		36.00
65903	564	TRISTATE DISTRIBUTORS, INC.	2/13/09		28.23
65904	1066	THE UPS STORE	2/13/09		16.78
65905	1314	WATERISAC	2/13/09		200.00
65906	541	WATERWORKS CAR WASH & LUBE	2/13/09		84.00
65907	455	WESTERN KENTUCKY UNIVERSITY	2/13/09		420.00
65908	417	WILSON ALARM COMPANY	2/13/09		54.00
65909	94	YOUNG HARDWARE CO	2/13/09		93.20
65910	79	AT&T	2/13/09		1,072.66
65911	91	ATMOS ENERGY	2/13/09		3,286.30
65912	19	CHRISTIAN COUNTY WATER DISTRIC	2/13/09		16.48
65913	47	HOPKINSVILLE WATER ENVIRONMENT	2/13/09		627.00
65914	565	MICHAEL JOINER	2/13/09		30.00
65915	1065	KENTUCKY UTILITIES COMPANY	2/13/09		886.75
65916	1251	NEWWAVE COMMUNICATIONS	2/13/09		6.95
65917	78	STAFF PARTNERS, INC.	2/13/09		1,007.75
65918	202	KENTUCKY STATE TREASURER	2/13/09		4,597.48
65930	38	HOLLAND ELECTRIC COMPANY	2/20/09		870.63
65931	673	MOSS MCGRAW ENVIRONMENTAL LAB	2/20/09		3,700.00

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
65932	925	DAVIS PROCESS	2/20/09		3,276.00
65933	6	AFLAC	2/20/09		642.32
65934	204	HERITAGE BANK	2/20/09		1,055.74
65935	42	HOPKINSVILLE ELECTRIC SYSTEM	2/20/09		280.70
65936	492	HTI, INC	2/20/09		10,777.00
65937	109	KENTUCKY STATE TREASURER	2/20/09		13,356.22
65938	552	LAKESHORE ENGINEERING SERVICES	2/20/09		49,185.35
65939	65	PENNYRILE RURAL ELECTRIC	2/20/09		2,151.96
65940	1409	JANA MARIE ROZMARYNOWKSKI	2/20/09		63.45
65941	1315	U.S. POSTAL SERVICE	2/20/09		500.00
65942	916	MICKEYD INC	2/27/09		4,731.11
65943	96	AT&T	2/27/09		666.05
65944	79	AT&T	2/27/09		108.98
65945	1033	AT&T LONG DISTANCE SERVICE	2/27/09		20.22
65946	1410	JOHN A. BUCKINGHAM	2/27/09		185.25
65947	554	BW'S DINER	2/27/09		93.75
65948	19	CHRISTIAN COUNTY WATER DISTRICT	2/27/09		1,725.80
65949	201	CITY OF HOPKINSVILLE	2/27/09		11,110.00
65950	556	FREEDOM WASTE SERVICE	2/27/09		105.27
65951	1242	PRUDENT PUBLISHING	2/27/09		112.54
65952	1019	HOPK.-CC BOARD OF REALTORS	2/27/09		125.00
65953	42	HOPKINSVILLE ELECTRIC SYSTEM	2/27/09		171.30
65954	47	HOPKINSVILLE WATER ENVIRONMENT	2/27/09		60.00
65955	984	HOUSING AUTHORITY OF HOPKINSVI	2/27/09		45.21
65956	1411	NORMA J LEWIS	2/27/09		62.83
65957	1080	PENNYRILE COLLECTION INC	2/27/09		708.61
65958	548	PINNACLE DATA SYSTEMS	2/27/09		5,000.00
65959	395	PROVIDENT LIFE & ACCIDENT	2/27/09		753.57
65960	34	LESLIE ROGERS	2/27/09		63.08
65961	78	STAFF PARTNERS, INC.	2/27/09		1,112.00
65962	697	VERIZON WIRELESS	2/27/09		726.07
65963	369	XEROX CAPITAL SERVICES, LLC	2/27/09		317.90
65964	558	TRIGG COUNTY CLERK	2/27/09		17.00
65973	6	AFLAC	3/06/09		631.82
65974	1203	AMERICAN PRINTING COMPANY	3/06/09		455.75
65975	91	ATMOS ENERGY	3/06/09		3,723.99
65976	462	BB&T FINANCIAL, FSB	3/06/09		500.98
65977	1410	JOHN A. BUCKINGHAM	3/06/09		182.00
65978	16	CAYCE MILL SUPPLY CO.	3/06/09		1,171.05
65979	452	CORNERSTONE INFORMATION SYSTEM	3/06/09		3,646.00
65980	1341	LEN HALE	3/06/09		248.81
65981	204	HERITAGE BANK	3/06/09		1,055.74
65982	42	HOPKINSVILLE ELECTRIC SYSTEM	3/06/09		45,621.01
65983	1206	K & B HYDRAULICS KY	3/06/09		250.00
65984	203	KENTUCKY RETIREMENT SYSTEM	3/06/09		37,013.66
65985	580	KRANZ PLUMBING & HEATING INC	3/06/09		4,149.69
65986	1192	LOWE'S COMPANIES INC	3/06/09		59.76
65987	321	METCALFE FLORAL COMPANY	3/06/09		47.00
65988	1412	SHANNON MOTLEY	3/06/09		42.07
65989	958	NORTH AMERICA ADMINISTRATORS	3/06/09		15,643.36
65990	491	OAK GROVE UTILITIES OFFICE	3/06/09		164.25

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
			3/06/09		402.61
65991	981	OFFICEMAX CREDIT PLAN	3/06/09		88,797.16
65992	65	PENNYRILE RURAL ELECTRIC	3/06/09		6.00
65993	223	PETTY CASH/REFUND DEPOSITS	3/06/09		3,138.68
65994	548	PINNACLE DATA SYSTEMS	3/06/09		556.00
65995	78	STAFF PARTNERS, INC.	3/06/09		4,375.62
65996	202	KENTUCKY STATE TREASURER	3/06/09		420.00
65997	455	WESTERN KENTUCKY UNIVERSITY	3/06/09		87.00
65998	417	WILSON ALARM COMPANY	3/06/09		307.48
65999	94	YOUNG HARDWARE CO	3/06/09		28,500.00
66000	344	W. ROGERS COMPANY	3/10/09	6/10/09	99.33
66001	3	AGRI POWER INC	3/13/09		563.38
66002	90	AIRGAS MID AMERICA	3/13/09		906.56
66003	361	AMERICA'S OFFICE SOURCE	3/13/09		1,881.10
66004	443	ARAMARK UNIFORM SERVICES	3/13/09		555.83
66005	79	AT&T	3/13/09		2,044.27
66006	91	ATMOS ENERGY	3/13/09		275.98
66007	1188	BATTERIES PLUS	3/13/09		2,140.00
66008	13	BLUE STREAK PRINTERS	3/13/09		1,059.96
66009	485	BOBBY OUTLAW DISPOSAL, LLC	3/13/09		8,441.52
66010	61	BRENNTAG MID-SOUTH INC	3/13/09		162.50
66011	1410	JOHN A. BUCKINGHAM	3/13/09		26.42
66012	180	BUY RITE PARTS & SUPPLY	3/13/09		398.68
66013	18	CHASE PUMP & EQUIPMENT	3/13/09		16.48
66014	19	CHRISTIAN COUNTY WATER DISTRIC	3/13/09		3,852.62
66015	201	CITY OF HOPKINSVILLE	3/13/09		135.89
66016	481	CITY OF OAK GROVE	3/13/09		2,195.88
66017	380	CONSTRUCTION SITE SERVICES	3/13/09		258.30
66018	25	CORNETTE'S	3/13/09		1,100.00
66019	1306	D & F DISTRIBUTORS INC	3/13/09		714.00
66020	601	DEATHERAGE, MYERS & LACKEY	3/13/09		573.75
66021	545	D2 ENERGY, LLC	3/13/09		2,957.00
66022	433	EMPIRICAL LABORATORIES, LLC.	3/13/09		1.32
66023	1001	FASTENAL COMPANY	3/13/09		5,103.80
66024	483	F2 INDUSTRIES, LLC	3/13/09		921.03
66025	1133	GRAYBAR FINANCIAL SERVICES, LL	3/13/09		1,063.65
66026	33	HACH COMPANY	3/13/09		1,000.00
66027	166	HCC FOUNDATION, INC.	3/13/09		3,340.31
66028	860	HD SUPPLY WATERWORKS, LTD	3/13/09		509.43
66029	959	HEALTH RESOURCES INC	3/13/09		905.66
66030	38	HOLLAND ELECTRIC COMPANY	3/13/09		1,231.99
66031	39	HOPKINSVILLE AGGREGATE	3/13/09		3,816.29
66032	43	MAX ARNOLD & SONS INC	3/13/09		106.05
66033	2011	HOPKINSVILLE SOLID WASTE AUTHO	3/13/09		45.21
66034	984	HOUSING AUTHORITY OF HOPKINSVI	3/13/09		88.50
66035	49	KENTUCKY NEW ERA	3/13/09		528.10
66036	1065	KENTUCKY UTILITIES COMPANY	3/13/09		1,032.27
66037	110	KEY OIL COMPANY	3/13/09		1,550.90
66038	295	KNIGHT REFRIGERATION	3/13/09		95.00
66039	602	OPERATOR CERTIFICATION CABINET	3/13/09	4/06/09	15.00
66040	933	LAWNCUTTERS	3/13/09		176.40
66041	51	LEE MASONRY PRODUCTS LLC	3/13/09		

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66042	1194	LITTLE RIVER CUSTOM EXHAUST	3/13/09		65.00
66043	924	MCGEE PEST CONTROL	3/13/09		84.00
66044	916	MICKEYD INC	3/13/09		4,564.46
66045	1193	MORTON MECHANICAL	3/13/09		676.00
66046	673	MOSS MCGRAW ENVIRONMENTAL LAB	3/13/09		1,080.00
66047	114	MUNICIPAL WATER & WASTEWATER A	3/13/09		5,500.00
66048	1251	NEWWAVE COMMUNICATIONS	3/13/09		6.95
66049	444	NICH-CHEM	3/13/09		20,137.50
66050	24	O'REILLY AUTO PARTS INC	3/13/09		509.79
66051	389	PADUCAH BLUEPRINT SUPPLY	3/13/09		740.27
66052	1207	PALCO ENTERPRISES	3/13/09		731.50
66053	63	PATRIOT CHEVROLET INC	3/13/09		40.89
66054	156	PETTER SUPPLY COMPANY	3/13/09		301.51
66055	482	POLYDYNE, INC.	3/13/09		2,034.00
66056	392	PRO MECH AUTOMOTIVE SERVICES	3/13/09		471.85
66057	125	RABEN TIRE COMPANY	3/13/09		33.00
66058	157	RANDOLPH HALE ELECTRONICS	3/13/09		128.76
66059	442	RANDY'S AUTOMOTIVE	3/13/09		12.00
66060	73	REMEL INC	3/13/09		579.63
66061	1240	ROGERS CHEMICAL RESOURCES LLC	3/13/09		682.50
66062	1229	ROMAINE COMPANIES	3/13/09		98.00
66063	925	DAVIS PROCESS	3/13/09		4,762.00
66064	669	IONPURE INC	3/13/09		703.15
66065	471	SOUTHERN ELECTRIC MOTOR	3/13/09		1,035.00
66066	1134	SOUTHERN SALES COMPANY INC	3/13/09		1,243.59
66067	78	STAFF PARTNERS, INC.	3/13/09		917.40
66068	202	KENTUCKY STATE TREASURER	3/13/09		4,384.10
66069	816	STERICYCLE INC	3/13/09		264.21
66070	560	C.I. THORNBURG CO INC	3/13/09		1,945.42
66071	1311	TRACTOR SUPPLY CREDIT PLAN	3/13/09		46.74
66072	1066	THE UPS STORE	3/13/09		101.64
66073	604	USA BLUE BOOK	3/13/09		71.75
66074	1333	JUDY WAYTE	3/13/09		67.90
66075	671	WHAYNE SUPPLY COMPANY	3/13/09		37.74
66087	6	AFLAC	3/20/09		631.82
66088	1033	AT&T LONG DISTANCE SERVICE	3/20/09		24.15
66089	1410	JOHN A. BUCKINGHAM	3/20/09		185.25
66090	554	BW'S DINER	3/20/09		400.00
66091	201	CITY OF HOPKINSVILLE	3/20/09		172.86
66092	539	D & M PAINTING CORPORATION	3/20/09		84,330.76
66093	556	FREEDOM WASTE SERVICE	3/20/09		104.20
66094	204	HERITAGE BANK	3/20/09		1,055.74
66095	42	HOPKINSVILLE ELECTRIC SYSTEM	3/20/09		281.43
66096	47	HOPKINSVILLE WATER ENVIRONMENT	3/20/09		687.00
66097	456	KWVOA	3/20/09		125.00
66098	109	KENTUCKY STATE TREASURER	3/20/09		11,404.45
66099	552	LAKESHORE ENGINEERING SERVICES	3/20/09		37,550.98
66100	67	OPTICAL ROBOTICS, LLC	3/20/09		167.38
66101	65	PENNYRILE RURAL ELECTRIC	3/20/09		2,105.07
66102	1117	HDR/QUEST ENGINEERING INC	3/20/09		20,652.81
66103	78	STAFF PARTNERS, INC.	3/20/09		1,000.80

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66104	1296	J.R. WAUFORD & COMPANY	3/20/09		5,894.13
66105	47	HOPKINSVILLE WATER ENVIRONMENT	3/25/09		367.71
66106	96	AT&T	3/27/09		666.05
66107	79	AT&T	3/27/09		108.98
66108	1410	JOHN A. BUCKINGHAM	3/27/09		156.00
66109	240	CITY OF CROFTON	3/27/09		59,027.10
66110	201	CITY OF HOPKINSVILLE	3/27/09		11,110.00
66111	481	CITY OF OAK GROVE	3/27/09		5,740.62
66112	1132	EAGLE AMBASSADOR	3/27/09		250.00
66113	42	HOPKINSVILLE ELECTRIC SYSTEM	3/27/09		117.46
66114	2011	HOPKINSVILLE SOLID WASTE AUTHO	3/27/09		84.77
66115	754	JENNIE STUART MEDICAL CENTER	3/27/09		153.00
66116	1413	JIMMY WAYNE JONES	3/27/09		220.00
66117	1080	PENNYRILE COLLECTION INC	3/27/09		717.00
66118	65	PENNYRILE RURAL ELECTRIC	3/27/09		38.23
66119	548	PINNACLE DATA SYSTEMS	3/27/09		5,000.00
66120	78	STAFF PARTNERS, INC.	3/27/09		993.85
66121	697	VERIZON WIRELESS	3/27/09		747.25
66122	369	XEROX CAPITAL SERVICES, LLC	3/27/09		317.90
66123	481	CITY OF OAK GROVE	3/31/09		788,020.00
66133	466	BRALLSFORD & COMPANY, INC.	4/03/09		326.60
66134	16	CAYCE MILL SUPPLY CO.	4/03/09		4,111.23
66135	19	CHRISTIAN COUNTY WATER DISTRIC	4/03/09		1,130.05
66136	1018	CUMBERLAND TECHNOLOGIES, INC.	4/03/09		80.59
66137	1341	LEN HALE	4/03/09		248.81
66138	42	HOPKINSVILLE ELECTRIC SYSTEM	4/03/09		41,755.30
66139	847	INVENSYS SYSTEMS INC	4/03/09		183.64
66140	321	METCALFE FLORAL COMPANY	4/03/09		25.00
66141	491	OAK GROVE UTILITIES OFFICE	4/03/09		865.66
66142	981	OFFICEMAX CREDIT PLAN	4/03/09		103.98
66143	65	PENNYRILE RURAL ELECTRIC	4/03/09		83,805.04
66144	223	PETTY CASH/REFUND DEPOSITS	4/03/09		33.08
66145	455	WESTERN KENTUCKY UNIVERSITY	4/03/09		420.00
66146	6	AFLAC	4/03/09		631.82
66147	1414	SUSANNE MARIE BRITTON	4/03/09		18.84
66148	204	HERITAGE BANK	4/03/09		1,055.74
66149	42	HOPKINSVILLE ELECTRIC SYSTEM	4/03/09		128.48
66150	1416	PREMIER DEVELOPMENT	4/03/09		770.00
66151	1415	CHANTALE R. THOMAS	4/03/09		4.22
66152	203	KENTUCKY RETIREMENT SYSTEM	4/03/09		36,197.73
66153	202	KENTUCKY STATE TREASURER	4/03/09		4,294.32
66154	1410	JOHN A. BUCKINGHAM	4/03/09		156.00
66157	90	AIRGAS MID AMERICA	4/10/09		362.63
66158	1417	AIRGAS SAFETY INC	4/10/09		334.98
66159	361	AMERICA'S OFFICE SOURCE	4/10/09		424.72
66160	253	AMERICAN CONCRETE INC	4/10/09		376.00
66161	443	ARAMARK UNIFORM SERVICES	4/10/09		1,813.29
66162	91	ATMOS ENERGY	4/10/09		4,606.27
66163	1188	BATTERIES PLUS	4/10/09		27.99
66164	462	BB&T FINANCIAL, FSB	4/10/09		633.03
66165	551	BERRY TRUCKING, INC.	4/10/09		476.97

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66166	13	BLUE STREAK PRINTERS	4/10/09		115.00
66167	485	BOBBY OUTLAW DISPOSAL, LLC	4/10/09		171.84
66168	61	BRENNTAG MID-SOUTH INC	4/10/09		2,836.00
66169	1410	JOHN A. BUCKINGHAM	4/10/09		130.00
66170	18	CHASE PUMP & EQUIPMENT	4/10/09		188.48
66171	19	CHRISTIAN COUNTY WATER DISTRICT	4/10/09		16.48
66172	201	CITY OF HOPKINSVILLE	4/10/09		11,110.00
66173	201	CITY OF HOPKINSVILLE	4/10/09		3,773.03
66174	481	CITY OF OAK GROVE	4/10/09		130.12
66175	452	CORNERSTONE INFORMATION SYSTEM	4/10/09		1,000.00
66176	25	CORNETTE'S	4/10/09		383.37
66177	98	CSX TRANSPORTATION	4/10/09		110.00
66178	601	DEATHERAGE, MYERS & LACKEY	4/10/09		1,086.00
66179	257	DON'S LOCKSMITH	4/10/09		15.00
66180	1355	JAMES DRENNAN	4/10/09		30.00
66181	568	DURBIN PETROLEUM MAINTENANCE	4/10/09		839.55
66182	433	EMPIRICAL LABORATORIES, LLC.	4/10/09		520.00
66183	982	FILTER BELTS INC	4/10/09		687.64
66184	483	F2 INDUSTRIES, LLC	4/10/09		5,103.80
66185	1133	GRAYBAR FINANCIAL SERVICES, LL	4/10/09		921.03
66186	837	HANNAN SUPPLY COMPANY	4/10/09		65.55
66187	959	HEALTH RESOURCES INC	4/10/09		509.43
66188	39	HOPKINSVILLE AGGREGATE	4/10/09		2,812.14
66189	42	HOPKINSVILLE ELECTRIC SYSTEM	4/10/09		18.03
66190	43	MAX ARNOLD & SONS INC	4/10/09		4,071.35
66191	2011	HOPKINSVILLE SOLID WASTE AUTHO	4/10/09		97.79
66192	492	HTI, INC	4/10/09		2,210.75
66193	110	KEY OIL COMPANY	4/10/09		1,564.57
66194	225	KY CONSERVATION OFFICERS ASSOC	4/10/09		100.00
66195	602	OPERATOR CERTIFICATION CABINET	4/10/09		160.00
66196	933	LAWNCUTTERS	4/10/09		74.35
66197	112	LEE RENTS	4/10/09		34.24
66198	1192	LOWE'S COMPANIES INC	4/10/09		315.61
66199	924	MCGEE PEST CONTROL	4/10/09		84.00
66200	916	MICKEYD INC	4/10/09		4,723.96
66201	673	MOSS MCGRAW ENVIRONMENTAL LAB	4/10/09		1,210.00
66202	60	NEPTUNE EQUIPMENT COMPANY	4/10/09		8,452.36
66203	1251	NEWWAVE COMMUNICATIONS	4/10/09		6.95
66204	444	NICH-CHEM	4/10/09		10,120.50
66205	958	NORTH AMERICA ADMINISTRATORS	4/10/09		15,643.36
66206	500	NORTH SIDE AUTO PARTS	4/10/09		57.00
66207	24	O'REILLY AUTO PARTS INC	4/10/09		548.83
66208	389	PADUCAH BLUEPRINT SUPPLY	4/10/09		214.14
66209	1207	PALCO ENTERPRISES	4/10/09		468.00
66210	163	PENNYRILE SECURITY SYSTEMS	4/10/09		50.90
66211	1235	PROWELL'S EQUIPMENT REPAIR	4/10/09		35.00
66212	125	RABEN TIRE COMPANY	4/10/09		616.98
66213	157	RANDOLPH HALE ELECTRONICS	4/10/09		43.18
66214	442	RANDY'S AUTOMOTIVE	4/10/09		10.00
66215	1229	ROMAINE COMPANIES	4/10/09		297.00
66216	480	SCHAEFFER MFG. CO.	4/10/09		412.80

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66217	669	IONPURE INC	4/10/09		544.00
66218	302	JIM SMITH CONTRACTING CO.	4/10/09		3,585.80
66219	255	SRECO SEWER RODDING EQUIPMENT	4/10/09		471.35
66220	78	STAFF PARTNERS, INC.	4/10/09		2,154.50
66221	202	KENTUCKY STATE TREASURER	4/10/09		4,312.13
66222	560	C.I. THORNBURG CO INC	4/10/09		2,192.96
66223	961	TRI STATE BEARING CO INC	4/10/09		230.27
66224	1066	THE UPS STORE	4/10/09		56.18
66225	604	USA BLUE BOOK	4/10/09		340.62
66226	541	WATERWORKS CAR WASH & LUBE	4/10/09		28.00
66227	1333	JUDY WAYTE	4/10/09		74.69
66228	567	DAN WEAVER SERVICES	4/10/09		2,100.00
66229	417	WILSON ALARM COMPANY	4/10/09		54.00
66230	369	XEROX CAPITAL SERVICES, LLC	4/10/09		521.45
66231	94	YOUNG HARDWARE CO	4/10/09		46.15
66244	6	AFLAC	4/17/09		631.82
66245	79	AT&T	4/17/09		675.97
66246	1033	AT&T LONG DISTANCE SERVICE	4/17/09		25.03
66247	1410	JOHN A. BUCKINGHAM	4/17/09		120.25
66248	569	FIRST BAPTIST CHURCH BLDG FUND	4/17/09		50.00
66249	47	HOPKINSVILLE WATER ENVIRONMENT	4/17/09		627.00
66250	1065	KENTUCKY UTILITIES COMPANY	4/17/09		881.87
66251	109	KENTUCKY STATE TREASURER	4/17/09		12,494.76
66252	1359	ELIZABETH LANCASTER	4/17/09		41.76
66253	548	PINNACLE DATA SYSTEMS	4/17/09		4,806.70
66254	395	PROVIDENT LIFE & ACCIDENT	4/17/09		736.36
66255	78	STAFF PARTNERS, INC.	4/17/09		1,035.55
66256	204	HERITAGE BANK	4/17/09		1,055.74
66257	38	HOLLAND ELECTRIC COMPANY	4/17/09		10,369.73
66258	96	AT&T	4/24/09		666.05
66259	1410	JOHN A. BUCKINGHAM	4/24/09		123.50
66260	19	CHRISTIAN COUNTY WATER DISTRICT	4/24/09		1,208.03
66261	1270	FOUR SEASONS CATERING	4/24/09		40.00
66262	556	FREEDOM WASTE SERVICE	4/24/09		104.20
66263	42	HOPKINSVILLE ELECTRIC SYSTEM	4/24/09		365.19
66264	47	HOPKINSVILLE WATER ENVIRONMENT	4/24/09		60.00
66265	984	HOUSING AUTHORITY OF HOPKINSVI	4/24/09		45.21
66266	754	JENNIE STUART MEDICAL CENTER	4/24/09		80.00
66267	65	PENNYRILE RURAL ELECTRIC	4/24/09		1,653.00
66268	1315	U.S. POSTAL SERVICE	4/24/09		500.00
66269	513	WATER ENVIRONMENT FEDERATION	4/24/09		105.00
66270	204	HERITAGE BANK	4/24/09		1,555.56
66280	6	AFLAC	5/01/09		631.82
66281	205	B B & T	5/01/09		50,000.00
66282	1410	JOHN A. BUCKINGHAM	5/01/09		136.50
66283	469	CHAMBER DIRECTORY & COMMUNITY	5/01/09		325.00
66284	726	CHRISTIAN COUNTY CLERK	5/01/09		150.00
66285	572	COOK'S TREE SERVICE	5/01/09		5,000.00
66286	1018	CUMBERLAND TECHNOLOGIES, INC.	5/01/09		184.00
66287	1341	LEN HALE	5/01/09		299.73
66288	204	HERITAGE BANK	5/01/09		1,055.74



CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66289	72	IDEXX DISTRIBUTION, INC.	5/01/09		1,565.68
66290	247	MOTION INDUSTRIES INC	5/01/09	5/01/09	361.28
66291	1054	OMNISTAR INC	5/01/09		800.00
66292	1080	PENNYRILE COLLECTION INC	5/01/09		1,182.90
66293	548	PINNACLE DATA SYSTEMS	5/01/09		5,000.00
66294	648	HOPK.-CHRISTIAN CO. PLANNING C	5/01/09		1,025.50
66295	395	PROVIDENT LIFE & ACCIDENT	5/01/09		732.93
66296	78	STAFF PARTNERS, INC.	5/01/09		1,869.55
66297	697	VERIZON WIRELESS	5/01/09		749.52
66298	455	WESTERN KENTUCKY UNIVERSITY	5/01/09		420.00
66299	203	KENTUCKY RETIREMENT SYSTEM	5/01/09		36,019.34
66300	202	KENTUCKY STATE TREASURER	5/01/09		4,388.58
66301	247	MOTION INDUSTRIES INC	5/01/09		357.76
66302	65	PENNYRILE RURAL ELECTRIC	5/06/09		64,642.54
66303	91	ATMOS ENERGY	5/08/09		2,203.87
66304	16	CAYCE MILL SUPPLY CO.	5/08/09		3,535.42
66305	42	HOPKINSVILLE ELECTRIC SYSTEM	5/08/09		418.76
66306	304	KWVOA	5/08/09		480.00
66307	491	OAK GROVE UTILITIES OFFICE	5/08/09		1,464.97
66308	981	OFFICEMAX CREDIT PLAN	5/08/09		182.45
66309	223	PETTY CASH/REFUND DEPOSITS	5/08/09		5.00
66310	1333	JUDY WAYTE	5/08/09		40.74
66311	1410	JOHN A. BUCKINGHAM	5/08/09		126.75
66312	572	COOK'S TREE SERVICE	5/08/09		1,000.00
66313	959	HEALTH RESOURCES INC	5/08/09		509.43
66314	958	NORTH AMERICA ADMINISTRATORS	5/08/09		15,643.36
66315	548	PINNACLE DATA SYSTEMS	5/08/09		6,638.92
66316	404	AGRI CHEM INC	5/12/09		101.33
66317	90	AIRGAS MID AMERICA	5/12/09		527.93
66318	559	ALL AMERICAN GASKET, INC	5/12/09		170.34
66319	361	AMERICA'S OFFICE SOURCE	5/12/09		500.90
66320	253	AMERICAN CONCRETE INC	5/12/09		144.00
66321	443	ARAMARK UNIFORM SERVICES	5/12/09		2,281.07
66322	1045	BALDWIN APPLIANCE & TV CENTER	5/12/09		425.00
66323	462	BB&T FINANCIAL, FSB	5/12/09		745.18
66324	13	BLUE STREAK PRINTERS	5/12/09		180.00
66325	485	BOBBY OUTLAW DISPOSAL, LLC	5/12/09		171.84
66326	61	BRENNTAG MID-SOUTH INC	5/12/09		20,100.24
66327	18	CHASE PUMP & EQUIPMENT	5/12/09		613.96
66328	380	CONSTRUCTION SITE SERVICES	5/12/09		4,019.13
66329	25	CORNETTE'S	5/12/09		383.37
66330	601	DEATHERAGE, MYERS & LACKEY	5/12/09		990.74
66331	257	DON'S LOCKSMITH	5/12/09		74.00
66332	545	D2 ENERGY, LLC	5/12/09		467.50
66333	433	EMPIRICAL LABORATORIES, LLC.	5/12/09		1,722.00
66334	53	ENVIRONMENTAL PRODUCTS & ACC L	5/12/09		103.23
66335	561	ENVIRONMENTAL RESOURCE ASSOCIA	5/12/09		432.49
66336	1001	FASTENAL COMPANY	5/12/09		25.92
66337	571	FEDERAL SIGNAL - EMERGENCY PRO	5/12/09		132.42
66338	536	FIRST CLASS LAWN SERVICE	5/12/09		2,144.00
66339	1270	FOUR SEASONS CATERING	5/12/09		40.00

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66340	1310	FRANCOTYP-POSTALIA INC	5/12/09		66.00
66341	1133	GRAYBAR FINANCIAL SERVICES, LL	5/12/09		921.03
66342	483	F2 INDUSTRIES, LLC	5/12/09		5,103.80
66343	33	HACH COMPANY	5/12/09		326.16
66344	860	HD SUPPLY WATERWORKS, LTD	5/12/09		7,151.05
66345	38	HOLLAND ELECTRIC COMPANY	5/12/09		7,306.80
66346	39	HOPKINSVILLE AGGREGATE	5/12/09		1,692.69
66347	35	HOPKINSVILLE OUTDOOR EQUIPMENT	5/12/09		97.37
66348	570	ITT WATER & WASTEWATER INDIANA	5/12/09		4,092.15
66349	111	JOE KING EQUIPMENT SERVICE	5/12/09		456.12
66350	214	LABTRONX, INC.	5/12/09		81.68
66351	933	LAWNCUTTERS	5/12/09		361.78
66352	112	LEE RENTS	5/12/09		116.80
66353	849	LIVING WATERS COMPANY	5/12/09		353.46
66354	1192	LOWE'S COMPANIES INC	5/12/09		7.48
66355	924	MCGEE PEST CONTROL	5/12/09		84.00
66356	54	MILLIPORE CORPORATION	5/12/09		206.70
66357	444	NICH-CHEM	5/12/09		10,048.50
66358	24	O'REILLY AUTO PARTS INC	5/12/09		258.57
66359	67	OPTICAL ROBOTICS, LLC	5/12/09		791.23
66360	1207	PALCO ENTERPRISES	5/12/09		468.00
66361	120	PREISER SCIENTIFIC INC	5/12/09		1,603.78
66362	125	RABEN TIRE COMPANY	5/12/09		237.11
66363	157	RANDOLPH HALE ELECTRONICS	5/12/09		202.50
66364	442	RANDY'S AUTOMOTIVE	5/12/09		25.00
66365	74	ROEDER IMPLEMENT CO.	5/12/09		185.51
66366	1240	ROGERS CHEMICAL RESOURCES LLC	5/12/09		341.25
66367	1229	ROMAINE COMPANIES	5/12/09		306.20
66368	80	SOUTHERN PRINTING INC	5/12/09		172.00
66369	81	SOUTHERN STATES COOP INC	5/12/09		226.90
66370	566	THERMOFISHER SCIENTIFIC	5/12/09		208.33
66371	961	TRI STATE BEARING CO INC	5/12/09		914.09
66372	1328	TRI-STATE MAILING SYSTEMS INC	5/12/09		239.95
66373	94	YOUNG HARDWARE CO	5/12/09		77.42
66374	201	CITY OF HOPKINSVILLE	5/12/09		3,764.81
66375	481	CITY OF OAK GROVE	5/12/09		132.12
66376	1065	KENTUCKY UTILITIES COMPANY	5/12/09		280.04
66377	575	KY CHAMBER OF COMMERCE	5/12/09		475.00
66378	1266	LABORATORY PRODUCTS	5/12/09		105.48
66379	78	STAFF PARTNERS, INC.	5/12/09		1,084.20
66389	317	ALLEN'S YARD SERVICE	5/15/09		75.00
66390	224	AMERICAN HIGHWAY PRODUCTS LTD	5/15/09		282.31
66391	452	CORNERSTONE INFORMATION SYSTEM	5/15/09		1,000.00
66392	42	HOPKINSVILLE ELECTRIC SYSTEM	5/15/09		34,929.13
66393	43	MAX ARNOLD & SONS INC	5/15/09		6,610.22
66394	110	KEY OIL COMPANY	5/15/09		1,648.55
66395	916	MICKEYD INC	5/15/09		6,522.19
66396	673	MOSS MCGRAW ENVIRONMENTAL LAB	5/15/09		4,065.00
66397	482	POLYDYNE, INC.	5/15/09		508.50
66398	1248	AIA CORPORATION	5/15/09		1,012.20
66399	917	SEAY OIL COMPANY	5/15/09		73.63

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66400	471	SOUTHERN ELECTRIC MOTOR	5/15/09		876.00
66401	1159	SOUTHERN MECHANICAL	5/15/09		2,160.00
66402	1134	SOUTHERN SALES COMPANY INC	5/15/09		1,302.00
66403	560	C.I. THORNBURG CO INC	5/15/09		2,267.89
66404	564	TRISTATE DISTRIBUTORS, INC.	5/15/09		5.80
66405	604	USA BLUE BOOK	5/15/09		2,132.44
66406	6	AFLAC	5/15/09		631.82
66407	79	AT&T	5/15/09		518.97
66408	91	ATMOS ENERGY	5/15/09		302.06
66409	1410	JOHN A. BUCKINGHAM	5/15/09		133.25
66410	19	CHRISTIAN COUNTY WATER DISTRIC	5/15/09		16.48
66411	204	HERITAGE BANK	5/15/09		1,055.74
66412	128	HOME BUILDERS ASSOCIATION	5/15/09		380.00
66413	984	HOUSING AUTHORITY OF HOPKINSVI	5/15/09		45.21
66414	1065	KENTUCKY UTILITIES COMPANY	5/15/09		401.18
66415	1251	NEWWAVE COMMUNICATIONS	5/15/09		6.95
66416	548	PINNACLE DATA SYSTEMS	5/15/09		5,000.00
66417	109	KENTUCKY STATE TREASURER	5/19/09		9,536.18
66418	79	AT&T	5/22/09		109.33
66419	1410	JOHN A. BUCKINGHAM	5/22/09		120.25
66420	123	KIRK DULIN	5/22/09		80.44
66421	42	HOPKINSVILLE ELECTRIC SYSTEM	5/22/09		290.23
66422	47	HOPKINSVILLE WATER ENVIRONMENT	5/22/09		687.00
66423	754	JENNIE STUART MEDICAL CENTER	5/22/09		35.00
66424	165	JENNIFER K. MOSS	5/22/09		47.24
66425	1080	PENNYRILE COLLECTION INC	5/22/09		2,332.46
66426	65	PENNYRILE RURAL ELECTRIC	5/22/09		1,683.07
66427	78	STAFF PARTNERS, INC.	5/22/09		417.00
66428	202	KENTUCKY STATE TREASURER	5/22/09		8,750.39
66429	1284	AWS REAL ESTATE	5/27/09		193.75
66430	423	CAMPBELL LANE GROUP LLC	5/27/09		914.85
66431	533	NICHOLAS W. DATTILO	5/27/09		5,023.41
66432	802	RAY DIUGUID	5/27/09		427.23
66433	1107	EAGLES COVE DEVELOPMENT	5/27/09		2,759.63
66434	1287	GRANITE/MCCOY, LLC	5/27/09		51.12
66435	1283	NOVADELL DEVELOPMENT LLC	5/27/09		1,719.92
66436	1283	NOVADELL DEVELOPMENT LLC	5/27/09		1,441.88
66437	801	RDJ DEVELOPMENT, LLC	5/27/09		1,161.55
66438	1105	JIM RUCKER	5/27/09		657.89
66439	1222	DR. WILLIAM B. WADLINGTON	5/27/09		561.18
66452	6	AFLAC	5/29/09		631.82
66453	96	AT&T	5/29/09		667.52
66454	1033	AT&T LONG DISTANCE SERVICE	5/29/09		32.78
66455	1410	JOHN A. BUCKINGHAM	5/29/09		130.00
66456	554	BW'S DINER	5/29/09		62.50
66457	19	CHRISTIAN COUNTY WATER DISTRIC	5/29/09		979.22
66458	201	CITY OF HOPKINSVILLE	5/29/09		11,110.00
66459	545	D2 ENERGY, LLC	5/29/09		2,358.75
66460	204	HERITAGE BANK	5/29/09		1,506.94
66461	204	HERITAGE BANK	5/29/09		1,055.74
66462	42	HOPKINSVILLE ELECTRIC SYSTEM	5/29/09		147.17

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66463	226	JV ENGINEERING, INC.	5/29/09		5,000.00
66464	981	OFFICEMAX CREDIT PLAN	5/29/09		551.90
66465	953	SEARS COMMERCIAL ONE	5/29/09		427.98
66466	81	SOUTHERN STATES COOP INC	5/29/09		230.46
66467	78	STAFF PARTNERS, INC.	5/29/09		708.90
66468	697	VERIZON WIRELESS	5/29/09		811.26
66469	369	XEROX CAPITAL SERVICES, LLC	5/29/09		317.90
66470	1341	LEN HALE	6/03/09		502.26
66471	90	AIRGAS MID AMERICA	6/05/09		237.06
66472	317	ALLEN'S YARD SERVICE	6/05/09		150.00
66473	1096	ASHLAND SPECIALTY CHEMICALS	6/05/09		1,008.00
66474	91	ATMOS ENERGY	6/05/09		1,201.22
66475	462	BB&T FINANCIAL, FSB	6/05/09		4,702.64
66476	551	BERRY TRUCKING, INC.	6/05/09		936.69
66477	13	BLUE STREAK PRINTERS	6/05/09		110.00
66478	485	BOBBY OUTLAW DISPOSAL, LLC	6/05/09		2,041.04
66479	1410	JOHN A. BUCKINGHAM	6/05/09		130.00
66480	180	BUY RITE PARTS & SUPPLY	6/05/09		54.41
66481	16	CAYCE MILL SUPPLY CO.	6/05/09		1,637.97
66482	804	CHRISTIAN COUNTY LUMBER & HOME	6/05/09		48.50
66483	25	CORNETTE'S	6/05/09		476.44
66484	1018	CUMBERLAND TECHNOLOGIES, INC.	6/05/09		88.41
66485	536	FIRST CLASS LAWN SERVICE	6/05/09		2,144.00
66486	556	FREEDOM WASTE SERVICE	6/05/09		104.20
66487	33	HACH COMPANY	6/05/09		1,205.72
66488	42	HOPKINSVILLE ELECTRIC SYSTEM	6/05/09		355.59
66489	2011	HOPKINSVILLE SOLID WASTE AUTHO	6/05/09		92.71
66490	199	KENTUCKY AMERICAN SEED	6/05/09		116.99
66491	573	KENTUCKY MACHINE & ENGINEERING	6/05/09		50.00
66492	1279	KERCO, INC.	6/05/09		648.00
66493	221	KY-TN SECTION AWWA	6/05/09		1,000.00
66494	112	LEE RENTS	6/05/09		95.90
66495	1192	LOWE'S COMPANIES INC	6/05/09		42.64
66496	924	MCGEE PEST CONTROL	6/05/09		84.00
66497	24	O'REILLY AUTO PARTS INC	6/05/09		729.31
66498	491	OAK GROVE UTILITIES OFFICE	6/05/09		3,063.12
66499	65	PENNYRILE RURAL ELECTRIC	6/05/09		64,315.36
66500	223	PETTY CASH/REFUND DEPOSITS	6/05/09		9.25
66501	1248	AIA CORPORATION	6/05/09		1,187.95
66502	71	PROFESSIONAL TOOL INC	6/05/09		12.00
66503	1235	PROWELL'S EQUIPMENT REPAIR	6/05/09		187.80
66504	442	RANDY'S AUTOMOTIVE	6/05/09		66.56
66505	80	SOUTHERN PRINTING INC	6/05/09		630.00
66506	816	STERICYCLE INC	6/05/09		264.21
66507	1066	THE UPS STORE	6/05/09		71.18
66508	1333	JUDY WAYTE	6/05/09		71.29
66509	455	WESTERN KENTUCKY UNIVERSITY	6/05/09		420.00
66510	417	WILSON ALARM COMPANY	6/05/09		190.00
66511	812	ADAMS PROPERTIES	6/05/09		250.00
66512	959	HEALTH RESOURCES INC	6/05/09		422.99
66513	1251	NEWWAVE COMMUNICATIONS	6/05/09		6.95

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66514	958	NORTH AMERICA ADMINISTRATORS	6/05/09		15,501.45
66515	1207	PALCO ENTERPRISES	6/05/09		468.00
66516	203	KENTUCKY RETIREMENT SYSTEM	6/05/09		54,251.12
66517	202	KENTUCKY STATE TREASURER	6/05/09		4,467.98
66518	602	OPERATOR CERTIFICATION CABINET	6/08/09	6/08/09	95.00
66519	39	HOPKINSVILLE AGGREGATE	6/11/09	6/11/09	2,869.30
66520	42	HOPKINSVILLE ELECTRIC SYSTEM	6/11/09	6/11/09	36,793.98
66521	65	PENNYRILE RURAL ELECTRIC	6/11/09	6/11/09	2,196.36
66522	344	W. ROGERS COMPANY	6/11/09	6/11/09	28,500.00
66532	6	AFLAC	6/12/09		631.82
66533	1410	JOHN A. BUCKINGHAM	6/12/09		130.00
66534	19	CHRISTIAN COUNTY WATER DISTRIC	6/12/09		16.48
66535	1356	CHASE CLAY	6/12/09		30.00
66536	123	KIRK DULIN	6/12/09		30.00
66537	204	HERITAGE BANK	6/12/09		1,055.74
66538	42	HOPKINSVILLE ELECTRIC SYSTEM	6/12/09		36,793.98
66539	395	PROVIDENT LIFE & ACCIDENT	6/12/09		1,112.43
66540	361	AMERICA'S OFFICE SOURCE	6/15/09		447.79
66541	253	AMERICAN CONCRETE INC	6/15/09		1,397.00
66542	443	ARAMARK UNIFORM SERVICES	6/15/09		1,905.28
66543	61	BRENNTAG MID-SOUTH INC	6/15/09		3,233.30
66544	201	CITY OF HOPKINSVILLE	6/15/09		5,682.87
66545	481	CITY OF OAK GROVE	6/15/09		206.13
66546	452	CORNERSTONE INFORMATION SYSTEM	6/15/09		1,490.00
66547	1306	D & F DISTRIBUTORS INC	6/15/09		640.74
66548	601	DEATHERAGE, MYERS & LACKEY	6/15/09		936.00
66549	433	EMPIRICAL LABORATORIES, LLC.	6/15/09		4,138.00
66550	561	ENVIRONMENTAL RESOURCE ASSOCIA	6/15/09		1,687.79
66551	483	F2 INDUSTRIES, LLC	6/15/09		5,103.80
66552	576	GARLAND NISSAN LLC	6/15/09		83.02
66553	1133	GRAYBAR FINANCIAL SERVICES, LL	6/15/09		921.03
66554	837	HANNAN SUPPLY COMPANY	6/15/09		47.25
66555	860	HD SUPPLY WATERWORKS, LTD	6/15/09		2,702.47
66556	39	HOPKINSVILLE AGGREGATE	6/15/09		2,869.30
66557	43	MAX ARNOLD & SONS INC	6/15/09		4,498.52
66558	570	ITT WATER & WASTEWATER INDIANA	6/15/09		3,312.40
66559	755	JONES BROS. TOWING & TRUCKING	6/15/09		1,000.00
66560	49	KENTUCKY NEW ERA	6/15/09		625.40
66561	110	KEY OIL COMPANY	6/15/09		2,584.02
66562	1266	LABORATORY PRODUCTS	6/15/09		335.65
66563	574	LAKESIDE EQUIPMENT CORPORATION	6/15/09		4,000.00
66564	916	MICKEYD INC	6/15/09		5,204.25
66565	673	MOSS MCGRAW ENVIRONMENTAL LAB	6/15/09		840.00
66566	60	NEPTUNE EQUIPMENT COMPANY	6/15/09		6,662.73
66567	444	NICH-CHEM	6/15/09		20,119.50
66568	1207	PALCO ENTERPRISES	6/15/09		24.00
66569	156	PETTER SUPPLY COMPANY	6/15/09		101.52
66570	482	POLYDYNE, INC.	6/15/09		2,034.00
66571	125	RABEN TIRE COMPANY	6/15/09		141.20
66572	1229	ROMAINE COMPANIES	6/15/09		299.00
66573	925	DAVIS PROCESS	6/15/09		4,930.00

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66574	471	SOUTHERN ELECTRIC MOTOR	6/15/09		4,068.07
66575	1134	SOUTHERN SALES COMPANY INC	6/15/09		1,242.01
66576	710	STRAEFFER PUMP & SUPPLY INC	6/15/09		5,580.00
66577	560	C.I. THORNBURG CO INC	6/15/09		1,437.71
66578	1311	TRACTOR SUPPLY CREDIT PLAN	6/15/09		191.20
66579	961	TRI STATE BEARING CO INC	6/15/09		216.08
66580	671	WHAYNE SUPPLY COMPANY	6/15/09		2,706.00
66581	892	WHOP AM-FM	6/15/09		524.00
66582	1292	WKDZ-FM/WKDZ-AM/WHVO	6/15/09		370.00
66583	94	YOUNG HARDWARE CO	6/15/09		139.78
66584	79	AT&T	6/15/09		620.04
66585	47	HOPKINSVILLE WATER ENVIRONMENT	6/15/09		627.00
66586	1065	KENTUCKY UTILITIES COMPANY	6/15/09		663.22
66587	548	PINNACLE DATA SYSTEMS	6/15/09		8,140.11
66588	79	AT&T	6/19/09		109.14
66589	1033	AT&T LONG DISTANCE SERVICE	6/19/09		24.39
66590	91	ATMOS ENERGY	6/19/09		199.27
66591	1410	JOHN A. BUCKINGHAM	6/19/09		130.00
66592	98	CSX TRANSPORTATION	6/19/09		100.00
66593	42	HOPKINSVILLE ELECTRIC SYSTEM	6/19/09		373.70
66594	47	HOPKINSVILLE WATER ENVIRONMENT	6/19/09		60.00
66595	109	KENTUCKY STATE TREASURER	6/19/09		10,797.74
66596	552	LAKESHORE ENGINEERING SERVICES	6/19/09		32,279.25
66597	547	MINORITY ECONOMIC DEVELOPMENT	6/19/09		200.00
66598	1245	PENNYRILE RC&D COUNCIL	6/19/09		120.00
66599	65	PENNYRILE RURAL ELECTRIC	6/19/09		2,196.36
66600	78	STAFF PARTNERS, INC.	6/19/09		2,877.30
66601	1315	U.S. POSTAL SERVICE	6/19/09		500.00
66602	202	KENTUCKY STATE TREASURER	6/19/09		4,317.80
66615	6	AFLAC	6/26/09		631.82
66616	96	AT&T	6/26/09		666.75
66617	1410	JOHN A. BUCKINGHAM	6/26/09		130.00
66618	554	BW'S DINER	6/26/09		56.00
66619	129	HOPK./CC CHAMBER OF COMMERCE	6/26/09		1,824.00
66620	19	CHRISTIAN COUNTY WATER DISTRICT	6/26/09		1,554.21
66621	201	CITY OF HOPKINSVILLE	6/26/09		158.00
66622	201	CITY OF HOPKINSVILLE	6/26/09		11,110.00
66623	1420	NANCY M DOWNEY	6/26/09		20.00
66624	545	D2 ENERGY, LLC	6/26/09		1,275.00
66625	1419	KELLY E FIELDER	6/26/09		10.00
66626	579	STEPHEN GREENWELL	6/26/09		34.50
66627	204	HERITAGE BANK	6/26/09		3,791.67
66628	204	HERITAGE BANK	6/26/09		1,055.74
66629	42	HOPKINSVILLE ELECTRIC SYSTEM	6/26/09		94.38
66630	984	HOUSING AUTHORITY OF HOPKINSVI	6/26/09		45.21
66631	1418	BONNIE L HUGHES	6/26/09		134.43
66632	103	DAVID L. MCGUIRE	6/26/09		42.32
66633	78	STAFF PARTNERS, INC.	6/26/09		979.95
66634	1421	LEE M UPTON	6/26/09		33.56
66635	697	VERIZON WIRELESS	6/26/09		689.36
66636	369	XEROX CAPITAL SERVICES, LLC	6/26/09		317.90

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HOPKINSVILLE WATER ENVIRONMENT AUTHORITY# 1

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CHECK REGISTER

DATE - 10/28/09

FROM 7/01/08 TO 6/30/09

TIME - 9.49

CHECK	VENDOR	NAME	CHK-DAT	VOID-DAT	PAY-AMT
66637	166	HCC FOUNDATION, INC.	6/26/09		1,000.00
66638	204	HERITAGE BANK	6/26/09		450.00
		BANK PAYMENT TOTALS			8,026,541.82
		BANK VOIDED TOTALS			144,791.93
		COMPANY PAYMENT TOTALS			8,026,541.82
		COMPANY VOIDED TOTALS			144,791.93

5. For each outstanding revenue bond issuance related to HWEA's water and sewer operations, provide:
- a. The bond ordinance or resolution authorizing the issuance of revenue bonds.
  - b. An amortization schedule.
  - c. A detailed explanation of why the debt was incurred.
  - d. A calculation of the annual debt service payment, including all required payments to debt service reserve accounts or funds, for each of the next three years.

**RESPONSE:**

**2005 Bond Issue.** The City of Hopkinsville has only one (1) outstanding revenue bond issue related to HWEA's Hopkinsville Water Division. This bond issue is designated as the 2005 Bond Issue. It consists of the Series 2005A Bonds in the original principal amount of \$25,635,000 and the Series 2005B Refunding Bonds in the original principal amount of \$1,545,000. Both the 2005A Bonds and the 2005B Refunding Bonds are dated May 1, 2005 and were issued pursuant to the Bond Ordinance enacted on May 17, 2005. A copy of this Bond Ordinance is attached to this response as part of **Attachment 5**.



**Debt Service Coverage.** Section 13 (pages 18 and 19) of the Bond Ordinance requires a debt service coverage of **1.30** times the maximum annual debt service.

**Purpose of Bonds.** The proceeds from the 2005A Bonds were used to finance the construction of the Lake Barkley Raw Water System Project. The proceeds from the 2005B Refunding Bonds were used to refund and redeem the 1996 Bonds. The proceeds from the 1996 Bonds were used to finance the construction of the Moss Water Treatment Plant (“Moss WTP”). Thus, the proceeds from both the 2005A Bonds and the 2005B Refunding Bonds were used for projects which benefit all HWEA water customers, both retail and wholesale.

**KIA Water Loans.** HWEA also has three (3) outstanding loans with the Kentucky Infrastructure Authority (KIA) related to HWEA’s Hopkinsville Water Division. These loans are identified as follows:

- KIA Loan B95-02
- KIA Loan F02-04
- KIA Loan F06-02

The proceeds from KIA Loan B95-02 were used to pay a portion of the cost of constructing the Moss WTP. The proceeds from both KIA Loan F02-04 and KIA Loan F-06-02 were used to pay portions of different phases

of the Lake Barkley Raw Water System Project. Again, these loans funded projects which benefit all HWEA customers, both retail and wholesale.

**Additional Loans.** HWEA has commenced construction of a major expansion to the Moss WTP. The estimated cost of this project is approximately \$11,500,000. It will be funded by a \$1,000,000 grant from the Kentucky General Assembly, a KIA Fund F Loan (Loan F08-06) in the amount of \$8,000,000, and other financing, as necessary, up to \$2,500,000. Details of the new KIA Loan and the other anticipated financing will be provided as soon as the information becomes available. Again, the project being funded by these new loans will benefit all HWEA customers, both retail and wholesale.

**Debt Service Analysis.** Included in **Attachment 5** is a schedule labeled “Debt Service Analysis” for the Hopkinsville Water Division. It shows the annual debt service payments for the three (3) KIA water loans previously discussed in this response, the 2005A Bonds and the 2005B Refunding Bonds. Collectively, these loans and bonds will be referred to as the “Water Loans”. The Debt Service Analysis also shows the estimated annual debt service payments for the new \$8,000,000 KIA Loan (Loan F08-06) and other anticipated financing. This Debt Service Analysis schedule

was provided to CCWD during the discussions that took place during July and August of 2009.

**Sewer Loans.** HWEA has numerous other outstanding loans with KIA and other lenders that were incurred for Hopkinsville sewer operations, Pembroke sewer operations, Crofton water and sewer operations and Oak Grove sewer operations. Hereafter, these loans will be referred to as the “Sewer Loans”. The annual debt service requirements for the Sewer Loans were not included in HWEA’s wholesale water rate calculations. HWEA has not sought, and will not seek, to increase its wholesale water service rates for CCWD based upon the debt service requirements associated with the Sewer Loans. Nevertheless, for completeness and because the Commission has requested this information, HWEA has prepared a comprehensive Debt Schedule for all loans. This comprehensive Debt Schedule is included as part of **Attachment 5**. It shows the annual principal and interest payments for each loan for the next several years.

**Bond Amortization Schedules.** Included as part of **Attachment 5** are amortization schedules for the 2005A Bonds and the 2005B Refunding Bonds.

**Attachment 5.** To summarize, **Attachment 5** includes the following documents:

1. Comprehensive Debt Service Schedule;
2. Debt Service for Hopkinsville Water Division;
3. 2005A Bonds Debt Service Schedule;
4. 2005B Bonds Debt Service Schedule; and
5. Bond Ordinance

**WITNESS:** Russell King

## **ATTACHMENT 5**

- 1. Comprehensive Debt Service Schedule**
- 2. Debt Service for Hopkinsville Water Division**
- 3. 2005A Bonds Debt Service Schedule**
- 4. 2005B Bonds Debt Service Schedule**
- 5. Bond Ordinance**

**Hopkinsville Water Environment Authority**  
**Debt Schedule**  
**Fiscal Years 2009-2017**

**Attachment 5**

		2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2016	2017	2017
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
		Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments	Payments
KIA Loan B95-02	Water Plant Const.	\$156,861	\$69,149	\$159,856	\$65,839	\$162,907	\$62,466	\$166,017	\$59,029	\$169,187	\$55,526	\$172,416	\$51,956	\$175,708	\$48,318	\$179,062	\$44,611	\$182,480	\$40,833
KIA Loan F02-04	Barkley Raw Water	\$68,724	\$18,706	\$69,413	\$17,845	\$70,108	\$16,975	\$70,811	\$16,096	\$71,521	\$15,209	\$72,238	\$14,313	\$72,962	\$13,407	\$73,694	\$12,493	\$74,433	\$11,569
KIA Loan F06-02	Intake Site	\$144,343	\$125,177	\$148,705	\$120,451	\$153,200	\$115,582	\$157,831	\$110,566	\$162,601	\$105,428	\$167,516	\$100,074	\$172,579	\$94,588	\$177,795	\$88,938	\$183,169	\$83,116
2005A Series Bonds	Barkley Project	\$975,000	\$929,314	\$1,010,000	\$895,818	\$1,045,000	\$861,139	\$1,080,000	\$824,605	\$1,120,000	\$785,405	\$1,160,000	\$743,645	\$1,205,000	\$699,893	\$1,250,000	\$652,600	\$1,300,000	\$601,600
2005B Series Bonds	Refunding 1996 Bds	\$120,000	\$39,963	\$130,000	\$36,213	\$130,000	\$32,313	\$135,000	\$28,338	\$140,000	\$24,037	\$145,000	\$19,316	\$150,000	\$14,244	\$155,000	\$8,809	\$160,000	\$3,000
City of Crofton	W/S Purchase	\$56,216	\$2,811	\$0	\$0														
KIA Loan - Anticipated \$8,000,000		\$0	\$0	\$0	\$40,000	\$0	\$80,000	\$363,160	\$94,006	\$366,808	\$89,628	\$370,493	\$85,206	\$374,215	\$80,740	\$377,975	\$76,229	\$381,772	\$71,672
Other Financing-Anticipated \$2,500,000		\$0	\$0	\$0	\$0	\$0	\$47,500	\$85,120	\$93,528	\$88,412	\$90,236	\$91,830	\$86,817	\$95,382	\$83,266	\$99,070	\$79,578	\$102,901	\$75,747
KIA Loan A92-10		\$502,759	\$53,128	\$508,811	\$46,068	\$514,935	\$38,923	\$521,133	\$31,692	\$527,405	\$24,374	\$533,753	\$16,968	\$540,177	\$9,472	\$272,522	\$1,897	\$0	\$0
KIA Loan A95-01	Phase 2	\$160,160	\$33,971	\$163,056	\$32,369	\$166,004	\$27,477	\$169,006	\$24,142	\$172,062	\$20,747	\$175,173	\$17,290	\$178,340	\$13,771	\$181,564	\$10,188	\$184,847	\$6,540
KIA Loan A99-03	Phase 3	\$37,820	\$23,321	\$39,271	\$21,794	\$40,777	\$20,208	\$42,341	\$18,561	\$43,966	\$16,852	\$45,652	\$15,076	\$47,403	\$13,233	\$49,221	\$11,319	\$51,110	\$9,331
KIA Loan A03-05	Phase 4	\$219,035	\$49,350	\$221,230	\$46,715	\$223,448	\$44,054	\$225,688	\$41,366	\$227,951	\$38,651	\$230,236	\$35,909	\$232,544	\$33,139	\$234,875	\$30,341	\$237,230	\$27,516
KIA Loan A04-05	Phase 5	\$113,575	\$28,030	\$114,713	\$26,663	\$115,863	\$25,283	\$117,025	\$23,890	\$118,198	\$22,482	\$119,383	\$21,060	\$120,580	\$19,924	\$121,789	\$18,173	\$123,010	\$16,708
KIA Loan A94-10	Pembroke	\$12,202	\$1,571	\$12,349	\$1,300	\$12,497	\$1,226	\$12,648	\$1,051	\$12,800	\$873	\$12,954	\$693	\$13,110	\$512	\$13,268	\$327	\$13,427	\$141
KIA Loan A94-01	Crofton	\$32,281	\$2,226	\$32,410	\$2,033	\$32,540	\$1,838	\$32,670	\$1,642	\$32,801	\$1,446	\$32,932	\$1,249	\$33,064	\$1,051	\$33,197	\$853	\$33,330	\$653
KIA Loan C96-03	Oak Grove	\$40,000	\$24,106	\$45,000	\$22,826	\$45,000	\$21,161	\$50,000	\$19,384	\$50,000	\$16,784	\$55,000	\$14,059	\$60,000	\$11,061	\$55,000	\$8,541	\$60,000	\$6,162
Ky Rural Water 2001H	Oak Grove	\$25,000	\$21,419	\$25,000	\$20,709	\$25,000	\$19,961	\$25,000	\$19,158	\$25,000	\$18,291	\$25,000	\$17,394	\$30,000	\$16,471	\$30,000	\$15,364	\$30,000	\$14,182
Ky Rural Water 2004B	Oak Grove	\$55,000	\$68,885	\$55,000	\$67,356	\$58,000	\$65,621	\$60,000	\$63,689	\$62,000	\$61,571	\$64,000	\$59,073	\$68,000	\$56,493	\$72,000	\$53,753	\$73,000	\$50,851
Oak Grove Bonds 1998	Oak Grove	\$50,000	\$41,470	\$50,000	\$39,295	\$50,000	\$37,295	\$55,000	\$34,870	\$55,000	\$32,395	\$60,000	\$29,893	\$60,000	\$27,132	\$75,000	\$24,313	\$75,000	\$20,750
City of Oak Grove	Oak Grove	\$788,020	\$0	\$731,074	\$0	\$731,074	\$0	\$731,074	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$3,556,996	\$1,532,597	\$3,515,888	\$1,503,294	\$3,576,353	\$1,519,022	\$4,099,524	\$1,505,613	\$3,445,712	\$1,419,935	\$3,533,576	\$1,329,991	\$3,629,064	\$1,236,715	\$3,451,032	\$1,138,327	\$3,265,709	\$1,040,371

**HWEA**  
**Debt Service Analysis**  
**Hopkinsville Water Division**

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
		Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments
<b>Existing Debt</b>											
KIA Loan B95-02	Water Plant Const.	\$225,695	\$225,374	\$225,046	\$224,712	\$224,373	\$224,028	\$223,673	\$223,313	\$222,947	\$222,573
Original Loan Amount -	\$ 5,000,000.00										
Loan Origination - 1995											
Maturity Date	June 1, 2028										
KIA Loan F02-04	Barkley Raw Water	\$87,257	\$87,083	\$86,907	\$86,730	\$86,551	\$86,370	\$86,187	\$86,002	\$85,815	\$85,627
Original Loan Amount -	\$ 1,513,593.00										
Loan Origination - 2002											
Maturity Date	June 1, 2028										
KIA Loan F06-02	Intake Site	\$269,157	\$268,782	\$268,396	\$267,999	\$267,589	\$267,167	\$266,733	\$266,285	\$265,823	\$265,348
Original Loan Amount -	\$ 3,887,432.12										
Loan Origination - 2006											
Maturity Date	June 1, 2028										
2005A Series Bonds	Barkley Project	\$1,905,818	\$1,906,139	\$1,904,605	\$1,905,405	\$1,903,645	\$1,904,893	\$1,902,600	\$1,901,600	\$1,903,500	\$1,903,200
Original Bond Proceeds -	\$ 25,635,000.00										
Bond Origination - 2005											
Maturity Date	April 1, 2026										
2005B Series Bonds	Water Treatment Plt.	\$166,213	\$162,313	\$163,337	\$164,038	\$164,316	\$164,244	\$163,809	\$163,000	\$0	\$0
Original Bond Proceeds -	\$ 1,545,000.00										
Bond Origination - 2005											
Maturity Date	April 1, 2017										
<b>Anticipated Debt</b>											
KIA Loan \$8,000,000 @ 1% for 20 Years		\$40,000	\$80,000	\$459,342	\$458,406	\$457,460	\$456,503	\$455,536	\$454,558	\$453,570	\$452,576
Other Financing \$2,500,000 @ 3.8% for 20 Years		\$0	\$47,500	\$182,368	\$182,112	\$181,846	\$181,570	\$181,283	\$180,985	\$180,676	\$180,356
		<u>\$2,694,140</u>	<u>\$2,777,191</u>	<u>\$3,290,001</u>	<u>\$3,289,402</u>	<u>\$3,285,780</u>	<u>\$3,284,775</u>	<u>\$3,279,821</u>	<u>\$3,275,743</u>	<u>\$3,112,331</u>	<u>\$3,109,680</u>

**City of Hopkinsville (Kentucky)**

**Water and Sewer Revenue Bonds**

**Series 2005A**

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+i	Fiscal Total
05/01/2005	-	-	-	-	-
10/01/2005	-	-	409,538.54	409,538.54	-
04/01/2006	-	-	491,446.25	491,446.25	-
06/30/2006	-	-	-	-	900,984.79
10/01/2006	550,000.00	3.375%	491,446.25	1,041,446.25	-
04/01/2007	-	-	482,165.00	482,165.00	-
06/30/2007	-	-	-	-	1,523,611.25
10/01/2007	550,000.00	3.375%	482,165.00	1,032,165.00	-
04/01/2008	-	-	472,883.75	472,883.75	-
06/30/2008	-	-	-	-	1,505,048.75
10/01/2008	975,000.00	3.375%	472,883.75	1,447,883.75	-
04/01/2009	-	-	456,430.63	456,430.63	-
06/30/2009	-	-	-	-	1,904,314.38
10/01/2009	1,010,000.00	3.375%	456,430.63	1,466,430.63	-
04/01/2010	-	-	439,386.88	439,386.88	-
06/30/2010	-	-	-	-	1,905,817.51
10/01/2010	1,045,000.00	3.375%	439,386.88	1,484,386.88	-
04/01/2011	-	-	421,752.50	421,752.50	-
06/30/2011	-	-	-	-	1,906,139.38
10/01/2011	1,080,000.00	3.500%	421,752.50	1,501,752.50	-
04/01/2012	-	-	402,852.50	402,852.50	-
06/30/2012	-	-	-	-	1,904,605.00
10/01/2012	1,120,000.00	3.625%	402,852.50	1,522,852.50	-
04/01/2013	-	-	382,552.50	382,552.50	-
06/30/2013	-	-	-	-	1,905,405.00
10/01/2013	1,160,000.00	3.700%	382,552.50	1,542,552.50	-
04/01/2014	-	-	361,092.50	361,092.50	-
06/30/2014	-	-	-	-	1,903,645.00
10/01/2014	1,205,000.00	3.700%	361,092.50	1,566,092.50	-
04/01/2015	-	-	338,800.00	338,800.00	-
06/30/2015	-	-	-	-	1,904,892.50
10/01/2015	1,250,000.00	4.000%	338,800.00	1,588,800.00	-
04/01/2016	-	-	313,800.00	313,800.00	-
06/30/2016	-	-	-	-	1,902,600.00
10/01/2016	1,300,000.00	4.000%	313,800.00	1,613,800.00	-
04/01/2017	-	-	287,800.00	287,800.00	-
06/30/2017	-	-	-	-	1,901,600.00
10/01/2017	1,355,000.00	4.000%	287,800.00	1,642,800.00	-
04/01/2018	-	-	260,700.00	260,700.00	-
06/30/2018	-	-	-	-	1,903,500.00
10/01/2018	1,410,000.00	4.000%	260,700.00	1,670,700.00	-
04/01/2019	-	-	232,500.00	232,500.00	-
06/30/2019	-	-	-	-	1,903,200.00
10/01/2019	1,470,000.00	4.000%	232,500.00	1,702,500.00	-



**City of Hopkinsville (Kentucky)**

Water and Sewer Revenue Bonds

Series 2005A

**Debt Service Schedule**

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/01/2020	-	-	203,100.00	203,100.00	-
06/30/2020	-	-	-	-	1,905,600.00
10/01/2020	1,530,000.00	4.000%	203,100.00	1,733,100.00	-
04/01/2021	-	-	172,500.00	172,500.00	-
06/30/2021	-	-	-	-	1,905,600.00
10/01/2021	1,590,000.00	4.000%	172,500.00	1,762,500.00	-
04/01/2022	-	-	140,700.00	140,700.00	-
06/30/2022	-	-	-	-	1,903,200.00
10/01/2022	1,655,000.00	4.000%	140,700.00	1,795,700.00	-
04/01/2023	-	-	107,600.00	107,600.00	-
06/30/2023	-	-	-	-	1,903,300.00
10/01/2023	1,720,000.00	4.000%	107,600.00	1,827,600.00	-
04/01/2024	-	-	73,200.00	73,200.00	-
06/30/2024	-	-	-	-	1,900,800.00
10/01/2024	1,795,000.00	4.000%	73,200.00	1,868,200.00	-
04/01/2025	-	-	37,300.00	37,300.00	-
06/30/2025	-	-	-	-	1,905,500.00
10/01/2025	1,865,000.00	4.000%	37,300.00	1,902,300.00	-
06/30/2026	-	-	-	-	1,902,300.00
<b>Total</b>	<b>\$25,635,000.00</b>	<b>-</b>	<b>\$12,566,663.56</b>	<b>\$38,201,663.56</b>	<b>-</b>

**City of Hopkinsville (Kentucky)**

**Water and Sewer Revenue Bonds  
Series 2005B (Refunding of 1996)**

**Debt Service Schedule**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>	<b>Fiscal Total</b>
05/01/2005	-	-	-	-	-
10/01/2005	45,000.00	3.000%	20,901.04	65,901.04	-
04/01/2006	-	-	24,406.25	24,406.25	-
06/30/2006	-	-	-	-	90,307.29
10/01/2006	115,000.00	3.000%	24,406.25	139,406.25	-
04/01/2007	-	-	22,681.25	22,681.25	-
06/30/2007	-	-	-	-	162,087.50
10/01/2007	120,000.00	3.000%	22,681.25	142,681.25	-
04/01/2008	-	-	20,881.25	20,881.25	-
06/30/2008	-	-	-	-	163,562.50
10/01/2008	120,000.00	3.000%	20,881.25	140,881.25	-
04/01/2009	-	-	19,081.25	19,081.25	-
06/30/2009	-	-	-	-	159,962.50
10/01/2009	130,000.00	3.000%	19,081.25	149,081.25	-
04/01/2010	-	-	17,131.25	17,131.25	-
06/30/2010	-	-	-	-	166,212.50
10/01/2010	130,000.00	3.000%	17,131.25	147,131.25	-
04/01/2011	-	-	15,181.25	15,181.25	-
06/30/2011	-	-	-	-	162,312.50
10/01/2011	135,000.00	3.000%	15,181.25	150,181.25	-
04/01/2012	-	-	13,156.25	13,156.25	-
06/30/2012	-	-	-	-	163,337.50
10/01/2012	140,000.00	3.250%	13,156.25	153,156.25	-
04/01/2013	-	-	10,881.25	10,881.25	-
06/30/2013	-	-	-	-	164,037.50
10/01/2013	145,000.00	3.375%	10,881.25	155,881.25	-
04/01/2014	-	-	8,434.38	8,434.38	-
06/30/2014	-	-	-	-	164,315.63
10/01/2014	150,000.00	3.500%	8,434.38	158,434.38	-
04/01/2015	-	-	5,809.38	5,809.38	-
06/30/2015	-	-	-	-	164,243.76
10/01/2015	155,000.00	3.625%	5,809.38	160,809.38	-
04/01/2016	-	-	3,000.00	3,000.00	-
06/30/2016	-	-	-	-	163,809.38
10/01/2016	160,000.00	3.750%	3,000.00	163,000.00	-
06/30/2017	-	-	-	-	163,000.00
<b>Total</b>	<b>\$1,545,000.00</b>	<b>-</b>	<b>\$342,188.56</b>	<b>\$1,887,188.56</b>	<b>-</b>

**ORDINANCE NO. 11-2005**

**BOND ORDINANCE**

**AUTHORIZING**

**CITY OF HOPKINSVILLE, KENTUCKY  
WATER AND SEWER REVENUE BONDS,  
SERIES 2005A  
DATED MAY 1, 2005**

**AND**

**CITY OF HOPKINSVILLE, KENTUCKY  
WATER AND SEWER REFUNDING REVENUE BONDS,  
SERIES 2005B  
DATED MAY 1, 2005**

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**ORDINANCE NO. 11-2005**

**BOND ORDINANCE**

**AN ORDINANCE OF THE CITY OF HOPKINSVILLE, KENTUCKY, AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF HOPKINSVILLE, KENTUCKY WATER AND SEWER REVENUE BONDS, SERIES 2005A, DATED MAY 1, 2005 AND CITY OF HOPKINSVILLE, KENTUCKY WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 2005B, DATED MAY 1, 2005, UNDER THE PROVISIONS OF CHAPTER 82 AND SECTIONS 58.010 THROUGH 58.140 OF THE KENTUCKY REVISED STATUTES, FOR THE PURPOSE OF DEFRAYING THE COST OF THE ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE CITY 'S COMBINED AND CONSOLIDATED WATER AND SEWER SYSTEM AND THE REFUNDING OF CERTAIN OBLIGATIONS OF THE CITY'S COMBINED AND CONSOLIDATED WATER AND SEWER SYSTEM.**

**WHEREAS**, the City of Hopkinsville (the "City"), a second class city of Christian County, Kentucky, presently owns the combined and consolidated waterworks and sewer system (the "System") of said City, and

**WHEREAS**, the System is managed and operated by the Hopkinsville Water Environment Authority ("HWEA") of the City, and

**WHEREAS**, the City has heretofore issued its City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 1993, dated December 15, 1993 (the "Series 1993 Bonds") in the original principal amount of \$4,075,000, authorized by an ordinance enacted by the City Council of the City on November 30, 1993 (the "1993 Bond Ordinance"), and

**WHEREAS**, the City has heretofore issued its City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 1996, dated June 15, 1996 (the "Series 1996 Bonds") in the original principal amount of \$2,080,000, authorized by an ordinance enacted by the City Council of the City on June 18, 1996 (the "1996 Bond Ordinance"), and

**WHEREAS**, the City has heretofore issued its City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2002, dated February 15, 2002 (the "Series 2002 Bonds") in the original principal amount of \$5,080,000, authorized by an ordinance enacted by the City Council of the City on February 19, 2002 (the "2002 Bond Ordinance"), and

**WHEREAS**, in and by the 1993 Bond Ordinance, the 1996 Bond Ordinance and the 2002 Bond Ordinance (hereinafter collectively referred to as the "Prior Bond Ordinance"), the right and privilege was reserved by the City under conditions and restrictions set out in said Prior Bond Ordinance, of issuing additional bonds from time to time, payable from the income and revenues of the System and ranking on a parity with the outstanding Series 1993 Bonds, Series 1996 Bonds and Series 2002 Bonds (hereinafter collectively referred to as the "Prior Bonds"), for the purpose

among other things, of refunding or refinancing all or a part of the outstanding Prior Bonds, which conditions and restrictions are found to currently exist and prevail so as to permit the issuance of certain proposed additional bonds so as to rank, when issued, on a parity with the outstanding Prior Bonds, and

**WHEREAS**, it is deemed necessary and advisable for the best interests of the City that the City Council authorize the issuance and sale of \$25,745,000 (subject to adjustment of plus or minus 10%) of City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 2005A, dated May 1, 2005 (the "Series 2005A Bonds"), for the purpose of defraying the cost (not otherwise provided) of financing additions, extensions and improvements to the City's combined and consolidated water and sewer system (the "Project") and to reaffirm the conditions and restrictions of the Prior Bond Ordinance whereunder similar bonds may be subsequently issued ranking on a parity with the Prior Bonds; and

**WHEREAS**, it is deemed necessary and advisable for the best interests of the City that the City Council authorize the issuance and sale of \$1,535,000 (subject to adjustment plus or minus 10%) of City of Hopkinsville Water and Sewer Refunding Revenue Bonds, Series 2005B, dated May 1, 2005 (the "Series 2005B Bonds"), for the purpose of defraying the cost (not otherwise provided) of currently refunding and redeeming the outstanding Series 1996 Bonds on June 15, 2006, and to reaffirm the conditions and restrictions whereunder similar bonds may be subsequently issued and ranking on a parity therewith; and

**WHEREAS**, under the provisions of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, and under the provisions of the Prior Bond Ordinance, the City is authorized to issue the Series 2005 A Bonds and the Series 2005B Bonds (hereinafter collectively referred to as the "Current Bonds") to provide such funds for the purpose aforesaid,

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF HOPKINSVILLE, KENTUCKY, AS FOLLOWS:**

**SECTION 1. DEFINITIONS.** As used in this Ordinance, unless the context requires otherwise:

“*Act*” refers to Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes.

“*Bond Ordinance of 1993*” or “*1993 Bond Ordinance*” refers to the Ordinance authorizing the Series 1993 Bonds, which Ordinance was enacted by the City Council of the City on November 30, 1993.

“*Bond Ordinance of 1996*” or “*1996 Bond Ordinance*” refers to the Ordinance authorizing the Series 1996 Bonds, which Ordinance was enacted by the City Council of the City on June 18, 1996.

“*Bond Ordinance of 2002*” or “*2002 Bond Ordinance*” refers to the Ordinance authorizing the Series 2002 Bonds, which Ordinance was enacted by the City Council of the City on February 18, 2002.

“*Bondowner*” or “*Owner*” means and contemplates, unless the context otherwise indicates, the registered owner of one or more of the Current Bonds at the time issued and outstanding hereunder.

“*Bond Registrar*”, “*Depository Bank*”, “*Transfer Agent*”, or “*Payee Bank*” refers to the bank which shall constitute the Bond Registrar, Depository Bank, Transfer Agent and Payee Bank with respect to the Current Bonds, which Depository Bank shall have the duties and responsibilities of (a) issuing semiannual checks in payment of interest requirements as to the Current Bonds, (b) paying the principal of same at maturity or applicable mandatory redemption or optional redemption prior to maturity upon surrender of the Current Bonds, c) authenticating, issuing and delivering the Current Bonds to the original purchasers of same in accordance with the sale of the Current Bonds, at the direction of the City, (d) maintaining the Current Bonds register, and (e) handling exchanges, cancellations, reissuance, redemption and all apparent duties of a Bond Registrar and Transfer Agent with respect to the Current Bonds, as hereinafter set out. The Bond Registrar, Depository Bank, Transfer Agent and Payee Bank hereby designated is U.S. Bank, National Association, Louisville, Kentucky; provided, however, it is understood that the City reserves the right to designate a different Federal Deposit Insurance Corporation instrumentality to perform any and all of such functions of Bond Registrar, Depository Bank, Transfer Agent and Payee Bank as to the Current Bonds.

“*Certified Public Accountants*” refers to an independent Certified Public Accountant or firm of Certified Public Accountants, duly licensed in affairs of the System and/or of other City financial matters. Until otherwise directed by the Governing Body of the City, such term shall be deemed to refer to the firm of York, Neal Company Hopkinsville, LLP, Certified Public Accountants, Hopkinsville, Kentucky.

“*City*” refers to the City of Hopkinsville, in Christian County, Kentucky.



“*City Council*” means the City Council of the City or such other body as shall be the governing body of said City under the laws of Kentucky at any given time.

“*Code*” refers to the Internal Revenue Code of 1986, as amended, and any regulations issued thereunder.

“*Current Bonds*” or “*Bonds*” collectively refers to the Series 2005A Bonds and the Series 2005B Bonds.

“*Current Bond Ordinance*” or “*Ordinance*” refers to this Ordinance authorizing the Current Bonds.

“*Depository*” means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of book entry interests in the Current Bonds, and to effect transfers of book entry interests in the Current Bonds in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“*Depreciation Fund*” refers to the City of Hopkinsville Water and Sewer System Depreciation Fund referred to in Section 11(d) of this Ordinance.

“*Eligible 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 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; and
- (vii) Federal National Mortgage Association

(d) Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution 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 41.240(4);

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

(f) Bankers' 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 this state and of its agencies and instrumentalities;

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

(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 listed in (a) through (i) above; and

(k) Any other lawful investment authorized by the Kentucky Revised Statutes to be utilized by local governments with a rating equal to or higher than the rating of the Current Bonds, as rated by each rating agency then rating the Current Bonds, including an investment agreement with investment agreement provider whose obligations have a current rating at least equal to the rating on the Current Bonds.

“*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 waterworks and sewer engineering.

“*Escrow Agent*” refers to U.S. Bank, National Association, Louisville, Kentucky where funds will be escrowed to pay all principal and interest on the Series 1996 Bonds as same become due and/or as part of such Series 1996 Bonds may be called for redemption in advance of maturity.

“*Escrow Agreement*” refers to the agreement between the City and the Escrow Agent, dated as of May 1, 2005, authorized pursuant to this Ordinance, providing for the deposit of sufficient funds in the Escrow Account created in the Escrow Agreement for the purpose of providing for the payment of principal of and interest on the Series 1996 Bonds as same mature and/or as same may be called for redemption prior to maturity.

“*Funds*” refers to the Revenue Fund, the Sinking Fund, the Operation and Maintenance Fund and the Depreciation Fund.

“*Governing Body*” refers to the City Council of the City, or such other body as shall be the governing body of said City under the laws of Kentucky at any given time.

“*HWEA*” refers to the Hopkinsville Water Environment Authority, an agency of the City charged with the management, operation and control of the System.

“*Interest Payment Date*” shall mean April 1 and October 1 of each year, commencing October 1, 2005.

“*Operation and Maintenance Fund*” refers to the “City of Hopkinsville Water and Sewer System Operation and Maintenance Fund” referred to in Section 11(e) of this Ordinance.

“*Outstanding Bonds*” refers to the outstanding Prior Bonds, the outstanding Current Bonds and any outstanding Parity Bonds, and does not refer to any bonds which have been defeased accordance with Section 18 of this Current Bond Ordinance.

“*Parity Bonds*” means bonds issued in the future, which bonds issued in the future will, pursuant to the provisions of the Prior Bond Ordinance and this Current Bond Ordinance, rank on a basis of parity with the Current Bonds and the Prior Bonds, and shall not be deemed to include, nor to prohibit the issuance of, bonds ranking inferior in security to the Current Bonds and the Prior Bonds.

“*Participants*” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds Current Bonds as securities depository and for whom the Depository effects book-entry transfers and pledges of securities deposited with the Depository.

“*Prior Bond Ordinance*” refers collectively to the 1993 Bond Ordinance, the 1996 Bond Ordinance and the 2002 Bond Ordinance.

“*Prior Bonds*” refers to the Series 1993 Bonds, the Series 1996 Bonds and the Series 2002 Bonds.

“*Project*” refers to the acquisition, construction, equipping and installation of extensions, additions and improvements to the System.

“*Purchasers*” refers to the original purchasers of the Current Bonds at the public sale, including all members of their purchasing syndicate or group.

“*Record Date*” shall mean with respect to any Interest Payment Date, the close of business on March 15 or September 15, as the case may be, next preceding such Interest Payment Date, whether or not such March 15 or September 15 is a business day.

“*Refunded Bonds*” refers to the Series 1996 Bonds.

“*Required Reserve*” refers to an amount (which may include the amount of any Surety Bond) equal to not less than the maximum amount of principal and interest requirements falling due in any year on all of the outstanding Prior Bonds, Current Bonds and any Parity Bonds, which Required Reserve is required to be accumulated in the Sinking Fund Reserve, as set out in the Prior Bond Ordinance, and in Section 11 of this Current Bond Ordinance.

“*Revenue Fund*” refers to the City of Hopkinsville Water and Sewer Bond Revenue Fund created in the Prior Bond Ordinance and which Revenue Fund will continue to be maintained for the benefit of all of the Prior Bonds, Current Bonds and any Parity Bonds.

“*Series 1993 Bonds*” refers to the original authorized \$4,075,000 of City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 1993, dated December 15, 1993.

“*Series 1996 Bonds*” refers to the original authorized \$2,080,000 of City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 1996, dated June 15, 1996.

“*Series 2002 Bonds*” refers to the original authorized \$5,080,000 of City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2002, dated February 15, 2002.

“*Series 2005A Bonds*” refers to the original authorized \$25,745,000 of City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 2005A, dated May 1, 2005.

“*Series 2005B Bonds*” refers to the original authorized \$1,535,000 of City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2005B, dated May 1, 2005.

“*Sinking Fund*” refers to the City of Hopkinsville Water and Sewer Refunding Bond and Interest Redemption Fund created in the Prior Bond Ordinance and which Sinking Fund will continue to be maintained for the benefit of all of the Prior Bonds, Current Bonds and any Parity Bonds.

“*Surety Bond*” refers to an insurance policy guaranteeing the payment of whatever reserve account or commitment related thereto is described in such policy.

“*System*” refers to the City waterworks and sewer systems which have been heretofore combined and consolidated into a single revenue-producing public water and sewer project or system, together with all future extensions, additions and improvements to said System.

**SECTION 2. AUTHORIZATION OF CURRENT BONDS.** That pursuant to the Constitution and laws of Kentucky, and particularly said Sections 58.010 to 58.140, inclusive of the Kentucky Revised Statutes, there are hereby authorized to be presently issued and sold (i) \$25,745,000 (plus or minus up to 10%) principal amount of City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 2005A, dated May 1, 2005, for the purpose of providing funds for the construction of the Project; and (ii) \$1,535,000 (plus or minus up to 10%) principal amount of City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2005B, dated May 1, 2005, for the purpose of providing funds for the Refunding Program. The Series 2005A Bonds shall mature on October 1, 2006 through October 1, 2025, in such principal amounts, and shall bear interest payable semiannually on April 1 and October 1 of each year (hereinafter referred to as the “Interest Payment Date”), commencing October 1, 2005, at an interest rate or rates to be fixed as a result of the advertised sale of the Series 2005A Bonds. The Series 2005B Bonds shall mature on October 1, 2005 through October 1, 2016, in such principal amounts, and shall bear interest payable semiannually on April 1 and October 1 of each year (hereinafter referred to as the “Interest Payment Date”), commencing October 1, 2005, at an interest rate or rates to be fixed as a result of the advertised sale of the Series 2005B Bonds.

**SECTION 3. BONDS ISSUED AS FULLY REGISTERED BONDS; BOOK-ENTRY ONLY; REGISTERED OWNERS.** The Current Bonds shall be issued only in fully registered typewritten form without coupons. The Current Bond shall be dated on the face of the Current Bond as of and shall bear interest from May 1, 2005. Each Current Bond issued (as a result of exchange or transfer) after such first Interest Payment Date shall be dated on the face of the Current Bond as of and shall bear interest from the Interest Payment Date next preceding the date on which such Current Bond is issued, unless such Current Bond is issued on an Interest Payment Date, in which case it shall be dated as of and shall bear interest from such Interest Payment Date; provided, however, that if at the time of issuance of any Current Bonds the interest thereon is in default, such Current Bond shall be dated as of the date to which interest has been paid in full.

The person in whose name any Current Bond is registered on the bond register maintained by the Bond Registrar, at the Record Date with respect to an Interest Payment Date, shall be entitled to receive the interest payable on such Interest Payment Date (unless such Current Bond shall have been called for redemption on a redemption date which is prior to such Interest Payment Date) notwithstanding the cancellation of such Current Bond upon any registration of transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, except in the event of default of the Current Bonds.

The Current Bonds shall originally be issued solely in book entry form to a Depository to be held in a book entry system in which event: (i) the Current Bonds shall be registered in the name of the Depository or its nominee, as Bondholder, and immobilized in the custody of the Depository; (ii) there shall, unless otherwise requested by the Depository, be a single bond certificate representing the aggregate principal amount of the Current Bonds; and (iii) the Current Bonds shall not be transferable or exchangeable, except for transfer to another Depository or another nominee of a Depository without further action by the City as set forth in the next succeeding paragraph of this Section.

If any Depository determines not to continue to act as a Depository for the Current Bonds held in a book entry system, the City may attempt to have established a securities depository/book entry system relationship with another Depository under this Ordinance. If the City does not continue to act as a Depository for the Current Bonds or is unable to do so, the City, after the City has made provision for notification of the owners of book entry interests by appropriate notice to the then Depository, shall permit withdrawal of the Current Bonds from the Depository and shall authenticate and deliver bond certificates in fully registered form to the assignees of the Depository or its nominee. If the event is not the result of the City's action or inaction, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Current Bonds), of those persons requesting that authentication and delivery. Such replacement Current Bonds shall be in the denominations specified in this Ordinance.

**SECTION 4. PLACE OF PAYMENT; MANNER OF EXECUTION; AND PROVISION AS TO PRIOR REDEMPTION.** The principal of and interest on the Current Bonds shall be payable in lawful money of the United States of America as they respectively become due, whether at maturity or by prior redemption. Principal of the Current Bond is payable at the main office of the Payee Bank and Bond Registrar. Interest on the Current Bonds shall be paid by check mailed by the Payee Bank to the Bondowners as of the Record Date, at the respective addresses appearing on the bond register.

So long as any Current Bonds remain outstanding, the Registrar shall keep at its principal office a bond register showing and recording a register of the Owners of the Current Bonds and shall provide for the registration of Current Bonds in accordance with the terms of this Current Bond Ordinance, subject to such reasonable regulations as the Bond Registrar may prescribe.

The Current Bond shall be executed on behalf of the City with the duly authorized manual or reproduced facsimile signature of the Mayor, and the manual or reproduced facsimile of its corporate seal shall be imprinted thereon and attested by the manual or reproduced facsimile signature of the City Clerk; and said officials, by the execution of appropriate certifications, if applicable, shall adopt as and for their own proper signatures, their respective facsimile signatures on said Current Bonds; provided the Authentication Certificate of Registrar must be executed by the manual signature of the Bond Registrar on the Current Bond before such Current Bond shall be valid.

The Bond Registrar shall have the right to order the preparation of whatever number of Current Bond certificates, in the sole discretion of the Bond Registrar, shall be deemed necessary in order to enable the Bond Registrar to maintain an adequate reserve supply of such certificates to effect properly the continuing transfers and exchanges of ownership of the Current Bonds as same are sold, exchanged and/or otherwise surrendered in the future. No further action regarding the authorization or execution of additional certificates shall be required by the Governing Body, the Mayor or the City Clerk.

At least 3 business days prior to the delivery of the Current Bond, the Purchasers shall furnish to the Bond Registrar the name, address, social security number or taxpayer identification number, of the party to whom the Current Bond is to be registered. The Bond Registrar shall then issue and deliver to the Purchasers, not more than 3 business days following the delivery of the Current Bond, fully registered typewritten Current Bond certificates for each registered owner so designated.

Subject to the provisions of this Section, (i) the principal of and any premium on any Current Bond shall be payable when due (a) on any Current Bond held in a book entry system, registered in the name of a Depository or its nominee, in next day or federal funds by check or wire transfer delivered or transmitted to the Depository or its authorized representative upon presentation and surrender of such Current Bond at the principal office of the Paying Agent or at the office, designated by the Paying Agent, of any Paying Agent, and (b) on any Current Bond not in a book entry system, to a Holder upon presentation and surrender of such Current Bond at the principal office of the Paying Agent or at the office designated by the Paying Agent, and (ii) interest on any Current Bond shall be paid on each Interest Payment Date (a) on any Current Bond held in a book entry system, registered in the name of a Depository or its nominee, in next day or federal funds by check or wire transfer delivered or transmitted to the Depository or its authorized representative and (b) on any Current Bond not in a book entry system, to the Person in whose name the Current Bond is registered at the close of business on the Record Date applicable to that Interest Payment Date on the Register at the address appearing therein by check or draft which the Paying Agent shall cause to be mailed on the Interest Payment Date such interest is due.

Anything herein to the contrary notwithstanding, in the case of any Current Bonds registered in the name of the Depository or its nominee, the Paying Agent shall comply with the requirements stated in the Depository Operational Arrangements memorandum dated June 29, 1987 (as it may be amended, modified or superseded) and with the provisions of the Letter of Representations from each of them to the Depository executed and delivered with respect to the Current Bonds. Specifically, the Paying Agent shall make payments on the Current Bonds and will provide notices of redemption to the Depository in the manner and at the times set forth in such memorandum and shall regard the Depository as the Holder of such Current Bonds for all purposes hereunder, except for the purpose of giving any consent requested of Bondholders pursuant to this Ordinance, in which case the Depository will mail an Omnibus Proxy to the City which assigns the Depository's or its nominee's voting rights to the participants in the Depository having the Current Bonds credited to their accounts as of the record date for mailing of requests for consents (who are identified in a list attached to the Omnibus Proxy). The City agrees hereby to promptly provide the Omnibus Proxy

to the Paying Agent, which shall then treat the Participants as Bondholders for purposes of obtaining such consents.

*(a) Mandatory Redemption of Term Bonds.* The Term Bonds, if any, must be mandatorily redeemed on October 1 in each of the respective years set forth in the mandatory redemption schedule set forth in the Certificate of the Mayor (the "Sale Certificate") accepting the successful bids on the Current Bonds. The Term Bonds to be so redeemed shall be selected by the Bond Registrar by lot in such manner as may be determined in the discretion of the Bond Registrar. Such Term Bonds due shall be so mandatorily redeemed at 100% of the aggregate principal amounts specified in the Sale Certificate for each year plus accrued interest to the respective dates of mandatory redemption.

At the option of the City, to be exercised at least 45 days prior to the date for application of the mandatory redemption of the Term Bonds, if any, the City may receive a credit against the mandatory redemption requirement for Term Bonds subject to the application of such mandatory redemption requirement which, prior to the date for application of such requirement (and for which a credit has not previously been taken) (i) have been redeemed other than through the application of such mandatory redemption procedure, and cancelled by the Bond Registrar, or (ii) have been delivered to the Bond Registrar by the City for cancellation.

*(b) Optional Redemption.* The Series 2005A Bonds maturing on or after October 1, 2016, are subject to redemption, in whole or in part, at any time, in any order of maturities and by lot within a single maturity, by the City prior to their stated maturities, on any date falling on or after October 1, 2015, upon payment of 100% of the principal amount to be redeemed plus accrued interest to the date of redemption.

The Series 2005B Bonds shall not be callable prior to maturity.

*(c) Redemption of less than a Single Current Bond.* In the event that a Current Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Current Bond may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof, if the Current Bond is one of the maturities or amounts or part of the maturities or amounts called for redemption. Upon surrender of any Current Bond for redemption in part, the Bond Registrar shall authenticate and deliver an exchange Current Bond or Current Bonds in an aggregate principal amount equal to the unredeemed portion of the Current Bond so surrendered.

*(d) Notice of Redemption.* The Bond Registrar shall give notice of any redemption by sending at least one such notice by first class United States mail not less than 30 and not more than 60 days prior to the date fixed for redemption to the registered owner of each Current Bond to be redeemed in whole or in part at the address shown on the Register of Bonds maintained by the Bond Registrar as of the date of mailing of such notice. The Bond Registrar may furnish one other form of such notice more than 60 days prior to the date fixed for redemption, provided at least one such notice shall be sent not less than 30 nor more than 60 days prior to such date. Such notice shall state



the redemption date, the redemption price, the amount (or number of months) of accrued interest payable on the redemption date, the place at which the Current Bonds are to be surrendered for payment, and, if less than all of the Current Bonds are to be redeemed, an identification of the Current Bonds or portions thereof to be redeemed. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Bondowner receives such notice. Upon presentation and surrender of any such Current Bond at the main corporate trust office of the Bond Registrar on or after the date fixed for redemption, the Bond Registrar shall pay the redemption price of such Current Bond (including accrued interest) from the funds provided for such purpose.

All of said Current Bonds as to which the City 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.

The required notice shall be deemed to have been given upon the City furnishing notice of redemption to the Bond Registrar and upon the Bond Registrar acknowledging that it has instructions to send such notice and that it will do so at the proper time, even if the time for furnishing such notice has not yet arrived.

**SECTION 5. REAFFIRMATION OF DECLARATION OF COMBINED AND CONSOLIDATED SYSTEM.** The previous action of the City (declared and reaffirmed in the Prior Bond Ordinance) in declaring the existing waterworks and sewer systems of the City to constitute a combined and consolidated revenue-producing public project or System within the meaning of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, is hereby authorized, approved, ratified and confirmed; and so long as any of the Prior Bonds, Current Bonds or any parity bonds shall remain outstanding, said System shall be owned by the City and shall be controlled, operated, and maintained by the HWEA on a revenue-producing basis, for the security and source of payment of the Prior Bonds, Current Bonds and any parity bonds, under the authority hereinbefore stated.

**SECTION 6. MUTILATED, LOST, STOLEN OR DESTROYED CURRENT BONDS.** If any Current Bond shall be mutilated, lost, stolen or destroyed, the City may execute, authenticate and deliver a new Current Bond of like maturity and tenor in lieu of and in substitution for the Current Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Current Bond, such mutilated Current Bond shall first be surrendered to the City, and in the case of any lost, stolen or destroyed Current Bond, there shall be first furnished to the City satisfactory evidence of the ownership of such Current Bond and of such loss, theft or destruction, together with indemnity satisfactory to the Bond Registrar. If any such Current Bond shall have matured, the City (through the Bond Registrar) may pay the same instead of issuing a new Current Bond. The City and/or the Bond Registrar may charge the owner of such Current Bond its (their) reasonable fees and expenses in this connection.

**SECTION 7. AUTHENTICATION OF BONDS.** The Current Bonds, after execution by the City, shall be delivered to the Bond Registrar. No Current Bond shall be valid or obligatory for

any purpose or be entitled to any security or benefit of this Current Bond Ordinance unless and until such Current Bond has been duly authenticated by the Bond Registrar by the execution of the Authentication Certificate of Bond Registrar appearing on such Current Bond. Such Certificate appearing on any Current Bond shall be deemed to have been duly executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar.

**SECTION 8. CURRENT BONDS PAYABLE OUT OF REVENUES ON A PARITY WITH PRIOR BONDS.** All of the Current Bonds, with interest thereon, and any additional parity bonds that may be issued and outstanding under the conditions and restrictions of the Prior Bond Ordinance and of this Current Bond Ordinance, are to be issued in anticipation of the revenues to be derived from the operation of said System, all as hereinafter more specifically provided, shall be payable out of the Sinking Fund created in the Prior Bond Ordinance, on a parity basis with the Prior Bonds, and shall be a valid claim of the holders thereof against said Sinking Fund and against the gross revenues of the System pledged to said Sinking Fund.

**SECTION 9. BOND FORM.** The Current Bonds shall be issued in substantially the forms attached hereto as Exhibits A-1 and A-2.

**SECTION 10. COMPLIANCE WITH PARITY REQUIREMENTS OF PRIOR BOND ORDINANCE.** It is hereby declared that in accordance with the provisions of the Prior Bond Ordinance, and prior to the issuance of any of the Current Bonds hereby authorized, there will be procured and filed with the City Clerk of said City any and all statements or certifications for the purpose of having both principal and interest on the Prior Bonds and the Current Bonds hereby authorized payable on a parity from the income and revenues of said System with said outstanding Prior Bonds.

**SECTION 11. PROVISIONS OF PRIOR BOND ORDINANCE INCORPORATED HEREIN; FUNDS; INITIAL DEPOSITS AND ADJUSTMENTS IN REQUIRED DEPOSITS INTO VARIOUS FUNDS.**

(a) **Prior Provisions and Adjustments.** All proceedings preliminary to and in connection with the issuance of the Prior Bonds, whereby provision was made for the receipt; custody and application of the proceeds of the Prior Bonds; for the operation of the System on a revenue-producing basis; for the segregation, allocation and custody of the revenues derived from the operation of the System; and for the enforcement and payment of the Prior Bonds; and all other covenants for the benefit of Bondowners set out in the Prior Bond Ordinance, except as amended, are hereby ratified, confirmed and re-adapted, and shall continue in force and inure to the security and benefit of the Current Bonds, as well as of the Prior Bonds, the same as if such provisions and proceedings were set out herein in full; provided that the amount of income and revenues of the System to be transferred from the Revenue Fund and paid into the Sinking Fund during each of the respective fiscal years, so long as any of the Prior Bonds and/or Current Bonds are outstanding, shall be sufficient to pay when due, the interest upon and principal of all of the Prior Bonds and all of the Current Bonds.

In accordance with the requirements of the Prior Bond Ordinance, it is hereby recognized that the City is obligated, upon the issuance of the Current Bonds, ranking on a parity with the Prior Bonds, to provide for additional payments into the Sinking Fund to provide for the additional principal and interest requirements. It is further hereby recognized that in and by the Prior Bond Ordinance, provision was included for the accumulation in the Sinking Fund Reserve, of a reserve in an amount equal to not less than the maximum amount required in any ensuing year for principal and interest requirements on the Prior Bonds and any parity bonds. It was further provided in the Prior Bond Ordinance and is hereby reaffirmed that as and when additional parity bonds are issued, provision shall be made for increasing the Sinking Fund Reserve to an aggregate amount equal to the maximum amount (the "Required Reserve") of principal and interest thereafter becoming due with respect to all outstanding bonds, including the outstanding Prior Bonds, the Current Bonds and any additional Parity Bonds, in any twelve-month period thereafter, which Sinking Fund Reserve shall be similarly maintained and restored when necessary.

(b) **Deposits into Sinking Fund Reserve.** In compliance with the requirements of the Prior Bond Ordinance, it is hereby determined that if and whenever the amount on deposit in the Sinking Fund Reserve is less than the Required Reserve there shall be transferred monthly into the Sinking Fund Reserve an amount equal to at least 1/120th of the additional amount necessary to accumulate within a period of ten years the Required Reserve. Moneys on deposit in the Sinking Fund Reserve may be withdrawn and used by the City, when necessary, and shall be so withdrawn and used if and to the extent necessary to prevent the occurrence of an Event of Default; or transferred and disbursed in the same manner as other funds in the Revenue Fund, provided, that in the event of any such withdrawal, the City shall restore such deficiency through the resumption of monthly deposits equal to at least 1/120th of the Required Reserve. As and when additional parity bonds are issued, provision shall be made for increasing the Sinking Fund Reserve, by similarly calculated monthly deposits, to not less than the maximum amount of principal and interest requirements of all bonds then scheduled to be outstanding (including the Prior Bonds, the Current Bonds and such additional parity bonds) falling due in any twelve month period thereafter, and the Required Reserve shall be similarly maintained and restored when necessary.

(c) **Deposits into Sinking Fund.** In accordance with the aforesaid provisions of the Prior Bond Ordinance, based on the additional principal and interest requirements of the Current Bonds, it is hereby determined that the amounts to be so set aside into the Sinking Fund, maintained at the Prior Depository, on or before the 20th day of each month, shall be not less than amounts constituting the total of the following:

- (1) A sum equal to one-sixth (1/6) of the next succeeding interest installment to become due on all of the outstanding Prior Bonds, Current Bonds and any additional parity bonds; plus
- (2) A sum equal to one-twelfth (1/12) of the principal amount of any Prior Bonds, Current Bonds and any additional parity bonds, maturing on the next succeeding October first.

As and when additional parity bonds are issued, provision shall be made for additional payments into the Sinking Fund so as to pay the interest on the principal of such additional parity bonds as and when the same become due.

(d) **Deposits into Depreciation Fund.** In compliance with the Prior Bond Ordinance there is required to be the sum of \$150,000, which amount was required to be maintained, and if necessary, restored, by the deposit into such Depreciation Fund in each month of the sum of (i) 10% of the balance on deposit in the Revenue Fund or (ii) \$3,500, whichever amount is greater. It was further provided in the Prior Bond Ordinance that as and when additional parity bonds are issued, the City shall determine at the time of issuance thereof, with the advice of the Independent Consulting Engineers then employed by the City (a) whether additional amounts shall be accumulated in the Depreciation Fund, (b) the exact revision, if any, in the required deposits into such Depreciation Fund and (c) the revised total amount necessary to be accumulated in such Fund. Accordingly, based on the advice of the Independent Consulting Engineers, it is hereby determined that if, whenever, and so long as less than \$150,000 shall be on deposit in said Depreciation Fund, there shall thenceforth be deposited into the Depreciation Fund in each month such sum as set forth above, until there has been accumulated in such Depreciation Fund the sum of \$150,000, which sum shall be maintained, and if necessary, restored by similar monthly deposits.

In accordance with the Prior Bond Ordinance as herein modified, it is further provided that as and when additional Parity Bonds are issued, the City shall determine at the time of issuance thereof (a) whether additional amounts shall be accumulated in the Depreciation Fund, (b) the exact revision, if any, in the required deposits in such Depreciation Fund and (c) the revised total amount necessary to be accumulated in such Depreciation Fund; whereupon covenants to that effect shall be incorporated in the proceedings authorizing the issuance of such Parity Bonds.

All other provisions contained in the Prior Bond Ordinance with reference to the application of the proceeds of the Depreciation Fund, the deposit; security and investment thereof, and all other related provisions, are hereby ratified and confirmed, except to the extent amended herein.

(e) **Deposits into Operation and Maintenance Fund.** In accordance with the Prior Bond Ordinance there was required to be deposited in the Operation and Maintenance Fund in each month, after the transfers of the amounts required to be transferred by Sections above, such amounts as are required to pay, as they accrue, the proper and necessary costs of operating, maintaining and insuring the System, as set out in the "Current Expenses" contained in the System's annual budget; and such provisions are hereby readopted, ratified and confirmed.

(f) **Surplus Funds.** It is hereby further recognized that it was provided in the Prior Bond Ordinance and is hereby reaffirmed (with modifications to take into account the issuance of the Current Bonds) that if, at the end of any fiscal year, after making the payments required by the foregoing, there shall remain a balance in said Revenue Fund in excess of the amount required to be transferred during the ensuing year, such balance within sixty (60) days after the end of such fiscal year, shall be used as follows, in the order indicated:

(1) To transfer and deposit into the Sinking Fund Reserve whatever amount; if any, shall be necessary to accumulate or restore the Required Reserve.

(2) To transfer and deposit into the Depreciation Fund whatever amount; if any, shall be necessary to accumulate or restore the total amount required to be on deposit in the Depreciation Fund.

(3) To transfer and deposit into the Operation and Maintenance Fund whatever amount; if any, shall be necessary to accumulate or restore the total amount required to be on deposit in the Current Operation and Maintenance Fund.

Any balance in the Revenue Fund remaining at the end of any fiscal year, after the Sinking Fund Reserve and the Depreciation Fund shall have been fully funded and are being maintained, may be used as follows:

(a) To retire or redeem outstanding Prior Bonds and/or Current Bonds, in inverse order of maturities, to purchase Prior Bonds or Current Bonds in the open market; or to purchase Prior Bonds or Current Bonds through advertisement for and receipt of tenders of Prior Bonds or Current Bonds, at not exceeding the call price, as may be determined by the Governing Body of the City; and/or

(b) To pay current and/or future principal and interest requirements of any outstanding subordinate obligations against the System, or any part thereto.

**SECTION 12. RATES AND CHARGES FOR SERVICES OF THE SYSTEM.** While the Current Bonds authorized hereunder, or any of them, remain outstanding and unpaid, the rates for all services and facilities rendered by the System to the City and 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 all Outstanding Current Bonds and the accruing interest on all such Outstanding Current Bonds, and there shall be charged such rates and amounts as shall be adequate to meet all requirements of the provisions of this Ordinance. Compensation for services and facilities rendered to the City shall be paid for out of the corporate funds of the City by monthly payments into the Revenue Fund the same as other income and revenues of the System are paid, and shall then be apportioned as other income and revenues thereof are required by this Ordinance to be apportioned among the various funds. Prior to the issuance of the Current Bonds a schedule of rates and charges for the services rendered by the System to all users adequate to meet the requirements of this Ordinance has been established and adopted.

The City and/or the HWEA covenant that they will not reduce the rates and charges for the services rendered by the System without first filing with the City Clerk a certification of an Independent Consulting Engineer to the effect that the annual net revenues (defined as gross revenues less essential operation and maintenance expenses) of the then existing System for the fiscal year preceding the date on which such reduction is proposed, as such annual revenues are

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adjusted, after taking into account the projected reduction in revenues anticipated to result from such proposed rate decrease, are equal to not less than 130% of the maximum debt service requirements falling due in any fiscal year thereafter for principal of and interest on all of the then Outstanding Bonds payable from the revenues of the System, calculated in the manner specified in Section 13 hereof.

The City also covenants to cause a report to be filed with the City Council within four months after the end of each fiscal year by (a) Certified Public Accountants, (b) Independent Consulting Engineers, or (c) the HWEA (based on reports filed with such Authority by such Accountants and/or Engineers), setting forth what was the precise percentage ("coverage") of the maximum debt service requirements falling due in any fiscal year thereafter for principal of and interest on all of the then Outstanding Bonds 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 13 hereof; and the City covenants that if and whenever such report so filed shall establish that such coverage of net revenues for such year was less than 115% of the maximum debt service requirements, the City shall increase the rates by an amount sufficient, in the opinion of such Engineers and/or Accountants, to establish the existence of or immediate projection of, such minimum 115% coverage.

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### **SECTION 13. INFERIOR BONDS; ADDITIONAL PARITY BONDS; SURPLUS FACILITIES.**

(a) Inferior Bonds. Except as provided below in this Section, the City shall not so long as any of the Current Bonds (and any bonds ranking on a parity) are outstanding, issue any additional bonds payable from the revenues of the System or any part thereof unless the lien or pledge of the revenues to secure such additional bonds is made inferior and subordinate in all respects to the security of the Current Bonds and any parity bonds.

The City expressly reserves the right at any time or times to issue its bonds or other obligations payable from the revenues of the System and not ranking on a basis of equality and parity with the Current Bonds, without any proof of previous earnings or net revenues, but only if such bonds or other obligations are issued to provide for extensions, additions, improvements and/or other benefits to the System, and provided such inferior bonds whenever issued may only be issued with express recognition of the priorities, liens and rights created and existing for the security, source of payment and protection of the Current Bonds and any parity bonds; provided, however, that nothing in this Section is intended to restrict, or shall be construed as a restriction upon, the ordinary refunding of the Current Bonds and of such parity bonds.

(b) Parity Bonds to Finance Future Extensions, Additions and/or Improvements; Conditions or Showings Required. The Current Bonds 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 Current Bonds, regardless of the fact that they may be actually issued and delivered at different times, and provided further that the lien and security of and for any bonds 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 Bonds and the Current Bonds as may from time to time be outstanding; provided the City has in said Prior Bond Ordinance reserved the right and privilege, and does hereby reserve the right and privilege, of issuing additional bonds from time to time payable from the income and revenues of the System ranking on a parity with the Prior Bonds and with the Current Bonds, but only under the conditions specified in the Prior Bond Ordinance, which conditions are hereinafter repeated, taking into account the issuance of the Current Bonds.

The City reserves the right to add new waterworks and sewer facilities and/or related auxiliary facilities, and/or to finance future extensions, additions and/or improvements to the System by the issuance of one or more additional series of bonds to be secured by a parity lien on and ratably payable from, the revenues of the System, provided in each instance that:

(1) The facility or facilities to be constructed from the proceeds of the additional parity bonds is or are made a part of the System and its or their revenues are pledged as additional security for the additional parity bonds and the outstanding Prior Bonds and Current Bonds.

(2) There shall have been procured and filed with the City Clerk a statement by a Certified Public Accountant reciting the opinion based upon necessary investigation that the net revenues of the System for 12 consecutive months of the preceding 18 months (with adjustments as hereinafter provided) were equal to at least one and thirty hundredths (1.30) times the maximum amount that will become due in any fiscal year for both principal and interest on the Prior Bonds and the Current Bonds then outstanding and any parity bonds including the bonds then proposed to be issued. (The calculation of maximum annual debt service requirements for principal of and interest on the additional bonds to be issued shall be determined on the basis of the principal of, and interest on, such bonds being payable in approximately equal annual installments).

“Net revenues” as herein used are defined as gross income and revenues less operating expenses, which shall include salaries, wages, cost of maintenance and operation, cost of water purchased, if any, materials and supplies, pumping costs, insurance and all other items that are normally and regularly so included under recognized account practices, exclusive of allowances for depreciation.

“Gross income and revenues” shall include investment income, connection fees, disconnection fees and all other items of income which have been established as “reasonably anticipated annual income of the System”, based upon a certification of Independent Consulting Engineers and/or Certified Public Accountants; provided all “investment income” shall be adjusted in any such calculation or projection to reflect the market rate currently available from such investments.

“Operating expenses” shall include only those items of costs of maintenance and operation which are “reasonably anticipated annual operation and maintenance expenses” of the System, and shall exclude any unusual items of operation and maintenance expense which

are of a generally non-recurring nature, according to the certification of Independent Consulting Engineers and/or of Certified Public Accountants.

Such "net revenues" may be adjusted for the purpose of the foregoing computations to reflect (i) any revisions in the schedule of rates or charges being imposed for the services of the System at the time of the issuance of any such additional parity bonds and (ii) any increase in such net revenues projected by reason of the revenues anticipated to be derived from the extensions, additions, and/or improvements to the System being financed (in whole or in part) by such additional parity bonds; provided such latter adjustment shall be made only if contracts for the immediate acquisition and/or construction of such extensions, additions and/or improvements have been or will have been entered into (secured by 100% performance bond) prior to the issuance of such additional parity bonds. All of such adjustments shall be based upon the written certification of an Independent Consulting Engineer.

(3) The interest payment dates for all such additional parity bonds shall be semiannually on April 1 and October 1 of each year, and the principal maturities thereof shall be on October 1 of the year in which any such principal is scheduled to become due.

(c) Parity Bonds to Refund or Refinance Outstanding Bonds. The City hereby re-adopts, ratifies and confirms the provision of the Prior Bond Ordinance, in which the City reserved the right to issue parity bonds to refund or refinance Outstanding Bonds, provided such right shall henceforth apply to the refunding or refinancing of any part or all of the Prior Bonds and the Current Bonds, which provisions provided that prior to the issuance of such additional parity bonds for that purpose, there shall have been procured and filed with the City Clerk of the City a statement by a Certified Public Accountant, as defined herein, reciting the opinion based upon necessary investigation that:

(1) after the issuance of such parity bonds, the annual net revenues, as adjusted and defined above, of the then existing System for the fiscal year preceding the date of issuance of such parity bonds, after taking into account the revised debt service requirements resulting from the issuance of such parity bonds and from the elimination of the bonds being refunded or refinanced thereby, are equal to not less than 130% of the maximum debt service requirements then scheduled to fall due in any fiscal year thereafter for principal of and interest on all of the then outstanding bonds payable from the revenues of the System calculated in the manner specified above; or

(2) the maximum debt service requirements for the Current Bonds, any then previously issued parity bonds and the proposed parity refunding bonds, in any year of maturities thereof after the redemption of the Current Bonds scheduled to be refunded through the issuance of such proposed parity refunding bonds, shall not exceed the maximum debt service requirements applicable to the then outstanding Current Bonds and any then previously issued parity bonds for any year prior to the issuance of such proposed parity bonds and the redemption of the Current Bonds to be refunded.



(d) Priority of Lien; Permissible Deposition of Surplus or Obsolete Facilities; Conditions.

The City covenants and agrees that so long as any of the Current Bonds are outstanding, the City will not sell or otherwise dispose of any of the facilities of the System, or any part thereof, and, except as provided for above, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the Current Bonds. Notwithstanding the foregoing, the City may at any time permanently abandon the use of, or sell at the fair market value, any part of the facilities of the System, provided that:

(1) It is in compliance with all covenants and undertakings in connection with all of the bonds then outstanding and payable from the revenues of the System, and the Sinking Fund Reserve for such Current Bonds has been fully established and is being maintained at the stipulated level;

(2) It will, in the event of any such sale, apply the proceeds to either (i) redemption of outstanding bonds in accordance with the provisions governing prepayment of bonds in advance of maturity or purchase of bonds in the open market at not exceeding the next applicable redemption price, or (ii) replacement of the facility so disposed of by another facility, the revenues of which shall be incorporated into the System as hereinbefore provided;

(3) It certifies, in good faith, prior to any abandonment of use, that the facility or facilities to be abandoned is or are no longer economically feasible of producing net revenues;

(4) It certifies, in good faith, that the estimated net revenues of the remaining facilities of the System for the then next succeeding fiscal year, plus the estimated net revenues of the facility or facilities, if any, to be added to the System, comply with the earnings requirements hereinbefore provided in the provisions and conditions governing the issuance of additional parity bonds,

(5) Such sale or disposition will not have the effect of causing the Current Bonds or any parity bonds to become arbitrage bonds.

**SECTION 14. SALE OF BONDS.** The Current Bonds shall be sold at public sale at a regular, adjourned regular or special, called meeting of the Governing Body, after public advertisement as required by law, informing prospective bidders that they may obtain from the City Clerk a copy of the Official Terms and Conditions of Sale of the Bonds and Official Bid Form, setting out the terms and conditions for the sale of the Current Bonds, the Prior Bond Ordinance, the most recently enacted Rate Ordinance and the preceding three years financial statements of the City and the System.

A suggested form of Official Terms and Conditions of Sale of Bonds, Notice of Bond Sale and Bid Form, having been prepared in advance, by Bond Counsel and the same having been found to conform to the above conditions, the same are hereby approved. The Notice of Bond Sale shall be signed by the City Clerk, and may be used for the purpose of publishing notice of the sale of the

Current Bonds. Copies of said documents shall be furnished to a list of known interested bidders and to any interested parties who may request same.

**SECTION 15. ACCEPTANCE OF BID FOR PURCHASE OF CURRENT BONDS.**

Upon the date and at the hour set forth for the opening and consideration of purchase bids, as provided in the instruments hereinabove approved, the sealed bids received by the City Clerk shall be publicly opened and publicly read by the presiding officer. If there shall be one or more bids that conform in all respects to the prescribed terms and conditions. The bids shall be compared and the Governing Body agrees that if it accepts any bid, it will, on the same day that such bids are received, accept the best of such bids, as measured in terms of the lowest interest cost to the City.

If upon the basis of the foregoing, the Governing Body shall accept a purchase bid for the Current Bonds, the Governing Body shall adopt a Resolution to that effect, supply proper evidence of such acceptance to the bidder submitting the accepted purchase bid, and thereupon arrangements shall be made for the Current Bonds to be printed in accordance therewith.

**SECTION 16. DISPOSITION OF PROCEEDS OF CURRENT BONDS. CONSTRUCTION FUND.** Upon the sale and delivery of the Current Bonds and upon receipt by the City of the purchase price thereof, the proceeds shall be applied as follows:

*(a) Disposition of the Series 2005A Bond Proceeds.* There shall first be deducted and paid from the proceeds of the sale of the Series 2005A Bonds the fee of the Financial Advisor, according to the terms of the contract of said Financial Advisor, as heretofore approved, the fee of Bond Counsel with reference to the issuance of the Series 2005A Bonds, any applicable rating agency fee or fees, and any other pertinent expenses incident to the issuance, sale and delivery of the Series 2005A Bonds and such other appropriate expenses as may be approved by HWEA.

An amount equal to the accrued interest collected from the initial purchaser of the Series 2005A Bonds for the period from the date of the Series 2005A Bonds to the date of delivery, next shall be deposited into the Sinking Fund and applied toward the first interest payment due October 1, 2005, on the Series 2005A Bonds.

The balance shall be deposited to the Construction Fund to be used to construct the Project.

*(b) Construction Fund.* There is hereby created a fund entitled "City of Hopkinsville, Kentucky Water and Sewer Construction Fund" (the "Construction Fund"), which Construction Fund shall be maintained at the Depository Bank; and the amount on deposit in said Construction Fund shall be applied to the extent necessary, to pay the cost of the construction of the Project.

Investment income derived from investment of the Construction Fund, which shall be invested in Eligible Investments in accordance with this Ordinance, shall, as received, be deposited in the Construction Fund and shall be used to pay the costs of the Project.

Said Depository Bank shall be obligated to send written notice to HWEA of the need for investment directions if and whenever funds in excess of \$10,000 shall remain uninvested for a period of more than five days.

Payment from the Construction Fund for costs in connection with the Project shall be made only upon vouchers or requisitions approved by the Engineers having charge of supervising such acquisition, improvements and construction, and countersigned by an authorized official of HWEA, said Engineers to certify in each instance that the voucher or requisition represents a sum actually earned by and due to the proposed payee under a contract with said City for work performed and/or materials furnished in connection with the Project, or represents a sum necessary to be expended for land and/or rights of way necessary to be acquired by the City in connection with said Project.

No expenditure shall be made from the Construction Fund except for proper and authorized expenses relating to the acquisition, improvements and construction of the Project in accordance with the contracts, plans and specifications approved by HWEA.

After completion of the Project, as certified by the Engineers, any balance then remaining on deposit in the Construction Fund shall, subject to any and all applicable legal provisions and applicable arbitrage regulations necessary to assure the exemption of interest on the Current Bonds from Federal income taxation, upon orders of HWEA, be transferred to the Depreciation Fund, to be used for the purposes thereof.

If the Engineers shall certify to HWEA that funds are needed prior to delivery of the Current Bonds to pay costs of the Project, HWEA shall be authorized on behalf of the System to borrow sums from the Construction Fund maintained at the Depository Bank and/or from other FDIC banks, and to execute notes in evidence thereof, secured by a pledge of the proceeds of the Current Bonds when delivered, subject to the priority of any then existing pledge to secure any other notes then outstanding. The proceeds of such notes shall be deposited in the Construction Fund and disbursed in the manner set out in this Section.

*(c) Disposition of the Series 2005B Bond Proceeds.* There shall first be deducted and paid from the proceeds of the sale of the Series 2005B Bonds the fee of the Financial Advisor, according to the terms of the contract of said Financial Advisor, as heretofore approved, the fee of Bond Counsel with reference to the issuance of the Series 2005B Bonds, any applicable rating agency fee or fees, and any other pertinent expenses incident to the issuance, sale and delivery of the Series 2005B Bonds and such other appropriate expenses as may be approved by HWEA.

An amount equal to the accrued interest collected from the initial purchaser of the Series 2005B Bonds for the period from the date of the Series 2005B Bonds to the date of delivery, next shall be deposited into the Sinking Fund and applied toward the first interest payment due October 1, 2005, on the Series 2005B Bonds.

For the purpose of paying the costs of the Refunding Program, the balance shall be paid to the Escrow Agent as set forth in the Escrow Agreement to refund the Series 1996 Bonds with a redemption on June 15, 2006.

**SECTION 17. LIMITATIONS ON INVESTMENT OF FUNDS.** The City covenants and certifies, in compliance with Federal arbitrage regulations, as follows:

(a) The City certifies, on the basis of known facts and circumstances in existence on the date of adoption of this Current Bond Ordinance, that it is not expected that the proceeds of the Current Bonds or the revenues of the System will be used in a manner which would cause such Current Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The City covenants to the Purchasers and/or Owners of the Current Bonds that (1) the City will make no use of the proceeds of said Current Bonds, or the revenues of the System, which, if such use had been reasonably expected on the date of issue of such Current Bonds, would have caused such Current Bonds to be "arbitrage bonds", and (2) that the City will comply with (i) all of the requirements of Section 148 of the Code and (ii) all of the requirements of applicable Income Tax Regulations thereunder, to whatever extent is necessary to assure that the Current Bonds shall not be treated as "arbitrage bonds".

(b) The City certifies on known facts and reasonable expectations at this time, as follows:

(1) that it is anticipated that amounts on deposit in the Sinking Fund will be used within thirteen (13) months from the respective date of deposit therein for the payment of debt service on the Outstanding Bonds and that except for an amount equal to not more than the greater of (a) one-twelfth (1/12) of debt service requirements of the Outstanding Bonds for the then ensuing year or (b) one year's earnings on the Sinking Fund, the Sinking Fund will annually be depleted through such application, for current debt service requirements of the Outstanding Bonds;

(2) that it is not anticipated that amounts will be accumulated in any reserve fund(s) anticipated to be used for debt service on the Outstanding Bonds payable from the revenues of the System in excess of (a) 10% of the face amounts (par) of the original authorized issue of Prior Bonds and the Current Bonds or (b) 125% of the average annual debt service on such Prior Bonds and Current Bonds;

(3) that it is not reasonably anticipated that amounts accumulated in the Depreciation Fund will be used for payment of debt service on any Outstanding Bonds, even though such Depreciation Fund will be so available if necessary to prevent a default in the payment of principal and interest on such Outstanding Bonds;

(4) that the original proceeds of the Current Bonds will not exceed by more than five percent (5%) the amount required for the costs of refunding the Refunded Bonds; and there has therefore been no over issuance of the Current Bonds; and

(5) that the City has not been advised of any listing or contemplated listing by the Internal Revenue Service determining that such certification with respect to its obligations may not be relied on.

(c) The City covenants that neither the proceeds of the Current Bonds, nor “Non-Exempt Revenues of the City” (hereinafter defined), will be invested in investments which will produce a net adjusted yield in excess of the net interest cost (effective yield) of the Current Bonds, if such investment would cause the Current Bonds to be treated as “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Regulations applicable thereto; provided, however, that such proceeds and/or revenues may be invested to whatever extent and whenever such Code and/or such applicable Regulations permit same to be invested without causing the Current Bonds to be treated as “arbitrage bonds”.

“Non-Exempt Revenues” within the meaning of the foregoing shall be deemed to refer to revenues of the City deposited in any of the funds earmarked for or reasonably expected to be used for the payment of debt service on the Outstanding Bonds, in excess of “Exempt Revenues” (hereinafter defined). Exempt Revenues shall consist of the following:

(1) amounts deposited in the Sinking Fund for the purpose of paying debt service on any Outstanding Bonds within 13 months from the date of deposit;

(2) amounts deposited in any reserve earmarked for or anticipated to be used for debt service on Outstanding Bonds, to the extent that such deposits do not cause the total amount of such reserves, deposits and other excess Non-Exempt Revenues, to exceed the limitations referred to in (b)(2) above, for which adequate provision will have been made to comply with such limitations; and

(3) amounts deposited in a Depreciation Fund, Operation and Maintenance Fund or any other fund (however designated) reasonably expected to be used for extensions, additions, improvements, repairs or replacements to the System, and not reasonably expected to be used to pay debt service (even if pledged to be used to pay debt service in the event of the unexpected inadequacy of other funds pledged for that purpose) of Outstanding Bonds.

Prior to or at the time of delivery of the Current Bonds, the Mayor and the City Treasurer, who are jointly and severally charged with the responsibility for the issuance of the Current Bonds, are jointly and severally authorized to execute the appropriate certification with reference to the matters referred to above, setting out all known and contemplated facts (apart from legal conclusions) concerning such anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by the proposed arbitrage regulations, as amended, in order to assure that interest on the Current Bonds will be excluded from gross income for Federal income tax purposes and that such Current Bonds will not be treated as “arbitrage bonds”.

**SECTION 18. DEFEASANCE OF BONDS.** The City reserves the right, at any time, to cause the pledge of the revenues securing the Prior Bonds, the Current Bonds and all Parity Bonds,

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 case and/or direct or fully guaranteed obligations of the United States of America, to assure the availability in such escrow fund of an adequate amount to pay all principal and interest requirements on such Outstanding Bonds as same mature, without redemption in advance of maturity. Such investments shall have such maturities as to assure that there will be sufficient funds for such purpose. 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 necessarily, provided no such defeasement shall be accomplished through the use of amounts on deposit in the Sinking Fund Reserve or through any other funds if such defeasement would, in the opinion of recognized Bond Counsel, adversely affect the exclusion of interest on any of the Outstanding Bonds from gross income for Federal income tax purposes.

**SECTION 19. CONTRACTUAL NATURE OF ORDINANCE.** The provisions of this Current Bond Ordinance shall constitute a contract between the City and the Owners of the Current Bonds, and after the issuance of any of the Current Bonds, no change, variation or alteration of any kind, in the provisions of this Current Bond Ordinance shall be made in any manner, except for the purpose of curing any ambiguity or of curing, correcting, or supplementing any defective or inconsistent provisions contained herein or in any proceeding pertaining hereto, and except as herein provided, until such time as all of the Current Bonds and the interest thereon have been paid in full; provided, however, that the Owners of eighty percent (80%) in principal amount of the Current Bonds may agree to a modification or amendment to this Current Bond Ordinance; provided, however, that no such modifications or amendments shall be made which will permit (a) an extension of the maturity of any of the Prior Bonds or Current Bonds or of any Parity Bonds, (b) a reduction in the principal amount of any Current Bond or the redemption premium or the rate of interest thereon, (c) the creation of a lien upon or a pledge of revenues ranking prior to or on a parity with the lien or pledge of the Prior Bonds and the Current Bonds, (d) a preference or priority of any Prior Bonds, Current Bonds or Parity Bonds over any other bond or bonds, (e) a reduction in the aggregate principal amount of the Prior Bonds or Current Bonds required to consent to any such modification or amendment, or (f) impair in any way the rights of the Owners of the Current Bonds.

**SECTION 20. EVENTS OF DEFAULT; BOND OWNERS' REMEDIES.** The following items shall constitute an "event of default" on the part of the City:

- (a) The failure to pay the principal of any of the Current Bonds when due and payable.
- (b) The failure to pay any installment of interest on the Current Bonds when the same shall become due and payable.
- (c) The default by the City in the due or punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Current Bonds or in this Ordinance.

(d) The failure to promptly repair, replace or reconstruct needed or essential facilities of the System that have been damaged and/or destroyed.

(e) The entering of an order or decree with the consent or acquiescence of the City appointing a receiver of all or any part of the System or any revenues thereof; or if such order or decree having been entered without the acquiescence or consent of the City, its failure in not having the order vacated, discharged or stayed on appeal within sixty (60) days after entry.

Any Owner of the Current Bonds may, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance by the City and its officers and agents of all duties imposed or required by law or by this Ordinance in connection with the operation of the System, including the making and collection of sufficient rates, the segregation of the revenues of the System and the application thereof in accordance with the provisions of this Ordinance.

Upon the occurrence of an "event of default" as defined above, then upon the filing of suit by any Owner of the Current Bonds any court having jurisdiction of the action may appoint a Receiver pursuant to KRS 58.060 to administer the System on behalf of the City, with power to charge and collect rates and charges for the services and facilities provided by the System sufficient to provide for the payment of any Outstanding Bonds and other obligations of the System, and the interest thereon, together with the expenses of operation and maintenance, and to apply the income and revenues in accordance with the provisions of this Ordinance, and of the applicable statutes of Kentucky, and to take such other legal action as may be appropriate for the protection of any such Owner.

The City hereby agrees to transfer to any bona fide Receiver or other subsequent operator of the System, pursuant to any valid court order in a proceeding brought to enforce collection or payment of the City's obligations, all contracts and other rights of the City pertaining to the System, conditionally, for such time only as such Receiver or operator shall operate by authority of the Court. In the event of default, the Owner of any of the Bonds may require the governing body of the City by injunction to raise the rates a reasonable amount.

**SECTION 21. COVENANT TO REQUIRE USE OF SEWER SYSTEM.** The City agrees that during the time any of the Current Bonds or any bonds issued on a parity therewith as to security in accordance with the provisions herein contained, are outstanding, it will take all such steps as may be necessary to cause the owners of all properties abutting upon any sewer lines of the City to connect thereto and to keep connected thereto all sanitary sewage drain pipes on such properties. The foregoing covenant shall be in favor of and enforceable by the holders of the Current Bonds and all parity bonds in accordance with the provisions herein contained. If the City fails to take such steps it may be required to do so by such bondholders.

**SECTION 22. SUPERVISION OF COMBINED AND CONSOLIDATED WATERWORKS AND SEWER SYSTEM VESTED IN HOPKINSVILLE WATER ENVIRONMENT AUTHORITY; CONTRACTUAL FOR BENEFIT OF BONDHOLDERS.**

Recognition is hereby taken of the fact that management and conduct of the System is vested in a municipal commission designated as the Hopkinsville Water Environment Authority.

For the purpose of assuring the original purchasers and any subsequent holder or holders of the Current Bonds and any parity bonds of an efficient management, control and operation of the System, the City hereby covenants and agrees that so long as any of said Current Bonds are outstanding, the management, control and operation of the System will continue to be vested in said Hopkinsville Water Environment Authority, which shall not be abolished so long as any of the Current Bonds or any Parity Bonds are outstanding.

**SECTION 23. SIGNATURES OF OFFICERS.** If any of the officers whose signatures or facsimile signatures appear on the Current Bonds cease to be such officers before delivery of the Current Bonds, such signatures shall nevertheless be valid for all purposes the same as if said officers had retained in office until delivery, as provided in KRS 58.040 and KRS 61.390.

**SECTION 24. APPOINTMENT AND DUTIES OF BOND REGISTRAR, TRANSFER AGENT, AND PAYEE BANK.** U.S. Bank, National Association, Louisville, Kentucky, is hereby designated as the Bond Registrar, Transfer Agent and Payee Bank.

**(a) Duties as Bond Registrar and Transfer Agent.** The Bond Registrar and Transfer Agent shall have the following duties:

- (1) To authenticate the Current Bonds authorized herein;
- (2) To register all of the Current Bonds in the names of the respective owners thereof;
- (3) Upon being supplied with a properly authenticated assignment satisfactory to the Bond Registrar (in the sole discretion of such Bond Registrar), to transfer the ownership of Current Bonds from one registered Bondowner to another within three (3) business days of the receipt of such proper assignment by the Bond Registrar, and
- (4) To cancel and destroy (or remit to the City for destruction, if so requested by the City) all exchanged, matured, retired and redeemed Current Bonds, and to maintain adequate records relevant thereto.

**(b) Duties as Payee Bank.** The Payee Bank shall have the following duties:

- (1) To hold the Sinking Fund in accordance with the provisions of Section 11 hereof;
- (2) To remit, but only to the extent that all required funds are made available to the Payee Bank by the City, semiannual interest payments directly to the registered owner of each Current Bond by regular United States mail. Said interest payments shall be deposited in the United States mail no later than each interest due date. Matured or



redeemed Current Bonds shall be payable upon presentation to the Payee Bank. For interest payment purposes, the Payee Bank shall be entitled to rely on its records as Bond Registrar as to the ownership of each Current Bond as of the 15th day of the month preceding an interest due date, and the Payee Bank's check shall be drawn and mailed accordingly;

(3) To supply the City with a written accounting evidencing the payment of interest on and principal of the Current Bonds within 30 days following each respective due date.

The Bond Registrar/Payee Bank 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 Bond Registrar/Payee Bank 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 Current Bond Ordinance, or the responsibility for the consequences of any oversight or error of judgment.

The Bond Registrar/Payee Bank may at any time resign from its duties set forth in this Current Bond Ordinance by filing its resignation with the City Clerk and notifying the Purchaser of the Current Bonds. Thereupon, the City shall designate a successor Bond Registrar/Payee Bank 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 Bond Registrar/Payee Bank, provision shall be made for the orderly transition of the books, records and accounts relating to the Current Bonds to the successor Bond Registrar/Payee Bank in order that there will be no delinquencies in the payment of interest or principal due on the Current Bonds.

The Bond Registrar/Transfer Agent/Payee Bank shall indicate its acceptance of its duties as Bond Registrar, Transfer Agent and Payee Bank by signing the acceptance by U.S. Bank, National Association at the conclusion of this Current Bond Ordinance.

**SECTION 25. FINANCIAL GUARANTY INSURANCE; AMBAC SURETY BOND.**

The City hereby authorizes the application for a Financial Guaranty Insurance Policy and a Surety Bond with Ambac Assurance Corporation, on such terms and conditions as may be negotiated with Ambac Assurance. So long as the Financial Guaranty Insurance Policy or the Surety Bond is in full force and effect, the City covenants and agrees as follows:

(1) Definitions.

“Ambac Assurance” shall mean Ambac Assurance Corporation, a Wisconsin-domiciled stock insurance company.

“Financial Guaranty Insurance Policy” shall mean the financial guaranty insurance policy issued by Ambac Assurance insuring the payment when due of the principal of and interest on the Current Bonds as provided therein.

“Surety Bond” shall mean the surety bond issued by Ambac Assurance guaranteeing certain payments into the Sinking Fund Reserve with respect to the Current Bonds as provided therein and subject to the limitations set forth therein.

(2) Consent of Ambac Assurance. Any provision of this Ordinance expressly recognizing or granting rights in or to Ambac Assurance may not be amended in any manner which affects the rights of Ambac Assurance hereunder without the prior written consent of Ambac Assurance.

(3) Consent of Ambac Assurance in Lieu of Bondowner Consent. Unless otherwise provided in this Section, Ambac Assurance’s consent shall be required in lieu of Bondowner consent, when required, for the following purposes: (i) execution and delivery of any supplemental ordinance or any amendment, supplement or change to or modification thereof, (ii) removal of the Payee Bank and selection and appointment of any successor Payee Bank, and (iii) initiation or approval of any action not described in (i) or (ii) above which requires Bondowner consent.

(4) Consent of Ambac Assurance in the Event of Insolvency. Any reorganization or liquidation plan with respect to the City must be acceptable to Ambac Assurance. In the event of any reorganization or liquidation, Ambac Assurance shall have the right to vote on behalf of all Bondholders who hold Ambac Assurance-insured bonds absent a default by Ambac Assurance under the applicable Financial Guaranty Insurance Policy insuring such Current Bonds.

(5) Consent of Ambac Assurance Upon Default. Anything in this Ordinance to the contrary notwithstanding, upon the occurrence and continuance of an event of default as defined in Section 20 herein, Ambac Assurance shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondowners under this Ordinance.

(6) Notices to be Given to the Surveillance Department of Ambac Assurance.

(a) While the Financial Guaranty Insurance Policy or the Surety Bond is in effect, the City shall furnish to Ambac Assurance, upon request, the following:

(i) as soon as practicable after the filing thereof, a copy of any financial statement of the HWEA and a copy of any audit and annual report of the HWEA at no cost to Ambac Assurance;

(ii) such additional information as it may reasonably request.

Upon request, such information shall be delivered at the City’s expense to the attention of the Surveillance Department, unless otherwise indicated:

(b) A copy of any notice to be given to the registered owners of the Current Bonds, including, without limitation, notice of any redemption of or defeasance of Current Bonds, and any certificate rendered pursuant to this Ordinance relating to the security for the Current Bonds; and

(c) To the extent that the City and the HWEA have entered into a continuing disclosure agreement with respect to the Current Bonds, Ambac Assurance shall be included as a party to be notified.

(7) Notices to be Given to the General Counsel Office of Ambac Assurance.

(a) The City and the HWEA shall notify Ambac Assurance of any failure of the City or the HWEA to provide the relevant notices, certificates, etc.;

(b) Notwithstanding any other provision of this Ordinance, the Payee Bank shall immediately notify Ambac Assurance if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default hereunder.

The City will permit Ambac Assurance to discuss the affairs, finances and accounts of the HWEA or any information Ambac Assurance may reasonably request regarding the security for the Current Bonds with appropriate officers of the HWEA. The City, as appropriate, will permit Ambac Assurance to have access to the HWEA and have access to and to make copies of all books and records relating to the Current Bonds and the HWEA at any reasonable time.

Ambac Assurance shall have the right to direct an accounting at the HWEA's expense, and the HWEA's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from Ambac Assurance shall be deemed a default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any registered owner of the Current Bonds.

(8) Defeasance. Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due on the Current Bonds shall be paid by Ambac Assurance pursuant to the Financial Guaranty Insurance Policy, the Current Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, and the assignment and pledge of the revenues of the HWEA and all covenants, agreements and other obligations of the City to the registered owners of the Current Bonds shall continue to exist and shall run to the benefit of Ambac Assurance, and Ambac Assurance shall be subrogated to the rights of such registered owners.

(9) Payment Procedure Pursuant to Financial Guaranty Insurance Policy. As long as the Financial Guaranty Insurance Policy shall be in full force and effect, the City, the HWEA and the Payee Bank agree to comply with the following provisions:

(a) At least one (1) day prior to all Interest Payment Dates, the Payee Bank will determine whether there will be sufficient funds in the Sinking Fund to pay the principal of or interest on the Current Bonds on such Interest Payment Date. If the Payee Bank determines that there will be insufficient funds in the Sinking Fund, the Payee Bank shall so notify Ambac Assurance. Such notice shall specify the amount of the anticipated

deficiency, and Current Bonds to which such deficiency is applicable and whether such Current Bonds will be deficient as to principal or interest, or both. If the Payee Bank has not so notified Ambac Assurance at least one (1) day prior to an Interest Payment Date, Ambac Assurance will make payments of principal or interest due on the Bonds on or before the first (1st) business day next following the date on which Ambac Assurance shall have received notice of nonpayment from the Payee Bank.

(b) The Payee Bank shall, after giving notice to Ambac Assurance as provided in (a) above, make available to Ambac Assurance and, at Ambac Assurance's direction, to The Bank of New York, as insurance trustee for Ambac Assurance or any successor insurance trustee (the "Insurance Trustee"), the registration books of the City maintained by the Payee Bank, and all records relating to the Sinking Fund maintained under this Ordinance.

(c) The Payee Bank shall provide Ambac Assurance and the Insurance Trustee with a list of registered owners of Current Bonds entitled to receive principal or interest payments from Ambac Assurance under the terms of the Financial Guaranty Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of Current Bonds entitled to receive full or partial interest payments from Ambac Assurance, and (ii) to pay principal upon Current Bonds surrendered to the Insurance Trustee by the registered owners of Current Bonds entitled to receive full or partial principal payments from Ambac Assurance.

(d) The Payee Bank shall, at the time it provides notice to Ambac Assurance pursuant to (a) above, notify registered owners of Current Bonds entitled to receive the payment of principal or interest thereon from Ambac Assurance (i) as to the fact of such entitlement, (ii) that Ambac Assurance will remit to them all or a part of the interest payments next coming due upon proof of Bondowner entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from Ambac Assurance, they must surrender their Current Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Current Bonds to be registered in the name of Ambac Assurance) for payment to the Insurance Trustee, and not the Payee Bank, and (iv) that should they be entitled to receive partial payment of principal from Ambac Assurance, they must surrender their Current Bonds for payment thereon first to the Payee Bank, who shall note on such Current Bonds the portion of the principal paid by the Payee Bank, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Payee Bank has notice that any payment of principal or interest on a Current Bond which has become due for payment and which is made to a Bondowner by or on behalf of the City has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy

Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Payee Bank shall, at the time Ambac Assurance is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available, and the Payee Bank shall furnish to Ambac Assurance its records evidencing the payments of principal of and interest on the Bonds which have been made by the Payee Bank, and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted Ambac Assurance under this Ordinance, Ambac Assurance shall, to the extent it makes payment of principal of or interest on Current Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Financial Guaranty Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Payee Bank shall note Ambac Assurance's rights as subrogee on the registration books of the City maintained by the Payee Bank upon receipt from Ambac Assurance of proof of the payment interest thereon to the registered owners of the Current Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Payee Bank shall note Ambac Assurance's rights as subrogee on the registration books of the City maintained by the Payee Bank upon surrender of the Current Bonds by the registered owners thereof, together with proof of the payment of principal thereof.

(10) Payment Procedure Pursuant to Surety Bond. As long as the Surety Bond shall be in full force and effect, the City and the Payee Bank agree to comply with the following provisions:

(a) In the event and to the extent that moneys on deposit in the Sinking Fund, plus all amounts on deposit in and credited to the Sinking Fund Reserve in excess of the amount of the Surety Bond, are insufficient to pay the amount of principal and interest coming due, then upon the later of: (i) one (1) day after receipt by the General Counsel of Ambac Assurance of a demand for payment in the form attached to the Surety Bond as Attachment 1 (the "Demand for Payment"), duly executed by the Payee Bank certifying that payment due under this Ordinance has not been made to the Payee Bank; or (ii) the payment date of the Current Bonds as specified in the Demand for Payment presented by the Payee Bank to the General Counsel of Ambac Assurance, Ambac Assurance will make a deposit of funds in an account with the Payee Bank or its successor, in New York, New York, sufficient for the payment to the Payee Bank, of amounts which are then due to the Payee Bank under this Ordinance (as specified in the Demand for Payment) up to but not in excess of the Surety Bond Coverage, as defined in the Surety Bond; provided, however, that in the event that the amount on deposit in, or credited to, the Sinking Fund Reserve, in addition to the amount available under the Surety Bond, includes amounts available under a letter of credit, insurance policy, Surety Bond or other such funding instrument (the "Additional Funding Instrument"), draws on the Surety Bond and the Additional Funding Instrument shall be made on a pro rata basis to fund the insufficiency.

(b) the Payee Bank shall, after submitting to Ambac Assurance the Demand for Payment as provided in (a) above, make available to Ambac Assurance all records relating to the funds and accounts maintained under this Ordinance.

(c) the Payee Bank shall upon receipt of moneys received from the draw on the Surety Bond, as specified in the Demand for Payment, credit the Sinking Fund Reserve to the extent of moneys received pursuant to such Demand.

(d) the Sinking Fund Reserve shall be replenished in the following priority: (i) principal and interest on the Surety Bond shall be paid from first available Revenues; (ii) after all such amounts are paid in full, amounts necessary to fund the Sinking Fund Reserve to the required level, after taking into account the amounts available under the Surety Bond shall be deposited from next available Revenues.

(11) Ambac Assurance as Third Party Beneficiary. To the extent that this Ordinance confers upon or gives or grants to Ambac Assurance any right, remedy or claim under or by reason of this Ordinance, Ambac Assurance is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

(12) Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City, Ambac Assurance, the Payee Bank and the registered owners of the Current Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, Ambac Assurance, the Payee Bank and the registered owners of the Current Bonds.

**SECTION 26. ANNUAL DISCLOSURE REQUIREMENTS.** In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), the City agrees to provide or cause to be provided, in a timely manner, to (i) each nationally recognized municipal securities information repository ("NRMSIR") designated by the Commission in accordance with the Rule or to the Municipal Securities Rulemaking Board ("MSRB") and (ii) the appropriate state information depository ("SID"), if any, designated by the Commonwealth of Kentucky, notice of the occurrence of any of the following events with respect to the Bonds, if such event is material:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinion or events affecting the tax-exempt status of the Bonds;
- (g) modifications to rights of the Bondowners;
- (h) Bond calls;

- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the Bonds; and/or
- (k) rating changes.

The City may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the City determines that such other event is material with respect to the Bonds, but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The City also agrees to provide to each nationally recognized NRMSIR and to the SID, if any, for the Commonwealth of Kentucky, in each case as designated by the Commission in accordance with the Rule, its Comprehensive Annual Financial Report (the "Annual Report") which contains the audited financial statements of the City and the HWEA, prepared in accordance with generally accepted accounting principles, and certain annual financial data substantially similar to the information contained in the Official Statement used in the offering of the Bonds. The Annual Report shall be available on or before 180 days after the end of each fiscal year (June 30), beginning with the fiscal year of the City ending June 30, 2005 and each fiscal year thereafter.

If the City is unable to provide to each NRMSIR or the MSRB and the SID, if any, an Annual Report by the date required in this Section, then the City shall send a notice to each NRMSIR, the MSRB, and the SID, if any, notifying them of the inability, at that time, to file the Annual Report.

If the City's fiscal year changes, then the City shall send a notice of such change to each NRMSIR or the MSRB, and the SID, if any. If such change will result in the City's fiscal year ending on a date later than the ending date prior to such change, the City shall provide notice of such change to each NRMSIR or the MSRB, and the SID, if any, on or prior to the deadline for filing the Annual Report in effect when the City operated under its prior fiscal year. Such notice may be provided to each NRMSIR or the MSRB and the SID, if any, along with the Annual Report, provided that it is filed at or prior to the deadline described above.

As of the enactment of this Ordinance, the City is in compliance with the reporting requirements of the Rule for all undertakings for which they are an "obligated person" as defined in the Rule.

Financial information regarding the City can be obtained from the Treasurer of the City.

The obligations of the City described above will remain in effect only for such period that (i) the Bonds are outstanding in accordance with their terms and (ii) that the City remains an obligated person with respect to the Bonds within the meaning of the Rule. The City reserves the right to terminate its obligation to provide notices of material events, as set forth above, if and when the City no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The City acknowledges that its undertaking pursuant to the Rule described under this Section is intended to be for the benefit of the Bondowners (including holders of beneficial interests in the Bonds).

Notwithstanding any other provision of this Ordinance, this Section may be amended, if the City receives an opinion of independent legal counsel to the effect that:

(i) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the types of activities in which the City is engaged;

(ii) this Section as so amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) such amendment does not materially impair the interests of the Bondowners.

In the event of a failure of the City to comply with any provision of this Section, any Bondowner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Section. A default under this Section shall not be deemed an Event of Default under the Ordinance, and the sole remedy under this Section in the event of any failure of the City to comply with this Section shall be an action to compel performance.

**SECTION 27. AUTHORIZATION TO SUBSCRIBE TO SLGS.** Authority is given to W. Randall Jones, Esq., Charles S. Musson, Esq., of Rubin & Hays, Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202, Chris Bowling of Hilliard Lyons, 325 West Main Street, Suite 2-C, Lexington, Kentucky 40507, and Amanda Willian of Hilliard Lyons, 501 South Fourth Avenue, Louisville, Kentucky 40202 and to any one of them, to act on behalf of the City in signing on behalf of the City subscriptions for the purchase of an issue of United States Treasury Certificates, Notes or Bonds - State and Local Government Series, to be issued to the Escrow Agent in connection with the investment of the proceeds of the Current Bonds.

**SECTION 28. 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 except for the permissible issuance of parity bonds pursuant to Section 12 hereof, any proceedings heretofore taken for the issuance of other bonds 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 bonds shall be issued and delivered.

**SECTION 29. SEVERABILITY CLAUSE.** If any section, paragraph, clause, or provision of this Current Bond Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Current Bond Ordinance.

**SECTION 30. EFFECTIVE DATE OF ORDINANCE.** This Current Bond Ordinance shall be introduced at a meeting of the Governing Body and remain on file for at least one week for public inspection in the completed form in which it shall be put on its final enactment and if enacted



shall be published by title and summary in a Notice of Enactment and Summary of Ordinance and shall be in full force and effect immediately following publication of such Notice.

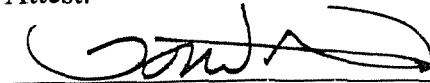
Introduced and Given First Reading, May 3, 2005. Given Second Reading and Final Enactment, May 17, 2005.

CITY OF HOPKINSVILLE, KENTUCKY



Mayor

Attest:

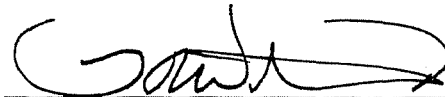


City Clerk

### CERTIFICATE OF CITY CLERK

I, the undersigned, hereby certify that I am the duly qualified and acting City Clerk of the City of Hopkinsville, Kentucky, that the foregoing Ordinance is a true and correct copy of an Ordinance authorizing the issuance of \$25,745,000 of City of Hopkinsville Water and Sewer Revenue Bonds, Series 2005A, dated May 1, 2005, and \$1,535,000 of City of Hopkinsville Water and Sewer Refunding Revenue Bonds, Series 2005B, dated May 1, 2005, that said Ordinance was introduced and given first reading by the City Council of said City on May 3, 2005, and that it was placed and remained on file in my office for public inspection in that identical, completed form until May 17, 2005, on which date it was given its second reading and final enactment by said City Council, that said meetings were duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.823, that a quorum was present at each of said meetings, that such Ordinance has been ordered to be published by title and summary in a Notice of Enactment and Summary, in the form attached hereto, and that said Ordinance has not been modified, amended, revoked or repealed, and that same is now in full force and effect

IN TESTIMONY WHEREOF, witness my signature as City Clerk and the official Seal of said City this May 17, 2005.



City Clerk

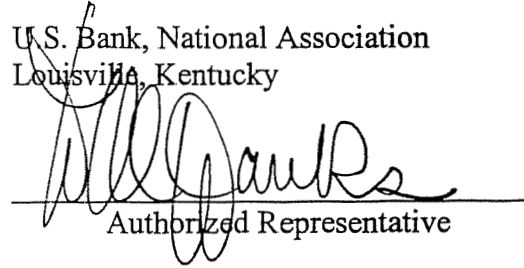
(Seal of City)

**ACCEPTANCE BY U.S. BANK, NATIONAL ASSOCIATION  
BOND REGISTRAR, TRANSFER AGENT, AND PAYEE BANK**

The undersigned hereby agrees to the provisions of the foregoing Ordinance to the extent there are contained therein provisions as to the rights and duties of it as Bond Registrar, Transfer Agent and Payee Bank.

Date: May \_\_, 2005.

U.S. Bank, National Association  
Louisville, Kentucky



Authorized Representative

EXHIBIT A-1

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF CHRISTIAN  
CITY OF HOPKINSVILLE  
WATER AND SEWER REVENUE BOND  
SERIES 2005A

NO. R- \_\_\_\_\_

CUSIP: \_\_\_\_\_

DATE OF ISSUE:

\$ \_\_\_\_\_  
Principal Amount

INTEREST RATE:

MATURITY DATE:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Hopkinsville (the "City"), in the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund hereinafter identified, to

the registered owner, or registered assigns, as hereinafter identified, upon presentation and surrender of this Series 2005A Bond, the principal sum of

DOLLARS,

on the Maturity Date specified above, and to pay interest on said sum at the per annum Interest Rate specified above, semiannually from the Date of Issue specified above, or from the most recent interest payment date preceding the date of or on which this Series 2005A Bond is authenticated, unless this Series 2005A Bond is authenticated on an interest payment date to which interest has been paid, in which event it shall bear interest from that date, on April 1 and October 1 of each year, unless redeemed prior thereto as hereinafter provided. The principal on this Series 2005A Bond is payable upon surrender of this Series 2005A Bond, at maturity or at earlier redemption prior to maturity, in lawful money of the United States of America at the main office of U.S. Bank, National Association, Louisville, Kentucky (the "Payee Bank" and the "Bond Registrar"). Interest and principal redemption due on this Series 2005A Bond shall be paid by check or draft by mail postmarked no later than the due date thereof by the Payee Bank to the registered owner hereof at the address shown as of the 15th day of the month preceding each interest or principal redemption payment date on the bond register kept by the Bond Registrar.

This Series 2005A Bond is a duly authorized issue of \_\_\_\_\_ Million \_\_\_\_\_ Hundred \_\_\_\_\_ Thousand Dollars (\$ \_\_\_\_\_), principal amount of City of Hopkinsville Water and Sewer Revenue Bonds, Series 2005A (the "Series 2005A Bonds") issued by the City pursuant to an Ordinance duly enacted (the "Current Bond Ordinance") under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, and more specifically, Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes (the

“Act”), for the purpose of defraying the cost (not otherwise provided) of the acquisition, construction and equipping of extensions, additions and improvements to the existing combined and consolidated municipal waterworks and sewer system (the “System”).

The Series 2005A Bonds rank on a parity as to security and source of payment with the outstanding (i) City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 1993, dated December 15, 1993 (the “Series 1993 Bonds”), authorized by an Ordinance enacted by the City Council of the City on November 30, 1993 (the “1993 Bond Ordinance”); (ii) City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 1996, dated June 15, 1996 (the “Series 1996 Bonds”), authorized by an ordinance enacted by the City Council of the City on June 18, 1996 (the “1996 Bond Ordinance”); (iii) City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2002, dated February 15, 2002 (the “Series 2002 Bonds”), authorized by an Ordinance enacted by the City Council of the City on February 19, 2002 (the “2002 Bond Ordinance”); and (iv) City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2005B, dated May 1, 2005 (the “Series 2005B Bonds”), authorized by an Ordinance enacted by the City Council of the City on May 17, 2005 (the “2005 Bond Ordinance”)[hereinafter the Series 1993 Bonds, the Series 1996 Bonds, the Series 2002 Bonds and the Series 2005B Bonds shall be collectively referred to as the “Prior Bonds” and the 1993 Bond Ordinance, the 1996 Bond Ordinance, the 2002 Bond Ordinance and the 2005 Bond Ordinance shall be collectively referred to as the “Prior Bond Ordinance”] provided, and the Current Bond Ordinance reaffirms, that so long as any of the Prior Bonds, the Series 2005A Bonds and/or any additional bonds ranking on a parity therewith, are outstanding, the System of the City as more fully identified in the Current Bond Ordinance, shall be owned and operated as a combined and consolidated revenue-producing public project or System within the meaning of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, for the security and source of payment of any and all of such outstanding Prior Bonds, the Series 2005A Bonds or any additional bonds.

The Series 2005A Bonds maturing on or after October 1, 2016, are subject to redemption, in whole or in part, at any time, in any order of maturities and by lot within a single maturity, by the City prior to their stated maturities, on any date falling on or after October 1, 2015, upon payment of 100% of the principal amount to be redeemed plus accrued interest to the date of redemption.

The Bond Registrar shall give notice of any redemption by sending at least one such notice by first class United States mail not less than 30 and not more than 60 days prior to the date fixed for redemption to the registered owner of each Series 2005A Bond to be redeemed in whole or in part at the address shown on the Register of Bonds maintained by the Bond Registrar as of the date of mailing of such notice. The Bond Registrar may furnish one other form of such notice more than 60 days prior to the date fixed for redemption, provided at least one such notice shall be sent not less than 30 nor more than 60 days prior to such date. Such notice shall state the redemption date, the redemption price, the amount (or number of months) of accrued interest payable on the redemption date, the place at which the Series 2005A Bonds are to be surrendered for payment, and, if less than all of the Series 2005A Bonds are to be redeemed, an identification of the Series 2005A Bonds or portions thereof to be redeemed. Any notice mailed as provided in the Current Bond Ordinance shall be conclusively presumed to have been duly given, whether or not the Bondowner receives such notice. Upon presentation and surrender of any such Series 2005A Bond at the main corporate trust office of the Bond Registrar on or after the date fixed for redemption, the Bond Registrar shall pay

the redemption price of such Series 2005A Bond (including accrued interest) from the funds provided for such purpose.

All of said Series 2005A Bonds as to which the City 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.

It is provided in and by the Prior Bond Ordinance and in and by the Current Bond Ordinance that additional bonds ranking on a parity with the Prior Bonds and with the Series 2005A Bonds, may be issued and outstanding upon the conditions and restrictions provided in the Prior Bond Ordinance and in the Current Bond Ordinance; and these Series 2005A Bonds, together with the Prior Bonds and any additional parity bonds, as may be hereafter issued and outstanding from time to time under the parity conditions and restrictions of the Prior Bond Ordinance and the Current Bond Ordinance, are and will continue to be payable from and secured by a first pledge of a fixed portion of the gross income and revenues to be derived from the operation of the System, which fixed portion of said gross income and revenues shall be sufficient to pay the principal of and interest on all of said outstanding Prior Bonds, the Series 2005A Bonds and any additional parity bonds as and when the same become due and payable, and which shall be set aside as a special fund for that purpose and identified as the "City of Hopkinsville Water and Sewer Bond and Interest Redemption Fund" (the "Sinking Fund").

The City covenanted in the Current Bond Ordinance that so long as any of the Prior Bonds, the Series 2005A Bonds and/or any additional parity bonds are outstanding, the System will be continuously owned and operated as a revenue-producing undertaking, and that the City will fix, charge, and adjust from time to time as needed, such rates for the services and facilities of the System so that the income and revenues therefrom will be sufficient to pay all of the Prior Bonds, the Series 2005A Bonds and any additional parity bonds, and the interest thereon, as the same become due, to pay the cost of operation and maintenance of the System, and to provide for the depreciation thereof.

The Series 2005A Bonds are issuable as fully registered bonds and do not constitute an indebtedness of the City of Hopkinsville, Kentucky, within the meaning of any constitutional or statutory provisions or limitations, but are payable as to both principal and interest solely out of the revenues of the System, as aforesaid.

The City and the Bond Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Series 2005A Bonds, have existed, have happened and have been performed, in due time, form and manner as required by law, that the amount of this Series 2005A Bond, together with all other obligations of said City, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky, and

that a sufficient portion of the gross income and revenues of the System has been pledged to and will be set aside into the Sinking Fund by the City for the prompt payment of the principal of and interest on this Series 2005A Bond and all of the Series 2005A Bonds, and all other bonds ranking on a parity therewith, including the Prior Bonds and those which may be issued hereafter.

IN WITNESS WHEREOF, said City of Hopkinsville, in the Commonwealth of Kentucky, has caused this Bond to be executed on its behalf with the duly authorized reproduced facsimile signature of the Mayor of said City, and the reproduced facsimile of its Corporate Seal to be imprinted hereon and attested by the reproduced facsimile signature of its City Clerk, dated as of the first day of May, 2005; provided, however, that this Series 2005A Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit under the Current Bond Ordinance pursuant to which it was authorized until the Authentication Certificate of Registrar printed hereon shall have been executed by the manual signature of a duly authorized representative of the Bond Registrar.

CITY OF HOPKINSVILLE, KENTUCKY

By

Mayor

Attest:

City Clerk

(City Seal)

(FORM OF AUTHENTICATION CERTIFICATE OF REGISTRAR)

AUTHENTICATION CERTIFICATE OF REGISTRAR

This is to certify that this Series 2005A Bond is one of the Series 2005A Bonds referred to in the within Series 2005A Bond and in the Current Bond Ordinance authorizing same.

The Authentication Date of this Series 2005A Bond is: \_\_\_\_\_, 2005.

U.S. BANK, NATIONAL ASSOCIATION  
Louisville, Kentucky Bond Registrar

By \_\_\_\_\_  
Authorized Officer

(FORM OF ASSIGNMENT)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto \_\_\_\_\_ the within Series 2005A Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_ attorney to transfer said Series 2005A Bond on the books kept for registration and transfer of this Series 2005A Bond, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed By: \_\_\_\_\_  
Social Security Number or other taxpayer identification number: \_\_\_\_\_

\_\_\_\_\_

EXHIBIT A-2

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
COUNTY OF CHRISTIAN  
CITY OF HOPKINSVILLE  
WATER AND SEWER REFUNDING REVENUE BOND  
SERIES 2005B

NO. R- \_\_\_\_\_

CUSIP: \_\_\_\_\_

DATE OF ISSUE:

\$ \_\_\_\_\_  
Principal Amount

INTEREST RATE:

MATURITY DATE:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Hopkinsville (the "City"), in the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund hereinafter identified, to

the registered owner, or registered assigns, as hereinafter identified, upon presentation and surrender of this Series 2005B Bond, the principal sum of

DOLLARS,

on the Maturity Date specified above, and to pay interest on said sum at the per annum Interest Rate specified above, semiannually from the Date of Issue specified above, or from the most recent interest payment date preceding the date of or on which this Series 2005B Bond is authenticated, unless this Series 2005B Bond is authenticated on an interest payment date to which interest has been paid, in which event it shall bear interest from that date, on April 1 and October 1 of each year, unless redeemed prior thereto as hereinafter provided. The principal on this Series 2005B Bond is payable upon surrender of this Series 2005B Bond, at maturity or at earlier redemption prior to maturity, in lawful money of the United States of America at the main office of U.S. Bank, National Association, Louisville, Kentucky (the "Payee Bank" and the "Bond Registrar"). Interest and principal redemption due on this Series 2005B Bond shall be paid by check or draft by mail postmarked no later than the due date thereof by the Payee Bank to the registered owner hereof at the address shown as of the 15th day of the month preceding each interest or principal redemption payment date on the bond register kept by the Bond Registrar.

This Series 2005B Bond is a duly authorized issue of \_\_\_\_\_ Million \_\_\_\_\_ Hundred \_\_\_\_\_ Thousand Dollars (\$ \_\_\_\_\_), principal amount of City of Hopkinsville Water and Sewer Revenue Bonds, Series 2005B (the "Series 2005B Bonds") issued by the City pursuant to an Ordinance duly enacted (the "Current Bond Ordinance") under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, and more specifically, Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes (the



“Act”), for the purpose of defraying the cost (not otherwise provided) of refunding the outstanding City of Hopkinsville Water and Sewer Revenue Bonds, Series 1996, dated June 15, 1996 (the “Refunded Bonds”) on or about June 15, 2006.

The Series 2005B Bonds rank on a parity as to security and source of payment with the outstanding (i) City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 1993, dated December 15, 1993 (the “Series 1993 Bonds”), authorized by an Ordinance enacted by the City Council of the City on November 30, 1993 (the “1993 Bond Ordinance”); (ii) City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 1996, dated June 15, 1996 (the “Series 1996 Bonds”), authorized by an ordinance enacted by the City Council of the City on June 18, 1996 (the “1996 Bond Ordinance”); (iii) City of Hopkinsville, Kentucky Water and Sewer Refunding Revenue Bonds, Series 2002, dated February 15, 2002 (the “Series 2002 Bonds”), authorized by an Ordinance enacted by the City Council of the City on February 19, 2002 (the “2002 Bond Ordinance”); and (iv) City of Hopkinsville, Kentucky Water and Sewer Revenue Bonds, Series 2005A, dated May 1, 2005 (the “Series 2005A Bonds”), authorized by an Ordinance enacted by the City Council of the City on May 17, 2005 (the “2005 Bond Ordinance”)[hereinafter the Series 1993 Bonds, the Series 1996 Bonds, the Series 2002 Bonds and the Series 2005A Bonds shall be collectively referred to as the “Prior Bonds” and the 1993 Bond Ordinance, the 1996 Bond Ordinance, the 2002 Bond Ordinance and the 2005 Bond Ordinance shall be collectively referred to as the “Prior Bond Ordinance”] provided, and the Current Bond Ordinance reaffirms, that so long as any of the Prior Bonds, the Series 2005A Bonds and/or any additional bonds ranking on a parity therewith, are outstanding, the System of the City as more fully identified in the Current Bond Ordinance, shall be owned and operated as a combined and consolidated revenue-producing public project or System within the meaning of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, for the security and source of payment of any and all of such outstanding Prior Bonds, the Series 2005A Bonds or any additional bonds.

The Series 2005B Bonds shall not be subject to optional redemption by the City at any time prior to maturity.

It is provided in and by the Prior Bond Ordinance and in and by the Current Bond Ordinance that additional bonds ranking on a parity with the Prior Bonds and with the Series 2005B Bonds, may be issued and outstanding upon the conditions and restrictions provided in the Prior Bond Ordinance and in the Current Bond Ordinance; and these Series 2005B Bonds, together with the Prior Bonds and any additional parity bonds, as may be hereafter issued and outstanding from time to time under the parity conditions and restrictions of the Prior Bond Ordinance and the Current Bond Ordinance, are and will continue to be payable from and secured by a first pledge of a fixed portion of the gross income and revenues to be derived from the operation of the System, which fixed portion of said gross income and revenues shall be sufficient to pay the principal of and interest on all of said outstanding Prior Bonds, the Series 2005B Bonds and any additional parity bonds as and when the same become due and payable, and which shall be set aside as a special fund for that purpose and identified as the “City of Hopkinsville Water and Sewer Bond and Interest Redemption Fund” (the “Sinking Fund”).

The City covenanted in the Current Bond Ordinance that so long as any of the Prior Bonds, the Series 2005B Bonds and/or any additional parity bonds are outstanding, the System will be

continuously owned and operated as a revenue-producing undertaking, and that the City will fix, charge, and adjust from time to time as needed, such rates for the services and facilities of the System so that the income and revenues therefrom will be sufficient to pay all of the Prior Bonds, the Series 2005B Bonds and any additional parity bonds, and the interest thereon, as the same become due, to pay the cost of operation and maintenance of the System, and to provide for the depreciation thereof.

The Series 2005B Bonds are issuable as fully registered bonds and do not constitute an indebtedness of the City of Hopkinsville, Kentucky, within the meaning of any constitutional or statutory provisions or limitations, but are payable as to both principal and interest solely out of the revenues of the System, as aforesaid.

The City and the Bond Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Series 2005B Bonds, have existed, have happened and have been performed, in due time, form and manner as required by law, that the amount of this Series 2005B Bond, together with all other obligations of said City, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky, and that a sufficient portion of the gross income and revenues of the System has been pledged to and will be set aside into the Sinking Fund by the City for the prompt payment of the principal of and interest on this Series 2005B Bond and all of the Series 2005B Bonds, and all other bonds ranking on a parity therewith, including the Prior Bonds and those which may be issued hereafter.

IN WITNESS WHEREOF, said City of Hopkinsville, in the Commonwealth of Kentucky, has caused this Bond to be executed on its behalf with the duly authorized reproduced facsimile signature of the Mayor of said City, and the reproduced facsimile of its Corporate Seal to be imprinted hereon and attested by the reproduced facsimile signature of its City Clerk, dated as of the first day of May, 2005; provided, however, that this Series 2005B Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit under the Current Bond Ordinance pursuant to which it was authorized until the Authentication Certificate of Registrar printed hereon shall have been executed by the manual signature of a duly authorized representative of the Bond Registrar.

CITY OF HOPKINSVILLE, KENTUCKY

By  
Mayor

Attest:

City Clerk  
(City Seal)

(FORM OF AUTHENTICATION CERTIFICATE OF REGISTRAR)

AUTHENTICATION CERTIFICATE OF REGISTRAR

This is to certify that this Series 2005B Bond is one of the Series 2005B Bonds referred to in the within Series 2005B Bond and in the Current Bond Ordinance authorizing same.

The Authentication Date of this Series 2005B Bond is: \_\_\_\_\_, 2005.

U.S. BANK, NATIONAL ASSOCIATION  
Louisville, Kentucky Bond Registrar

By \_\_\_\_\_  
Authorized Officer

(FORM OF ASSIGNMENT)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto \_\_\_\_\_ the within Series 2005B Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_ attorney to transfer said Series 2005B Bond on the books kept for registration and transfer of this Series 2005B Bond, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

Signature Guaranteed By:

Social Security Number or  
other taxpayer  
identification number:

\_\_\_\_\_

\_\_\_\_\_

6. List all persons on HWEA's payroll during the proposed test period. For each employee, state his or her job duties, total wages paid during the fiscal year, current salary or wage rate, and the percentage of work hours spent performing duties for each city division (e.g., water, sewer, police department, public works) during the fiscal year. If HWEA's records do not permit the allocation of an employee's work hours among city divisions, provide an estimate for each employee and explain how HWEA derived the estimate.

**RESPONSE:** HWEA's operations include the following utility divisions and subdivisions:

1. Hopkinsville Utility Division
  - a. Water (Retail Service and CCWD Wholesale Service)
  - b. Sewer
2. Pembroke
  - a. Water
  - b. Sewer
3. Crofton
  - a. Water
  - b. Sewer
4. Oak Grove – Sewer (Oak Grove owns and operates its water system)

All expenses, including payroll, are charged to the appropriate utility division and then to the appropriate expense category within each respective utility division.

Most employees are shared among two (2) or more of HWEA's utility divisions and, oftentimes, are shared between water and sewer operations within a particular utility division. Generally speaking, the employees who work in more than one utility division kept detailed time records and their payroll expenses are allocated according to the time records.

HEWA's staff has reviewed its payroll records for the Test Year and has prepared a summary of the payroll expense charged to the Hopkinsville Utility Division water operations. This payroll expense is presented in **Attachment 6**. **Attachment 6** also shows the amount of payroll expense for each of the major expense categories (e.g. source of supply, water treatment plant, etc.) within water operations for the Hopkinsville Utility Division.

The rate consultant, who is preparing a Cost-of-Service Study, will analyze the payroll information and will allocate the appropriate amount to retail customers and the appropriate amount to HWEA's sole wholesale customer, CCWD.

HWEA uses the expense category "Distribution" to record certain expenses, including payroll. This name or description may be misleading. Perhaps, it is more aptly identified by the term "Transmission and Distribution" expense. Utilities, such as water districts that are regulated by the Public Service Commission, utilize the expense category "Transmission and Distribution" to

record expenses associated with operating and maintaining their water transmission and distribution systems.

HWEA considers its transmission and distribution system to include all water lines from the output side of the water treatment plant up to, but not including, the customers' meters. All storage tanks, pump stations and other appurtenances connected to these potable water lines are included in HWEA's transmission and distribution system. HWEA's expenses for operating and maintaining its Hopkinsville water transmission and distribution system are recorded under the "Distribution" expense category. Meter reading is excluded from the "Distribution" expense category. It is recorded as an "Administrative" expense.

**WITNESS:** Russell King

**WATER PAYROLL**  
**HOPKINSVILLE UTILITY DIVISION**  
Hopkinsville Water Environment Authority  
Test Period FYE 6-30-09

1	2	3	4	5	6
Category	Number of Employees	Employee Hours Worked	Wages	Fringe Benefits	Total Wages & Fringe Benefits
Source of Supply	1	260	\$ 5,595	\$ 2,282	\$ 7,877
Water Treatment Plant	8	14,209	\$ 306,137	\$ 124,843	\$ 430,980
Engineering	3	3,324	\$ 96,203	\$ 39,232	\$ 135,435
Distribution	10	20,105	\$ 340,913	\$ 139,024	\$ 479,937
Administrative	18	20,076	\$ 385,440	\$ 157,182	\$ 542,622
<b>Totals</b>	<b>40</b>	<b>57,974</b>	<b>\$ 1,134,288</b>	<b>\$ 462,563</b>	<b>\$ 1,596,851</b>

**Notes:**

1. The Fringe Benefits amounts shown in Column 5 were calculated by multiplying the amount of Wages shown in Column 4 by 0.4078. HWEA's Fringe Benefits (payroll charges, health insurance costs, pension costs, etc.) for FYE 6-30-09 was 40.78% of its actual gross wages expense.
2. The expense category designated as "Distribution" in the above chart and in HWEA's accounting system is more aptly identified by the term "Transmission and Distribution." It includes all labor associated with operating and maintaining HWEA's water transmission and distribution system, but excludes meter reading.
3. This table does not include any wages for operating and maintaining the Pembroke and Crofton water utility divisions. It only includes the Hopkinsville water utility division (Hopkinsville retail and CCWD wholesale service).



7. For each employee listed in Item 6, describe how HWEA allocated his or her payroll and payroll overhead charges to each city division for the proposed test period. This response shall include a detailed explanation of all allocation procedures. Payroll overhead charges include payroll taxes, health insurance premiums, pension costs, and any other employee benefit costs.

**RESPONSE:**

As discussed in response to Item 6, most HWEA employees are shared among two (2) or more of HWEA's utility divisions. Many employees also split time between water and sewer operations. Generally speaking, the employees who work in more than one utility division or in water and sewer operations keep detailed time records and their payroll expenses are allocated according to the time records.

Some Administrative employees, such as meter readers, keep detailed time records. Their payroll expenses are then charged to the appropriate expense category (e.g. Hopkinsville water, Pembroke water, etc.) The payroll expenses for other Administrative employees (e.g. General Manager and Director of Finance) are allocated 50% to water operations and 50% to sewer operations.

HWEA has utilized the 50/50 allocation for certain Administrative payroll expenses since 1993 when it began accounting for water and sewer

operations separately. HWEA's water and sewer operations are still of relative equal size so this allocation still seems appropriate.

The Director of Technical Operations and employees in the Engineering Department also keep detailed time records. If they are working on capital projects, such as the Moss Water Treatment Plant Expansion Project, their time records are used to capitalize the part of their payroll expenses devoted to that project. If they are working on routine operations and maintenance or administrative matters, however, then their payroll expenses are charged to the appropriate utility division and expense category according to their time records.

**Fringe Benefits.** Payroll overhead charges, sometimes referred to as fringe benefits, include payroll taxes, employee medical costs, pension costs and other employee benefits. HWEA records these expenses as an Administrative expense. During the Test Year (FYE June 30, 2009), fringe benefits represented **40.78%** of the total gross wages expense for HWEA. Therefore, to determine the total payroll expense for a particular expense category (e.g. water treatment plant payroll for Hopkinsville Utility Division–water operations), one must add the amount of fringe benefits to the actual gross wages for that particular expense category.

**WITNESS:** Russell King

8.
  - a. List all joint or shared costs that HWEA incurred during the proposed test period. For each cost, list the vendor, total expense amount, amounts allocated per division, and the basis for allocation.
  - b. Describe the procedures to allocate joint and shared costs among HWEA's divisions for the proposed test period.
  - c. Provide all internal memoranda, policy statements, correspondence, and documents related to the allocation of joint and shared costs.

**RESPONSE:**

Expenditures for specific items (e.g. chemicals for water treatment plant) are recorded to the appropriate general ledger account. In addition, electricity costs for operating each pump station, water treatment plant, etc. are charged to the appropriate account.

Some costs, however, are joint or shared costs and must be allocated between water and sewer operations and to the appropriate utility division (e.g. Hopkinsville Utility Division-water operations). Most of these shared costs are allocated 50/50 between water and sewer operations. Examples of shared costs that are allocated 50/50 include the following: (1) property and casualty insurance premiums; (2) motor vehicle insurance premiums; (3) umbrella insurance premiums; (4) certain professional fees such as auditor; (5) miscellaneous office supplies; (6) postage; (7) telephone; and (8) utility bills for office.

HWEA allocates these shared expenses 50% to water operations and 50% to sewer operations because its water and sewer operations are of relatively equal size. HWEA has utilized a 50/50 allocation since it began accounting for water and sewer operations separately in 1993.

HWEA does not have any internal memoranda, policy statements or other documents to support this allocation method. HWEA's auditor has never questioned this method of allocating these joint or shared costs.

**WITNESS:** Russell King

9. Provide detailed depreciation schedules for the water and sewer divisions. A separate schedule shall be provided for each division.

**RESPONSE:**

Detailed depreciation schedules for the Test Year period (July 1, 2008 through June 30, 2009) are attached as composite **Attachment 9**. Seven (7) separate depreciation schedules have been provided. The schedules are identified as follows:

Hopkinsville Water

Pembroke Water

Crofton Water

Hopkinsville Sewer

Pembroke Sewer

Crofton Sewer

Oak Grove Sewer

**WITNESS:** Russell King

**ATTACHMENT 9**

**DEPRECIATION SCHEDULES**

**FOR TEST YEAR**

**July 1, 2008 Through June 30, 2009**

**Hopkinsville Water**

**Pembroke Water**

**Crofton Water**

**Hopkinsville Sewer**

**Pembroke Sewer**

**Crofton Sewer**

**Oak Grove Sewer**

**ATTACHMENT 9**

**Hopkinsville - Water**

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Hopk.-Water - Detail

Asset *	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
<b>Group: 101LAND - WATER</b>											
102	LAND - WATER	1/01/80	253,998.73	0.00	0.00	0.00	0.00	0.00	253,998.73	Memo	0.0
226	LAND - WATER	1/01/96	165,000.00	0.00	0.00	0.00	0.00	0.00	165,000.00	Memo	0.0
248	LAND-WATER-ALBERT W. SISK	6/30/97	65,245.50	0.00	0.00	0.00	0.00	0.00	65,245.50	Memo	0.0
283	LAND-1999-WATER BOOST STA	1/01/99	6,500.00	0.00	0.00	0.00	0.00	0.00	6,500.00	Memo	0.0
459	14TH & CLAY LOT	5/03/07	15,036.57	0.00	0.00	0.00	0.00	0.00	15,036.57	Land	0.0
486	FARM LAND - INTAKE SITE	4/01/09	201,000.00	0.00c	0.00	0.00	0.00	0.00	201,000.00	Land	0.0
487	LAKE BARKLEY EASEMENTS	4/01/09	522,610.00	0.00c	0.00	0.00	0.00	0.00	522,610.00	Land	0.0
	<b>101LAND - WATER</b>		<b>1,229,390.80</b>	<b>0.00c</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,229,390.80</b>		
<b>Group: 102STRUCTURES - WATER</b>											
3	STRUCTURE-1955 AND BEFORE	1/01/54	144,485.69	0.00	0.00	144,485.69	0.00	144,485.69	0.00	S/L	50.0
6	STRUCTURE-1956	1/01/56	121,619.58	0.00	0.00	121,619.58	0.00	121,619.58	0.00	S/L	50.0
19	STRUCTURE-1965	1/01/65	376,491.98	0.00	0.00	327,548.04	7,529.84	335,077.88	41,414.10	S/L	50.0
21	STRUCTURE-1966	1/01/66	2,625.94	0.00	0.00	2,232.10	52.52	2,284.62	341.32	S/L	50.0
26	STRUCTURE-1967	1/01/67	199,018.35	0.00	0.00	165,185.35	3,980.37	169,165.72	29,852.63	S/L	50.0
32	STRUCTURE-1968	1/01/68	16,148.93	0.00	0.00	13,080.69	322.98	13,403.67	2,745.26	S/L	50.0
38	STRUCTURE-1969	1/01/69	2,484.87	0.00	0.00	1,963.15	49.70	2,012.85	472.02	S/L	50.0
43	STRUCTURE-1970	1/01/70	2,903.55	0.00	0.00	2,235.70	58.07	2,293.77	609.78	S/L	50.0
49	STRUCTURE-1971	1/01/71	1,051.40	0.00	0.00	788.62	21.03	809.65	241.75	S/L	50.0
54	STRUCTURE-1972	1/01/72	378.74	0.00	0.00	276.31	7.57	283.88	94.86	S/L	50.0
60	STRUCTURE-1973	1/01/73	715.42	0.00	0.00	508.00	14.31	522.31	193.11	S/L	50.0
66	STRUCTURE-1974	1/01/74	1,108.40	0.00	0.00	764.86	22.17	787.03	321.37	S/L	50.0
81	STRUCTURE-1977	1/01/77	5,799.50	0.00	0.00	3,653.69	115.99	3,769.68	2,029.82	S/L	50.0
96	STRUCTURE-1979	1/01/79	36,548.51	0.00	0.00	21,563.62	730.97	22,294.59	14,253.92	S/L	50.0
103	STRUCTURE-1980	1/01/80	6,419.84	0.00	0.00	3,659.40	128.40	3,787.80	2,632.04	S/L	50.0
112	STRUCTURE-1981	1/01/81	11,125.33	0.00	0.00	6,119.02	222.51	6,341.53	4,783.80	S/L	50.0
119	STRUCTURE-1982	1/01/82	2,026.92	0.00	0.00	1,074.31	40.54	1,114.85	912.07	S/L	50.0
126	STRUCTURE-1983	1/01/83	3,375.16	0.00	0.00	1,721.25	67.50	1,788.75	1,586.41	S/L	50.0
132	STRUCTURE-1984	1/01/84	124,916.29	0.00	0.00	61,209.08	2,498.33	63,707.41	61,208.88	S/L	50.0
138	STRUCTURE-1985	1/01/85	14,080.34	0.00	0.00	6,617.83	281.61	6,899.44	7,180.90	S/L	50.0
145	STRUCTURE-1986	1/01/86	4,159.74	0.00	0.00	1,871.78	83.19	1,954.97	2,204.77	S/L	50.0
152	STRUCTURE-1987	1/01/87	5,579.00	0.00	0.00	2,398.97	111.58	2,510.55	3,068.45	S/L	50.0
249	STRUCTURE-1997	6/30/97	165,773.50	0.00	0.00	36,470.17	3,315.47	39,785.64	125,987.86	S/L	50.0
269	NEW OFFICE COMPLEX	11/21/98	441,231.81	0.00	0.00	84,569.46	8,824.64	93,394.10	347,837.71	S/L	50.0
284	1 MIL GAL TANK-COMMERCE I	1/01/99	355,544.00	0.00	0.00	67,553.36	7,110.88	74,664.24	280,879.76	S/L	50.0
285	STRUCTURE-1999-H2O BOOST S	1/01/99	263,875.00	0.00	0.00	50,136.25	5,277.50	55,413.75	208,461.25	S/L	50.0
303	STRUCTURE-2000	1/01/00	26,980.30	0.00	0.00	4,316.87	539.61	4,856.48	22,123.82	S/L	50.0
337	STRUCTURES-SIGNAGE-2002	1/01/02	480.00	0.00	0.00	156.00	24.00	180.00	300.00	S/L	20.0
351	Distribution Shop-2003	7/01/02	3,124.59	0.00	0.00	374.94	62.49	437.43	2,687.16	S/L	50.0
368	Structures-2003	6/18/03	10,668.00	0.00	0.00	1,066.80	213.36	1,280.16	9,387.84	S/L	50.0
434	Reroof Lake Morris Cabin	2/14/06	1,445.00	0.00	0.00	174.60	72.25	246.85	1,198.15	S/L	20.0
446	500 EAST NINTH STREET BUILI	12/19/06	54,337.50	0.00	0.00	4,075.32	2,716.88	6,792.20	47,545.30	S/L	20.0
453	DISTRIBUTION BUILDING ELEC	2/28/07	1,224.93	0.00	0.00	81.67	61.25	142.92	1,082.01	S/L	20.0
462	REMODELING OFFICE	7/31/07	45,388.12	0.00	0.00	2,080.29	2,269.41	4,349.70	41,038.42	S/L	20.0
464	PAVE & SEAL PARKING LOT	9/03/07	12,806.49	0.00	0.00	533.60	640.32	1,173.92	11,632.57	S/L	20.0
469	FENCE & STONE - 14TH STREE	11/15/07	14,543.91	0.00	0.00	484.80	727.20	1,212.00	13,331.91	S/L	20.0
488	BLDG IMPROVEMENTS	10/31/08	2,607.84	0.00c	0.00	0.00	86.93	86.93	2,520.91	S/L	20.0



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Asset *	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
<b>Group: 102STRUCTURES - WATER (continued)</b>											
489	AMERICAN STD-10 TON UNIT	6/24/09	3,857.00	0.00c	0.00	0.00	0.00	0.00	3,857.00	S/L	20.0
	<b>102STRUCTURES - WATER</b>		<b>2,486,951.47</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,142,651.17</b>	<b>48,281.37</b>	<b>1,190,932.54</b>	<b>1,296,018.93</b>		
<b>Group: 103ELEVATED TANKS - WATER</b>											
33	ELEVATED TANKS-1968	1/01/68	213,531.92	0.00	0.00	172,960.92	4,270.64	177,231.56	36,300.36	S/L	50.0
82	ELEVATED TANKS-1977	1/01/77	323.73	0.00	0.00	203.81	6.47	210.28	113.45	S/L	50.0
88	ELEVATED TANKS-1978	1/01/78	861,999.71	0.00	0.00	525,819.70	17,239.99	543,059.69	318,940.02	S/L	50.0
97	ELEVATED TANKS-1979	1/01/79	1,131,679.36	0.00	0.00	667,690.90	22,633.59	690,324.49	441,354.87	S/L	50.0
104	ELEVATED TANKS-1980	1/01/80	145,009.78	0.00	0.00	82,655.70	2,900.20	85,555.90	59,453.88	S/L	50.0
113	ELEVATED TANKS-1981	1/01/81	1,192.82	0.00	0.00	656.15	23.86	680.01	512.81	S/L	50.0
120	ELEVATED TANKS-1982	1/01/82	7,749.68	0.00	0.00	4,107.24	154.99	4,262.23	3,487.45	S/L	50.0
304	ELEVATED TANKS-2000	1/01/00	25,495.06	0.00	0.00	4,334.15	509.90	4,844.05	20,651.01	S/L	50.0
338	ELEVATED TANKS - 2002	1/01/02	3,995.47	0.00	0.00	519.41	79.91	599.32	3,396.15	S/L	50.0
388	Pressure Transmitter installed on tar	2/18/04	3,644.23	0.00	0.00	789.58	182.21	971.79	2,672.44	S/L	20.0
418	RECONDITION SANDERSON DF	4/01/05	12,800.00	0.00	0.00	2,080.00	640.00	2,720.00	10,080.00	S/L	20.0
420	Clearwell Cleanout	5/27/05	2,300.00	0.00	0.00	709.17	230.00	939.17	1,360.83	S/L	10.0
428	Aircraft Warning Lights	10/31/05	5,649.66	0.00	0.00	753.28	282.48	1,035.76	4,613.90	S/L	20.0
485	REPAINT SANDERSON DRIVE 1	5/20/08	531,489.24	0.00	0.00	2,214.54	26,574.46	28,789.00	502,700.24	S/L	20.0
490	SCADA SYSTEM-SANDERSON I	7/02/08	7,975.00	0.00c	0.00	0.00	398.75	398.75	7,576.25	S/L	20.0
491	REPAINT INDUSTRIAL PARK T.	1/20/09	499,990.06	0.00c	0.00	0.00	10,416.46	10,416.46	489,573.60	S/L	20.0
492	GAINSVILLE TANK STROBE LI	4/17/09	6,669.92	0.00c	0.00	0.00	55.58	55.58	6,614.34	S/L	20.0
	<b>103ELEVATED TANKS - WATER</b>		<b>3,461,495.64</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,465,494.55</b>	<b>86,599.49</b>	<b>1,552,094.04</b>	<b>1,909,401.60</b>		
<b>Group: 104CONST PER INT - WATER</b>											
89	CONSTRUCTION PERIOD INT-1'	1/01/78	36,939.46	0.00	0.00	22,533.09	738.79	23,271.88	13,667.58	S/L	50.0
90	CONSTRUCTION PERIOD INT-1'	1/01/78	6,037.74	0.00	0.00	6,037.74	0.00	6,037.74	0.00	S/L	50.0
	<b>104CONST PER INT - WATER</b>		<b>42,977.20</b>	<b>0.00c</b>	<b>0.00</b>	<b>28,570.83</b>	<b>738.79</b>	<b>29,309.62</b>	<b>13,667.58</b>		
<b>Group: 105TRANSMISSION MAINS</b>											
4	TRANSMISSION MAIN-1955 AN	1/01/55	26,160.40	0.00	0.00	26,160.40	0.00	26,160.40	0.00	S/L	50.0
7	TRANSMISSION MAINS-1956	1/01/56	58,483.93	0.00	0.00	58,483.93	0.00	58,483.93	0.00	S/L	50.0
15	TRANSMISSION MAINS-1962	1/01/62	111,951.60	0.00	0.00	104,114.90	2,239.03	106,353.93	5,597.67	S/L	50.0
	<b>105TRANSMISSION MAINS</b>		<b>196,595.93</b>	<b>0.00c</b>	<b>0.00</b>	<b>188,759.23</b>	<b>2,239.03</b>	<b>190,998.26</b>	<b>5,597.67</b>		
<b>Group: 106DISTRIBUTION MAINS</b>											
5	DIST MAINS 1955 AND BEFORE	1/01/55	1,009,809.37	0.00	0.00	1,009,809.37	0.00	1,009,809.37	0.00	S/L	50.0
8	DIST MAINS 1956	1/01/56	183,849.19	0.00	0.00	183,849.19	0.00	183,849.19	0.00	S/L	50.0
13	DIST MAINS 1960	9/30/60	301,780.14	0.00	0.00	288,199.90	6,035.60	294,235.50	7,544.64	S/L	50.0
22	DIST MAINS 1966	1/01/66	145,289.77	0.00	0.00	123,496.50	2,905.80	126,402.30	18,887.47	S/L	50.0
27	DIST MAINS 1967	1/01/67	31,824.20	0.00	0.00	26,413.92	636.48	27,050.40	4,773.80	S/L	50.0
34	DIST MAINS 1968	1/01/68	686,770.34	0.00	0.00	556,284.10	13,735.41	570,019.51	116,750.83	S/L	50.0
39	DIST MAINS 1969	1/01/69	70,999.65	0.00	0.00	56,089.61	1,419.99	57,509.60	13,490.05	S/L	50.0



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<b>Group: 107SERVICES</b>											
9	SERVICES - 1969 AND BEFORE	1/01/56	394,967.45	0.00	0.00	394,967.45	0.00	394,967.45	0.00	S/L	40.0
45	SERVICES - 1970	1/01/70	16,173.22	0.00	0.00	15,566.71	404.33	15,971.04	202.18	S/L	40.0
51	SERVICES - 1971	1/01/71	25,976.97	0.00	0.00	24,353.25	649.42	25,002.67	974.30	S/L	40.0
56	SERVICES - 1972	1/01/72	21,130.63	0.00	0.00	19,281.85	528.27	19,810.12	1,320.51	S/L	40.0
62	SERVICES - 1973	1/01/73	24,082.28	0.00	0.00	21,373.13	602.06	21,975.19	2,107.09	S/L	40.0
68	SERVICES - 1974	1/01/74	37,426.76	0.00	0.00	32,280.61	935.67	33,216.28	4,210.48	S/L	40.0
72	SERVICES - 1975	1/01/75	30,812.50	0.00	0.00	25,805.39	770.31	26,575.70	4,236.80	S/L	40.0
77	SERVICES - 1976	1/01/76	43,942.18	0.00	0.00	35,702.88	1,098.55	36,801.43	7,140.75	S/L	40.0
84	SERVICES - 1977	1/01/77	34,603.00	0.00	0.00	27,250.02	865.08	28,115.10	6,487.90	S/L	40.0
92	SERVICES - 1978	1/01/78	20,699.03	0.00	0.00	15,783.07	517.48	16,300.55	4,398.48	S/L	40.0
99	SERVICES - 1979	1/01/79	19,559.35	0.00	0.00	14,425.00	488.98	14,913.98	4,645.37	S/L	40.0
106	SERVICES - 1980	1/01/80	15,896.25	0.00	0.00	11,318.58	397.41	11,715.99	4,180.26	S/L	40.0
115	SERVICES - 1981	1/01/81	898.56	0.00	0.00	700.25	22.46	722.71	175.85	S/L	40.0
122	SERVICES - 1982	1/01/82	32,904.55	0.00	0.00	21,799.17	822.61	22,621.78	10,282.77	S/L	40.0
128	SERVICES - 1983	1/01/83	26,102.02	0.00	0.00	16,639.97	652.55	17,292.52	8,809.50	S/L	40.0
134	SERVICES - 1984	1/01/84	29,953.65	0.00	0.00	18,324.09	748.84	19,072.93	10,880.72	S/L	40.0
140	SERVICES - 1985	1/01/85	1,664.41	0.00	0.00	1,225.34	41.61	1,266.95	397.46	S/L	40.0
147	SERVICES - 1986	1/01/86	44,281.45	0.00	0.00	24,908.41	1,107.04	26,015.45	18,266.00	S/L	40.0
154	SERVICES - 1987	1/01/87	45,947.24	0.00	0.00	24,696.67	1,148.68	25,845.35	20,101.89	S/L	40.0
159	SERVICES - 1988	1/01/88	67,480.42	0.00	0.00	30,701.27	1,687.01	32,388.28	35,092.14	S/L	40.0
167	SERVICES - 1989	1/01/89	53,387.60	0.00	0.00	26,026.43	1,334.69	27,361.12	26,026.48	S/L	40.0
175	SERVICES - 1990	1/01/90	63,757.32	0.00	0.00	29,487.73	1,593.93	31,081.66	32,675.66	S/L	40.0
184	SERVICES - 1991	1/01/91	67,052.83	0.00	0.00	29,335.62	1,676.32	31,011.94	36,040.89	S/L	40.0
192	SERVICES - 1992	1/01/92	79,102.31	0.00	0.00	32,629.73	1,977.56	34,607.29	44,495.02	S/L	40.0
199	SERVICES - 1993	1/01/93	73,305.96	0.00	0.00	28,406.07	1,832.65	30,238.72	43,067.24	S/L	40.0
206	SERVICES - 1994	1/01/94	61,805.47	0.00	0.00	22,404.51	1,545.14	23,949.65	37,855.82	S/L	40.0
215	SERVICES - 1995	1/01/95	66,697.39	0.00	0.00	22,510.32	1,667.43	24,177.75	42,519.64	S/L	40.0
228	SERVICES - 1996	1/01/96	66,041.17	0.00	0.00	20,637.87	1,651.03	22,288.90	43,752.27	S/L	40.0
236	SERVICES - 1997	1/01/97	79,378.80	0.00	0.00	22,821.41	1,984.47	24,805.88	54,572.92	S/L	40.0
257	SERVICES - 1998	1/01/98	91,428.03	0.00	0.00	23,999.85	2,285.70	26,285.55	65,142.48	S/L	40.0
289	SERVICES - 1999	1/01/99	59,480.09	0.00	0.00	14,126.50	1,487.00	15,613.50	43,866.59	S/L	40.0
307	SERVICES-2000	1/01/00	64,818.77	0.00	0.00	13,773.99	1,620.47	15,394.46	49,424.31	S/L	40.0
323	SERVICES-2001	1/01/01	51,375.26	0.00	0.00	9,632.85	1,284.38	10,917.23	40,458.03	S/L	40.0
340	SERVICES - 2002	1/01/02	49,784.31	0.00	0.00	8,089.96	1,244.61	9,334.57	40,449.74	S/L	40.0
356	Services - 2003	1/01/03	69,279.12	0.00	0.00	9,525.89	1,731.98	11,257.87	58,021.25	S/L	40.0
380	Services - 2004	1/01/04	127,649.77	0.00	0.00	14,360.58	3,191.24	17,551.82	110,097.95	S/L	40.0
410	Services - 2005	1/01/05	66,443.67	0.00	0.00	5,813.82	1,661.09	7,474.91	58,968.76	S/L	40.0
430	Services - 2006	1/01/06	42,283.50	0.00	0.00	2,642.72	1,057.09	3,699.81	38,583.69	S/L	40.0
448	SERVICES	1/01/07	120,985.51	0.00	0.00	4,536.96	3,024.64	7,561.60	113,423.91	S/L	40.0
473	SERVICES - 2008	1/01/08	82,098.31	0.00	0.00	1,026.23	2,052.46	3,078.69	79,019.62	S/L	40.0
494	SERVICES - 2009	1/01/09	61,102.33	0.00c	0.00	0.00	763.78	763.78	60,338.55	S/L	40.0
<b>107SERVICES</b>			<b>2,431,759.44</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,118,892.15</b>	<b>50,156.02</b>	<b>1,169,048.17</b>	<b>1,262,711.27</b>		
<b>Group: 108METER &amp; INSTALLATION</b>											
10	METER & INSTALL - 1959 AND	1/01/59	221,524.64	0.00	0.00	221,524.64	0.00	221,524.64	0.00	S/L	10.0
14	METER & INSTALL - 1960	1/01/61	78,649.56	0.00	0.00	78,649.56	0.00	78,649.56	0.00	S/L	10.0
23	METER & INSTALL - 1966	1/01/66	13,757.33	0.00	0.00	13,757.33	0.00	13,757.33	0.00	S/L	10.0

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<b>Group: 108METER &amp; INSTALLATION (continued)</b>											
28	METER & INSTALL - 1967	1/01/67	24,911.09	0.00	0.00	24,911.09	0.00	24,911.09	0.00	S/L	10.0
35	METER & INSTALL - 1968	1/01/68	26,093.76	0.00	0.00	26,093.76	0.00	26,093.76	0.00	S/L	10.0
40	METER & INSTALL - 1969	1/01/69	18,163.22	0.00	0.00	18,163.22	0.00	18,163.22	0.00	S/L	10.0
46	METER & INSTALL - 1970	1/01/70	12,600.77	0.00	0.00	12,600.77	0.00	12,600.77	0.00	S/L	10.0
52	METER & INSTALL - 1971	1/01/71	22,152.26	0.00	0.00	22,152.26	0.00	22,152.26	0.00	S/L	10.0
57	METER & INSTALL - 1972	1/01/72	31,327.04	0.00	0.00	31,327.04	0.00	31,327.04	0.00	S/L	10.0
63	METER & INSTALL - 1973	1/01/73	32,357.73	0.00	0.00	32,357.73	0.00	32,357.73	0.00	S/L	10.0
69	METER & INSTALL - 1974	1/01/74	37,930.01	0.00	0.00	37,930.01	0.00	37,930.01	0.00	S/L	10.0
73	METER & INSTALL - 1975	1/01/75	17,317.37	0.00	0.00	17,317.37	0.00	17,317.37	0.00	S/L	10.0
78	METER & INSTALL - 1976	1/01/76	30,051.84	0.00	0.00	30,051.84	0.00	30,051.84	0.00	S/L	10.0
85	METER & INSTALL - 1977	1/01/77	41,033.64	0.00	0.00	41,033.64	0.00	41,033.64	0.00	S/L	10.0
93	METER & INSTALL - 1978	1/01/78	19,148.20	0.00	0.00	19,148.20	0.00	19,148.20	0.00	S/L	10.0
100	METER & INSTALL - 1979	1/01/79	24,400.94	0.00	0.00	24,400.94	0.00	24,400.94	0.00	S/L	10.0
107	METER & INSTALL - 1980	1/01/80	15,833.89	0.00	0.00	15,833.89	0.00	15,833.89	0.00	S/L	10.0
116	METER & INSTALL - 1981	1/01/81	26,754.41	0.00	0.00	26,754.41	0.00	26,754.41	0.00	S/L	10.0
123	METER & INSTALL - 1982	1/01/82	29,305.52	0.00	0.00	29,305.52	0.00	29,305.52	0.00	S/L	10.0
129	METER & INSTALL - 1983	1/01/83	35,083.41	0.00	0.00	35,083.41	0.00	35,083.41	0.00	S/L	10.0
135	METER & INSTALL - 1984	1/01/84	39,090.06	0.00	0.00	39,090.06	0.00	39,090.06	0.00	S/L	10.0
141	METER & INSTALL - 1985	1/01/85	28,561.90	0.00	0.00	28,561.90	0.00	28,561.90	0.00	S/L	10.0
148	METER & INSTALL - 1986	1/01/86	37,743.77	0.00	0.00	37,743.77	0.00	37,743.77	0.00	S/L	10.0
155	METER & INSTALL - 1987	1/01/87	43,723.33	0.00	0.00	43,723.33	0.00	43,723.33	0.00	S/L	10.0
160	METER & INSTALL - 1988	1/01/88	55,979.12	0.00	0.00	55,979.12	0.00	55,979.12	0.00	S/L	10.0
168	METER & INSTALL - 1989	1/01/89	56,090.62	0.00	0.00	56,090.62	0.00	56,090.62	0.00	S/L	10.0
176	METER & INSTALL - 1990	1/01/90	77,454.94	0.00	0.00	77,454.94	0.00	77,454.94	0.00	S/L	10.0
185	METER & INSTALL - 1991	1/01/91	37,064.36	0.00	0.00	37,064.36	0.00	37,064.36	0.00	S/L	10.0
193	METER & INSTALL - 1992	1/01/92	106,816.38	0.00	0.00	106,816.38	0.00	106,816.38	0.00	S/L	10.0
200	METER & INSTALL - 1993	1/01/93	64,685.97	0.00	0.00	64,685.97	0.00	64,685.97	0.00	S/L	10.0
207	METER & INSTALL - 1994	1/01/94	73,432.11	0.00	0.00	73,432.11	0.00	73,432.11	0.00	S/L	10.0
216	METER & INSTALL - 1995	1/01/95	90,650.81	0.00	0.00	90,650.81	0.00	90,650.81	0.00	S/L	10.0
229	METER & INSTALL - 1996	1/01/96	64,333.11	0.00	0.00	64,333.11	0.00	64,333.11	0.00	S/L	10.0
237	METER & INSTALL - 1997	1/01/97	73,463.73	0.00	0.00	73,463.73	0.00	73,463.73	0.00	S/L	10.0
258	METER & INSTALL - 1998	1/01/98	60,653.95	0.00	0.00	60,653.95	0.00	60,653.95	0.00	S/L	10.0
290	METER & INSTALL	1/01/99	95,099.10	0.00	0.00	90,344.15	4,754.95	95,099.10	0.00	S/L	10.0
308	METER & INSTALL - 2000	1/01/00	88,951.50	0.00	0.00	75,608.78	8,895.15	84,503.93	4,447.57	S/L	10.0
324	METERS & INSTALL-2001	1/01/01	69,141.77	0.00	0.00	51,856.35	6,914.18	58,770.53	10,371.24	S/L	10.0
341	Meter & Install - 2002	1/01/02	64,257.39	0.00	0.00	41,767.31	6,425.74	48,193.05	16,064.34	S/L	10.0
357	Meters & Installations-2003	1/01/03	51,120.10	0.00	0.00	28,116.06	5,112.01	33,228.07	17,892.03	S/L	10.0
381	Meters & Installation - 2004	1/01/04	53,986.32	0.00	0.00	24,293.84	5,398.63	29,692.47	24,293.85	S/L	10.0
411	Meters & Installation - 2005	1/01/05	59,307.41	0.00	0.00	5,189.41	1,482.69	6,672.10	52,635.31	S/L	40.0
431	Meters & Installations - 2006	1/01/06	40,551.91	0.00	0.00	10,137.98	4,055.19	14,193.17	26,358.74	S/L	10.0
449	METERS & INSTALLATIONS - 2007	1/01/07	91,669.65	0.00	0.00	13,750.45	9,166.97	22,917.42	68,752.23	S/L	10.0
474	METERS & INSTALLATION - 2008	1/01/08	64,738.52	0.00	0.00	3,236.93	6,473.85	9,710.78	55,027.74	S/L	10.0
495	METERS & INSTALLATION - 2009	1/01/09	24,555.09	0.00c	0.00	0.00	1,227.75	1,227.75	23,327.34	S/L	10.0
<b>108METER &amp; INSTALLATION</b>			<b>2,371,519.55</b>	<b>0.00c</b>	<b>0.00</b>	<b>2,012,442.05</b>	<b>59,907.11</b>	<b>2,072,349.16</b>	<b>299,170.39</b>		

**Group: 109HYDRANTS**

1	HYDRANTS - 1952 AND BEFORE	1/01/52	111,029.36	0.00	0.00	111,029.36	0.00	111,029.36	0.00	S/L	50.0
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## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 109HYDRANTS (continued)</b>											
2	HYDRANTS - 1953	1/01/53	10,598.58	0.00	0.00	10,598.58	0.00	10,598.58	0.00	S/L	50.0
24	HYDRANTS - 1966	1/01/66	7,347.68	0.00	0.00	6,245.38	146.95	6,392.33	955.35	S/L	50.0
29	HYDRANTS - 1967	1/01/67	8,317.16	0.00	0.00	6,903.11	166.34	7,069.45	1,247.71	S/L	50.0
36	HYDRANTS - 1968	1/01/68	20,239.82	0.00	0.00	16,394.40	404.80	16,799.20	3,440.62	S/L	50.0
41	HYDRANTS - 1969	1/01/69	2,345.81	0.00	0.00	1,853.34	46.92	1,900.26	445.55	S/L	50.0
47	HYDRANTS - 1970	1/01/70	1,849.36	0.00	0.00	1,424.11	36.99	1,461.10	388.26	S/L	50.0
53	HYDRANTS - 1971	1/01/71	6,473.93	0.00	0.00	4,855.50	129.48	4,984.98	1,488.95	S/L	50.0
58	HYDRANTS - 1972	1/01/72	10,554.17	0.00	0.00	7,704.42	211.08	7,915.50	2,638.67	S/L	50.0
64	HYDRANTS - 1973	1/01/73	7,240.62	0.00	0.00	5,140.76	144.81	5,285.57	1,955.05	S/L	50.0
70	HYDRANTS - 1974	1/01/74	6,783.87	0.00	0.00	4,680.96	135.68	4,816.64	1,967.23	S/L	50.0
74	HYDRANTS - 1975	1/01/75	9,201.99	0.00	0.00	6,165.34	184.04	6,349.38	2,852.61	S/L	50.0
79	HYDRANTS - 1976	1/01/76	77,406.99	0.00	0.00	50,314.55	1,548.14	51,862.69	25,544.30	S/L	50.0
86	HYDRANTS - 1977	1/01/77	17,688.05	0.00	0.00	11,143.44	353.76	11,497.20	6,190.85	S/L	50.0
94	HYDRANTS - 1978	1/01/78	11,789.25	0.00	0.00	7,191.59	235.79	7,427.38	4,361.87	S/L	50.0
101	HYDRANTS - 1979	1/01/79	11,270.81	0.00	0.00	6,649.89	225.42	6,875.31	4,395.50	S/L	50.0
108	HYDRANTS - 1980	1/01/80	10,115.14	0.00	0.00	5,765.55	202.30	5,967.85	4,147.29	S/L	50.0
117	HYDRANTS - 1981	1/01/81	4,209.62	0.00	0.00	2,315.23	84.19	2,399.42	1,810.20	S/L	50.0
124	HYDRANTS - 1982	1/01/82	5,991.04	0.00	0.00	3,175.23	119.82	3,295.05	2,695.99	S/L	50.0
130	HYDRANTS - 1983	1/01/83	11,714.70	0.00	0.00	5,974.40	234.29	6,208.69	5,506.01	S/L	50.0
136	HYDRANTS - 1984	1/01/84	16,311.48	0.00	0.00	7,992.63	326.23	8,318.86	7,992.62	S/L	50.0
142	HYDRANTS - 1985	1/01/85	5,166.13	0.00	0.00	2,428.02	103.32	2,531.34	2,634.79	S/L	50.0
149	HYDRANTS - 1986	1/01/86	6,717.10	0.00	0.00	3,022.65	134.34	3,156.99	3,560.11	S/L	50.0
156	HYDRANTS - 1987	1/01/87	8,666.06	0.00	0.00	3,726.38	173.32	3,899.70	4,766.36	S/L	50.0
161	HYDRANTS - 1988	1/01/88	46,737.76	0.00	0.00	19,162.58	934.76	20,097.34	26,640.42	S/L	50.0
169	HYDRANTS - 1989	1/01/89	20,716.67	0.00	0.00	8,079.44	414.33	8,493.77	12,222.90	S/L	50.0
177	HYDRANTS - 1990	1/01/90	19,357.37	0.00	0.00	7,162.27	387.15	7,549.42	11,807.95	S/L	50.0
186	HYDRANTS - 1991	1/01/91	16,901.94	0.00	0.00	5,915.70	338.04	6,253.74	10,648.20	S/L	50.0
194	HYDRANTS - 1992	1/01/92	5,430.38	0.00	0.00	1,792.06	108.61	1,900.67	3,529.71	S/L	50.0
201	HYDRANTS - 1993	1/01/93	19,211.10	0.00	0.00	5,955.41	384.22	6,339.63	12,871.47	S/L	50.0
208	HYDRANTS - 1994	1/01/94	6,547.87	0.00	0.00	1,898.92	130.96	2,029.88	4,517.99	S/L	50.0
217	HYDRANTS - 1995	1/01/95	14,472.19	0.00	0.00	3,907.44	289.44	4,196.88	10,275.31	S/L	50.0
230	HYDRANTS - 1996	1/01/96	11,369.48	0.00	0.00	2,842.37	227.39	3,069.76	8,299.72	S/L	50.0
238	HYDRANTS - 1997	1/01/97	18,572.47	0.00	0.00	4,271.67	371.45	4,643.12	13,929.35	S/L	50.0
259	HYDRANTS - 1998	1/01/98	20,380.87	0.00	0.00	4,280.01	407.62	4,687.63	15,693.24	S/L	50.0
291	HYDRANTS - 1999	1/01/99	21,107.71	0.00	0.00	4,010.43	422.15	4,432.58	16,675.13	S/L	50.0
309	HYDRANTS - 2000	1/01/00	19,219.37	0.00	0.00	3,267.31	384.39	3,651.70	15,567.67	S/L	50.0
325	HYDRANTS-2001	1/01/01	22,453.74	0.00	0.00	3,368.03	449.07	3,817.10	18,636.64	S/L	50.0
342	HYDRANTS - 2002	1/01/02	25,239.02	0.00	0.00	3,281.07	504.78	3,785.85	21,453.17	S/L	50.0
358	Hydrants - 2003	1/01/03	31,034.47	0.00	0.00	17,068.97	3,103.45	20,172.42	10,862.05	S/L	10.0
382	Hydrants - 2004	1/01/04	19,044.29	0.00	0.00	1,714.00	380.89	2,094.89	16,949.40	S/L	50.0
412	Hydrants - 2005	1/01/05	22,798.10	0.00	0.00	1,595.86	455.96	2,051.82	20,746.28	S/L	50.0
432	Hydrants - 2006	1/01/06	13,679.76	0.00	0.00	684.00	273.60	957.60	12,722.16	S/L	50.0
450	HYDRANTS - 2007	1/01/07	66,345.80	0.00	0.00	1,990.38	1,326.92	3,317.30	63,028.50	S/L	50.0
475	HYDRANTS - 2008	1/01/08	53,018.44	0.00	0.00	530.18	1,060.37	1,590.55	51,427.89	S/L	50.0
496	HYDRANTS - 2009	1/01/09	7,734.48	0.00c	0.00	0.00	77.34	77.34	7,657.14	S/L	50.0
<b>109HYDRANTS</b>			<b>890,402.00</b>	<b>0.00c</b>	<b>0.00</b>	<b>395,472.92</b>	<b>17,780.90</b>	<b>413,253.82</b>	<b>477,148.18</b>		

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 110PURIFICATION STRUCTURE</b>											
11	PURIFICATION STRUCT-1959 A	1/01/59	57,340.39	0.00	0.00	57,340.39	0.00	57,340.39	0.00	S/L	50.0
12	PURIFICATION STRUCT-1960	1/01/60	215,944.10	0.00	0.00	209,465.68	4,318.88	213,784.56	2,159.54	S/L	50.0
16	PURIFICATION STRUCT-1963	1/01/63	243,236.14	0.00	0.00	221,344.76	4,864.72	226,209.48	17,026.66	S/L	50.0
30	PURIFICATION STRUCT-1967	1/01/67	160.30	0.00	0.00	133.21	3.21	136.42	23.88	S/L	50.0
109	PURIFICATION STRUCT-1980	1/01/80	1,276,655.86	0.00	0.00	727,693.92	25,533.12	753,227.04	523,428.82	S/L	50.0
143	PURIFICATION STRUCT-1985	1/01/85	4,993.05	0.00	0.00	2,346.71	99.86	2,446.57	2,546.48	S/L	50.0
150	PURIFICATION STRUCT-1987	1/01/86	2,997.10	0.00	0.00	1,348.65	59.94	1,408.59	1,588.51	S/L	50.0
162	PURIFICATION STRUCT-1988	1/01/88	1,440.00	0.00	0.00	590.40	28.80	619.20	820.80	S/L	50.0
170	PURIFICATION STRUCT-1989	1/01/89	250.00	0.00	0.00	97.50	5.00	102.50	147.50	S/L	50.0
187	PURIFICATION STRUCT-1991	1/01/91	2,393.50	0.00	0.00	837.73	47.87	885.60	1,507.90	S/L	50.0
244	PURIFIC STRUCT-CONTRACT 5	5/26/97	5,628,479.14	0.00	0.00	1,247,035.38	112,569.58	1,359,604.96	4,268,874.18	S/L	50.0
292	PURIFIC STRUCT-CNTRCT 57 F1	1/01/99	45,127.89	0.00	0.00	8,574.32	902.56	9,476.88	35,651.01	S/L	50.0
293	TREES-WATER PLANT	1/01/99	1,280.00	0.00	0.00	243.20	25.60	268.80	1,011.20	S/L	50.0
310	RAILROAD CROSSING	1/01/00	14,096.43	0.00	0.00	2,396.40	281.93	2,678.33	11,418.10	S/L	50.0
425	Window Awnings	9/30/05	2,516.00	0.00	0.00	345.95	125.80	471.75	2,044.25	S/L	20.0
457	METAL ROOF AT WTP	3/27/07	1,135.00	0.00	0.00	70.94	56.75	127.69	1,007.31	S/L	20.0
<b>110PURIFICATION STRUCTURE</b>			<b>7,498,044.90</b>	<b>0.00c</b>	<b>0.00</b>	<b>2,479,865.14</b>	<b>148,923.62</b>	<b>2,628,788.76</b>	<b>4,869,256.14</b>		
<b>Group: 111PURIFICATION EQUIPMENT</b>											
20	PURIFICATION EQUIP-1965 ANI	1/01/65	261,271.27	0.00	0.00	261,271.27	0.00	261,271.27	0.00	S/L	30.0
25	PURIFICATION EQUIP-1966	1/01/66	606.00	0.00	0.00	606.00	0.00	606.00	0.00	S/L	30.0
37	PURIFICATION EQUIP-1968	1/01/68	20,239.82	0.00	0.00	20,239.82	0.00	20,239.82	0.00	S/L	25.0
42	PURIFICATION EQUIP-1969	1/01/69	153.48	0.00	0.00	153.48	0.00	153.48	0.00	S/L	25.0
59	PURIFICATION EQUIP-1972	1/01/72	955.71	0.00	0.00	955.71	0.00	955.71	0.00	S/L	25.0
75	PURIFICATION EQUIP-1975	1/01/75	185.75	0.00	0.00	185.75	0.00	185.75	0.00	S/L	25.0
80	PURIFICATION EQUIP-1976	1/01/76	687.05	0.00	0.00	687.05	0.00	687.05	0.00	S/L	25.0
87	PURIFICATION EQUIP-1977	1/01/77	4,627.75	0.00	0.00	4,627.75	0.00	4,627.75	0.00	S/L	25.0
95	PURIFICATION EQUIP-1978	1/01/78	725.37	0.00	0.00	725.37	0.00	725.37	0.00	S/L	25.0
110	PURIFICATION EQUIP-1980	1/01/80	744,021.31	0.00	0.00	744,021.31	0.00	744,021.31	0.00	S/L	25.0
118	PURIFICATION EQUIP-1981	1/01/81	16,445.09	0.00	0.00	16,445.09	0.00	16,445.09	0.00	S/L	25.0
125	PURIFICATION EQUIP-1982	1/01/82	840.12	0.00	0.00	840.12	0.00	840.12	0.00	S/L	25.0
131	PURIFICATION EQUIP-1983	1/01/83	1,706.42	0.00	0.00	1,706.42	0.00	1,706.42	0.00	S/L	25.0
137	PURIFICATION EQUIP-1984	1/01/84	316,872.55	0.00	0.00	310,535.05	6,337.50	316,872.55	0.00	S/L	25.0
144	PURIFICATION EQUIP-1985	1/01/85	3,206.43	0.00	0.00	3,014.11	128.26	3,142.37	64.06	S/L	25.0
151	PURIFICATION EQUIP-1986	1/01/86	1,553.13	0.00	0.00	1,397.92	62.13	1,460.05	93.08	S/L	25.0
157	PURIFICATION EQUIP-1987	1/01/87	20,287.70	0.00	0.00	17,447.46	811.51	18,258.97	2,028.73	S/L	25.0
163	PURIFICATION EQUIP-1988	1/01/88	1,409.79	0.00	0.00	1,156.00	56.39	1,212.39	197.40	S/L	25.0
171	PURIFICATION EQUIP-1989	1/01/89	6,508.03	0.00	0.00	5,076.24	260.32	5,336.56	1,171.47	S/L	25.0
178	PURIFICATION EQUIP-1990	1/01/90	52,032.66	0.00	0.00	38,504.23	2,081.31	40,585.54	11,447.12	S/L	25.0
188	PURIFICATION EQUIP-1991	1/01/91	12,285.80	0.00	0.00	8,600.03	491.43	9,091.46	3,194.34	S/L	25.0
195	PURIFICATION EQUIP-1992	1/01/92	8,488.47	0.00	0.00	5,602.41	339.54	5,941.95	2,546.52	S/L	25.0
202	PURIFICATION EQUIP-1993	1/01/93	10,671.67	0.00	0.00	6,616.48	426.87	7,043.35	3,628.32	S/L	25.0
245	PURIFIC EQUIP-CONTRACT 57-	5/26/97	2,914,786.33	0.00	0.00	1,614,486.69	145,739.32	1,760,226.01	1,154,560.32	S/L	20.0
383	Purification Equipment - 2004	1/01/04	47,338.00	0.00	0.00	10,651.05	2,366.90	13,017.95	34,320.05	S/L	20.0
413	Purification Equipment	1/01/05	108,047.26	0.00	0.00	18,908.26	5,402.36	24,310.62	83,736.64	S/L	20.0
451	PURIFICATION EQUIPMENT - 20	1/01/07	7,832.50	0.00	0.00	587.44	391.63	979.07	6,853.43	S/L	20.0
467	TOOLS	10/11/07	583.82	0.00	0.00	43.79	58.38	102.17	481.65	S/L	10.0

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 111PURIFICATION EQUIPMENT (continued)</b>											
470	REPLACE BOILER BURNERS	11/20/07	2,100.00	0.00	0.00	61.25	105.00	166.25	1,933.75	S/L	20.0
471	BURNSTEAD 460 INCUBATOR	11/29/07	4,268.00	0.00	0.00	248.97	426.80	675.77	3,592.23	S/L	10.0
476	PURIFICATION EQUIPMENT - 2	1/01/08	7,322.00	0.00	0.00	183.05	366.10	549.15	6,772.85	S/L	20.0
497	WATER PLANT PUMP	9/30/08	5,000.00	0.00c	0.00	0.00	375.00	375.00	4,625.00	S/L	10.0
498	WTP SCADA PROCESSOR	1/07/09	4,051.00	0.00c	0.00	0.00	202.55	202.55	3,848.45	S/L	10.0
499	AUTO TRANSFORMER	3/31/09	6,129.67	0.00c	0.00	0.00	153.24	153.24	5,976.43	S/L	10.0
500	CHLORINE ROOM HEATER	3/31/09	2,479.74	0.00c	0.00	0.00	61.99	61.99	2,417.75	S/L	10.0
501	5 SAMPLING FAUCETS	4/30/09	2,568.35	0.00c	0.00	0.00	42.81	42.81	2,525.54	S/L	10.0
<b>111PURIFICATION EQUIPMENT</b>			<b>4,598,288.04</b>	<b>0.00c</b>	<b>0.00</b>	<b>3,095,585.57</b>	<b>166,687.34</b>	<b>3,262,272.91</b>	<b>1,336,015.13</b>		
<b>Group: 112CAST IRON PIPE LINES</b>											
17	CAST IRON PIPELINES-1963 AN	1/01/64	5,833.77	0.00	0.00	5,833.77	0.00	5,833.77	0.00	S/L	50.0
18	CAST IRON PIPELINES-1964	1/01/64	38,601.82	0.00	0.00	34,355.78	772.04	35,127.82	3,474.00	S/L	50.0
<b>112CAST IRON PIPE LINES</b>			<b>44,435.59</b>	<b>0.00c</b>	<b>0.00</b>	<b>40,189.55</b>	<b>772.04</b>	<b>40,961.59</b>	<b>3,474.00</b>		
<b>Group: 113ELECTRIC PUMPING EQUIP</b>											
48	ELEC PUMP EQUIP 1989 AND B	1/01/70	135,636.30	0.00	0.00	135,636.30	0.00	135,636.30	0.00	S/L	20.0
179	ELEC PUMP EQUIP 1990	1/01/90	242.19	0.00	0.00	224.03	12.11	236.14	6.05	S/L	20.0
209	ELEC PUMP EQUIP 1994	1/01/94	1,566.42	0.00	0.00	1,135.64	78.32	1,213.96	352.46	S/L	20.0
260	ELEC PUMP EQUIP 41A LINE E	1/01/98	42,200.00	0.00	0.00	22,155.00	2,110.00	24,265.00	17,935.00	S/L	20.0
294	ELEC/PUMP EQUIP-1999-BOOST	1/01/99	215,733.00	0.00	0.00	102,473.18	10,786.65	113,259.83	102,473.17	S/L	20.0
343	ELEC/PUMP EQUIP - 2002	1/01/02	2,515.00	0.00	0.00	817.38	125.75	943.13	1,571.87	S/L	20.0
369	Smart Transmitter & Suppressor	7/08/03	2,495.00	0.00	0.00	623.75	124.75	748.50	1,746.50	S/L	20.0
414	Electric Pumping Equipment	1/01/05	2,500.00	0.00	0.00	437.50	125.00	562.50	1,937.50	S/L	20.0
461	UPGRADE JOCKEY PUMP & DR	6/27/07	10,260.00	0.00	0.00	513.00	513.00	1,026.00	9,234.00	S/L	20.0
<b>113ELECTRIC PUMPING EQUIP</b>			<b>413,147.91</b>	<b>0.00c</b>	<b>0.00</b>	<b>264,015.78</b>	<b>13,875.58</b>	<b>277,891.36</b>	<b>135,256.55</b>		
<b>Group: 114AUXILIARY POWER UNITS</b>											
111	AUXILLIARY POWER UNITS	1/01/80	128,790.41	0.00	0.00	128,790.41	0.00	128,790.41	0.00	S/L	10.0
<b>114AUXILIARY POWER UNITS</b>			<b>128,790.41</b>	<b>0.00c</b>	<b>0.00</b>	<b>128,790.41</b>	<b>0.00</b>	<b>128,790.41</b>	<b>0.00</b>		
<b>Group: 115QUARRY</b>											
218	QUARRY - PIPE & ENGINEERIN	1/01/95	221,834.12	0.00	0.00	59,895.18	4,436.68	64,331.86	157,502.26	S/L	50.0
219	QUARRY - INTAKE, PUMPS, & F	1/01/95	372,360.50	0.00	0.00	251,343.40	18,618.03	269,961.43	102,399.07	S/L	20.0
220	QUARRY - LAND	1/01/95	35,000.00	0.00	0.00	0.00	0.00	0.00	35,000.00	Memo	0.0
239	QUARRY - 1997	1/01/97	11,250.00	0.00	0.00	6,468.75	562.50	7,031.25	4,218.75	S/L	20.0
298	QUARRY - 1999 INTAKE UPGRA	2/15/99	69,267.70	0.00	0.00	32,613.59	3,463.39	36,076.98	33,190.72	S/L	20.0
299	QUARRY - 1999 INTAKE UPGRA	2/15/99	45,013.45	0.00	0.00	21,193.81	2,250.67	23,444.48	21,568.97	S/L	20.0
311	QUARRY - 2000	1/01/00	18,003.32	0.00	0.00	7,651.44	900.17	8,551.61	9,451.71	S/L	20.0
331	WEST KY GAS CO	6/30/01	124.12	0.00	0.00	43.47	6.21	49.68	74.44	S/L	20.0
408	CHAIN LINK FENCE-QUARRY I	12/01/04	12,019.00	0.00	0.00	2,153.40	600.95	2,754.35	9,264.65	S/L	20.0
463	HONEYWELL ALARM SYSTEM	8/01/07	3,988.42	0.00	0.00	365.61	398.84	764.45	3,223.97	S/L	10.0





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Asset *	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
<b>Group: 130TRANSPORTATION EQUIPMT (continued)</b>											
518	RUDOLPH'S AUTO SALES	3/13/03	4,500.00	0.00	0.00	4,500.00	0.00	4,500.00	0.00	S/L	5.0
	130TRANSPORTATION EQUIPMT		286,601.70	0.00c	0.00	254,654.75	12,704.24	267,358.99	19,242.71		
	*Less: Dispositions		4,500.00	0.00	0.00	4,500.00	0.00	4,500.00	0.00		
	Net 130TRANSPORTATION EQUIPMT		282,101.70	0.00c	0.00	250,154.75	12,704.24	262,858.99	19,242.71		
<b>Group: 131TRACTORS &amp; BACKHOES</b>											
231	TRACTORS & BACKHOES 1996	1/01/96	16,250.00	0.00	0.00	16,250.00	0.00	16,250.00	0.00	S/L	7.0
243	TRAILER - TRAILER WORLD	1/31/97	2,775.00	0.00	0.00	2,775.00	0.00	2,775.00	0.00	S/L	7.0
312	TRACTORS & BACKHOES 2000	1/01/00	26,600.00	0.00	0.00	26,600.00	0.00	26,600.00	0.00	S/L	7.0
443	CATERPILLAR 420E BACKHOE	11/09/06	68,966.00	0.00	0.00	16,420.48	9,852.29	26,272.77	42,693.23	S/L	7.0
	131TRACTORS & BACKHOES		114,591.00	0.00c	0.00	62,045.48	9,852.29	71,897.77	42,693.23		
<b>Group: 132GENERAL EQUIPMENT</b>											
65	GENERAL EQUIPMENT 1993 AN	1/01/73	115,533.44	0.00	0.00	115,533.44	0.00	115,533.44	0.00	S/L	20.0
211	GENERAL EQUIPMENT 1994	1/01/94	2,384.92	0.00	0.00	2,384.92	0.00	2,384.92	0.00	S/L	20.0
221	GENERAL EQUIPMENT 1995	1/01/95	6,295.61	0.00	0.00	6,295.61	0.00	6,295.61	0.00	S/L	20.0
232	GENERAL EQUIPMENT 1996	1/01/96	66,113.03	0.00	0.00	41,393.14	3,305.65	44,698.79	21,414.24	S/L	20.0
240	GENERAL EQUIPMENT 1997	1/01/97	5,184.90	0.00	0.00	2,981.37	259.25	3,240.62	1,944.28	S/L	20.0
253	SAW-GAS CUT OFF PARTNER K	10/31/97	899.00	0.00	0.00	479.47	44.95	524.42	374.58	S/L	20.0
300	LEE RENTS	3/31/99	965.00	0.00	0.00	446.31	48.25	494.56	470.44	S/L	20.0
301	LEE RENTS	6/30/99	815.00	0.00	0.00	366.75	40.75	407.50	407.50	S/L	20.0
313	GENERAL EQUIPMENT 2000	1/01/00	2,623.90	0.00	0.00	1,115.20	131.20	1,246.40	1,377.50	S/L	20.0
326	GENERAL EQUIPMENT-2001	1/01/01	31,235.23	0.00	0.00	11,713.20	1,561.76	13,274.96	17,960.27	S/L	20.0
344	GENERAL EQUIP - 2002	1/01/02	9,523.02	0.00	0.00	3,094.98	476.15	3,571.13	5,951.89	S/L	20.0
345	GIS Info Systems	1/01/02	7,259.45	0.00	0.00	6,740.89	518.56	7,259.45	0.00	S/L	7.0
353	Arctic Refrig - General Equip	7/31/02	2,660.00	0.00	0.00	786.92	133.00	919.92	1,740.08	S/L	20.0
354	Orr Safety-General Equip	8/31/02	1,803.75	0.00	0.00	526.11	90.19	616.30	1,187.45	S/L	20.0
362	Kit-Mo Rental - General Equip	1/31/03	865.00	0.00	0.00	234.27	43.25	277.52	587.48	S/L	20.0
363	McCraw Excavating - Gen'l Equip	2/24/03	1,500.00	0.00	0.00	400.00	75.00	475.00	1,025.00	S/L	20.0
366	TT Tech - Gen'l Equipment	5/31/03	3,465.08	0.00	0.00	880.69	173.25	1,053.94	2,411.14	S/L	20.0
370	Ingersoll-Rand Light Tower	8/13/03	2,675.00	0.00	0.00	1,315.21	267.50	1,582.71	1,092.29	S/L	10.0
373	Partner K650 Chop Saw	9/18/03	885.00	0.00	0.00	420.38	88.50	508.88	376.12	S/L	10.0
374	Overhaul CP3300 Water Pump	9/29/03	8,133.40	0.00	0.00	3,863.37	813.34	4,676.71	3,456.69	S/L	10.0
399	INGERSOLL-RAND DA30 ROLL	7/07/04	4,000.00	0.00	0.00	1,600.00	400.00	2,000.00	2,000.00	S/L	10.0
407	NAGATA TAMPER #8610819	11/18/04	1,350.00	0.00	0.00	483.75	135.00	618.75	731.25	S/L	10.0
422	Arch Top Metal Planter	6/23/05	772.20	0.00	0.00	231.66	77.22	308.88	463.32	S/L	10.0
424	Rebuild Large Tap Machine	9/27/05	10,000.00	0.00	0.00	2,750.00	1,000.00	3,750.00	6,250.00	S/L	10.0
455	2" TRASH PUMP	3/22/07	917.50	0.00	0.00	114.69	91.75	206.44	711.06	S/L	10.0
456	PARTNER 14" PIPE SAW	3/22/07	992.50	0.00	0.00	124.06	99.25	223.31	769.19	S/L	10.0
458	WHEELER HYDRAULIC PIPE CI	5/02/07	2,039.18	0.00	0.00	237.91	203.92	441.83	1,597.35	S/L	10.0
479	MILLER WALK BEHIND CONCF	1/31/08	1,429.94	0.00	0.00	59.58	142.99	202.57	1,227.37	S/L	10.0
480	TRASH PUMPS	2/22/08	1,025.00	0.00	0.00	34.17	102.50	136.67	888.33	S/L	10.0
	132GENERAL EQUIPMENT		293,346.05	0.00c	0.00	206,608.05	10,323.18	216,931.23	76,414.82		

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Asset *	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
<b>Group: 133OFFICE FURN, FIXT, EQP</b>											
31	OFFICE FURN, FIXT, EQUIP 198	1/01/67	39,152.56	0.00	0.00	39,152.56	0.00	39,152.56	0.00	S/L	10.0
164	OFFICE FURN, FIXT, EQUIP 198	1/01/88	28,141.74	0.00	0.00	28,141.74	0.00	28,141.74	0.00	S/L	10.0
172	OFFICE FURN, FIXT, EQUIP 198	1/01/89	1,724.51	0.00	0.00	1,724.51	0.00	1,724.51	0.00	S/L	10.0
180	OFFICE FURN, FIXT, EQUIP 199	1/01/90	750.01	0.00	0.00	750.01	0.00	750.01	0.00	S/L	10.0
189	OFFICE FURN, FIXT, EQUIP 199	1/01/91	5,932.42	0.00	0.00	5,932.42	0.00	5,932.42	0.00	S/L	10.0
196	OFFICE FURN, FIXT, EQUIP 199	1/01/92	4,256.26	0.00	0.00	4,256.26	0.00	4,256.26	0.00	S/L	10.0
203	OFFICE FURN, FIXT, EQUIP 199	1/01/93	966.94	0.00	0.00	966.94	0.00	966.94	0.00	S/L	10.0
212	OFFICE FURN, FIXT, EQUIP 199	1/01/94	2,149.08	0.00	0.00	2,149.08	0.00	2,149.08	0.00	S/L	10.0
222	OFFICE FURN, FIXT, EQUIP 199	1/01/95	18,993.36	0.00	0.00	18,993.36	0.00	18,993.36	0.00	S/L	10.0
233	OFFICE FURN, FIXT, EQUIP 199	1/01/96	6,124.83	0.00	0.00	6,124.83	0.00	6,124.83	0.00	S/L	10.0
241	OFFICE FURN, FIXT, EQUIP 199	1/01/97	8,483.06	0.00	0.00	8,483.06	0.00	8,483.06	0.00	S/L	10.0
246	OFFICE EQUIP-CONTRACT 57-N	5/26/97	5,348.23	0.00	0.00	5,348.23	0.00	5,348.23	0.00	S/L	10.0
262	1/2 SHARP FAX MACHINE (COR	3/31/98	349.50	0.00	0.00	349.50	0.00	349.50	0.00	S/L	10.0
265	SOLLY OFFICE	8/31/98	302.05	0.00	0.00	297.06	4.99	302.05	0.00	S/L	10.0
266	SOLLY OFFICE	8/31/98	1,013.40	0.00	0.00	996.51	16.89	1,013.40	0.00	S/L	10.0
267	SOLLY OFFICE	10/31/98	610.50	0.00	0.00	590.15	20.35	610.50	0.00	S/L	10.0
270	HAYS FURNITURE	11/30/98	137.45	0.00	0.00	131.77	5.68	137.45	0.00	S/L	10.0
271	EMPLOYEE EXPENSES	11/30/98	94.87	0.00	0.00	90.94	3.93	94.87	0.00	S/L	10.0
275	SOLLY OFFICE	12/31/98	246.00	0.00	0.00	233.70	12.30	246.00	0.00	S/L	10.0
276	SOLLY OFFICE	12/31/98	395.65	0.00	0.00	375.91	19.74	395.65	0.00	S/L	10.0
277	SOLLY OFFICE	12/31/98	403.30	0.00	0.00	383.14	20.16	403.30	0.00	S/L	10.0
278	SOLLY OFFICE	12/31/98	388.90	0.00	0.00	369.46	19.44	388.90	0.00	S/L	10.0
296	BILL BELILES	1/31/99	456.50	0.00	0.00	429.87	26.63	456.50	0.00	S/L	10.0
314	FURN., FIX., EQUIP., 2000	1/01/00	431.00	0.00	0.00	366.35	43.10	409.45	21.55	S/L	10.0
327	FURN.,FIX.,EQUIP.-2001	1/01/01	106.50	0.00	0.00	79.88	10.65	90.53	15.97	S/L	10.0
346	OFC FURN, FIXT, EQUIP-2002	1/01/02	3,531.77	0.00	0.00	2,295.67	353.18	2,648.85	882.92	S/L	10.0
392	A/R Collections Telephone System	4/13/04	1,449.50	0.00	0.00	616.04	144.95	760.99	688.51	S/L	10.0
402	HON RIGHT PEDESTAL WOOD I	8/25/04	334.00	0.00	0.00	128.03	33.40	161.43	172.57	S/L	10.0
403	GLOBE SIDE CHAIR-GRAY	8/26/04	40.00	0.00	0.00	15.33	4.00	19.33	20.67	S/L	10.0
405	ULTIMAIL 60 MAIL MACHINE	10/25/04	1,650.00	0.00	0.00	1,210.00	330.00	1,540.00	110.00	S/L	5.0
417	SECURITY CAMERA & RECORDI	3/15/05	443.70	0.00	0.00	295.80	88.74	384.54	59.16	S/L	5.0
439	10 Ton Luxaire A/C Unit	5/31/06	1,741.00	0.00	0.00	362.71	174.10	536.81	1,204.19	S/L	10.0
466	PANASONIC PHONE SYSTEM	9/30/07	22,474.30	0.00	0.00	1,685.57	2,247.43	3,933.00	18,541.30	S/L	10.0
478	CREDENZA & CHAIR MATS	1/23/08	349.48	0.00	0.00	14.56	34.95	49.51	299.97	S/L	10.0
481	OFFICE CHAIRS & TABLES	3/03/08	500.00	0.00	0.00	16.67	50.00	66.67	433.33	S/L	10.0
482	HP LASERJET PRINTER	4/01/08	199.99	0.00	0.00	10.00	40.00	50.00	149.99	S/L	5.0
484	2 OFFICE CHAIRS	5/01/08	54.99	0.00	0.00	0.92	5.50	6.42	48.57	S/L	10.0
513	HON OFFICE DESK CHAIR	9/12/08	50.00	0.00c	0.00	0.00	4.17	4.17	45.83	S/L	10.0
<b>133OFFICE FURN, FIXT, EQP</b>			<b>159,777.35</b>	<b>0.00c</b>	<b>0.00</b>	<b>133,368.54</b>	<b>3,714.28</b>	<b>137,082.82</b>	<b>22,694.53</b>		
<b>Group: 134TWO-WAY RADIO EQUIPMNT</b>											
364	Radios - 2003	3/10/03	10,603.56	0.00	0.00	10,603.56	0.00	10,603.56	0.00	S/L	5.0
465	DATA CONNECTS FOR REMOTI	9/26/07	1,271.91	0.00	0.00	95.39	127.19	222.58	1,049.33	S/L	10.0
<b>134TWO-WAY RADIO EQUIPMNT</b>			<b>11,875.47</b>	<b>0.00c</b>	<b>0.00</b>	<b>10,698.95</b>	<b>127.19</b>	<b>10,826.14</b>	<b>1,049.33</b>		

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<b>Group: 135COMPUTER EQUIPMENT</b>											
165	COMPUTER EQUIPMENT 1988 /	1/01/88	4,555.20	0.00	0.00	4,555.20	0.00	4,555.20	0.00	S/L	5.0
173	COMPUTER EQUIPMENT 1989	1/01/89	3,110.52	0.00	0.00	3,110.52	0.00	3,110.52	0.00	S/L	5.0
181	COMPUTER EQUIPMENT 1990	1/01/90	684.39	0.00	0.00	684.39	0.00	684.39	0.00	S/L	5.0
190	COMPUTER EQUIPMENT 1991	1/01/91	793.70	0.00	0.00	793.70	0.00	793.70	0.00	S/L	5.0
197	COMPUTER EQUIPMENT 1992	1/01/92	2,296.62	0.00	0.00	2,296.62	0.00	2,296.62	0.00	S/L	5.0
204	COMPUTER EQUIPMENT 1993	1/01/93	24,339.00	0.00	0.00	24,339.00	0.00	24,339.00	0.00	S/L	5.0
213	COMPUTER EQUIPMENT 1994	1/01/94	2,766.60	0.00	0.00	2,766.60	0.00	2,766.60	0.00	S/L	5.0
223	COMPUTER EQUIPMENT 1995	1/01/95	25,490.43	0.00	0.00	25,490.43	0.00	25,490.43	0.00	S/L	5.0
234	COMPUTER EQUIPMENT 1996	1/01/96	14,687.75	0.00	0.00	14,687.75	0.00	14,687.75	0.00	S/L	5.0
242	COMPUTER EQUIPMENT 1997	1/01/97	2,483.47	0.00	0.00	2,483.47	0.00	2,483.47	0.00	S/L	5.0
247	COMPUTER EQUIP-CONTRACT	5/26/97	8,557.17	0.00	0.00	8,557.17	0.00	8,557.17	0.00	S/L	5.0
252	1/2 OKIDATA OL810 PRINTER	9/30/97	371.77	0.00	0.00	371.77	0.00	371.77	0.00	S/L	5.0
254	2300 S5 PORTABLE PC (GATEW	11/30/97	2,093.00	0.00	0.00	2,093.00	0.00	2,093.00	0.00	S/L	5.0
255	1/2 LAPTOP G5-166SE (GATEWA	11/30/97	774.50	0.00	0.00	774.50	0.00	774.50	0.00	S/L	5.0
261	1/2 GATEWAY2000 G6-233 COM	2/28/98	1,510.50	0.00	0.00	1,510.50	0.00	1,510.50	0.00	S/L	5.0
263	1/2 AUTOCAD UPGRADE	3/31/98	177.16	0.00	0.00	177.16	0.00	177.16	0.00	S/L	5.0
264	PRINTER (WAL-MART)-BUTCH/	6/30/98	314.97	0.00	0.00	314.97	0.00	314.97	0.00	S/L	5.0
268	CORNERSTONE INFORMATION	10/31/98	6,423.75	0.00	0.00	6,423.75	0.00	6,423.75	0.00	S/L	5.0
272	WAL-MART #653	11/30/98	379.28	0.00	0.00	379.28	0.00	379.28	0.00	S/L	5.0
279	GATEWAY 2000	12/31/98	1,013.50	0.00	0.00	1,013.50	0.00	1,013.50	0.00	S/L	5.0
280	UNITED SYSTEMS & SOFTWAR	12/31/98	20,078.75	0.00	0.00	20,078.75	0.00	20,078.75	0.00	S/L	5.0
281	WAL-MART #653	12/31/98	366.97	0.00	0.00	366.97	0.00	366.97	0.00	S/L	5.0
282	1/2 1ST PAYMENT HARDWARE	12/31/98	20,078.75	0.00	0.00	20,078.75	0.00	20,078.75	0.00	S/L	5.0
295	GEOGRAPHICAL INFORMATIOI	1/01/99	42,016.79	0.00	0.00	33,263.30	3,501.40	36,764.70	5,252.09	S/L	12.0
297	VISA	1/31/99	317.99	0.00	0.00	317.99	0.00	317.99	0.00	S/L	5.0
318	VISA	8/31/00	1,287.00	0.00	0.00	1,287.00	0.00	1,287.00	0.00	S/L	5.0
319	CORNERSTONE INFORMATION	12/19/00	713.75	0.00	0.00	713.75	0.00	713.75	0.00	S/L	5.0
328	MAPSYNC GEOGRAPHICAL INI	1/01/01	26,588.11	0.00	0.00	16,617.60	2,215.68	18,833.28	7,754.83	S/L	12.0
332	C I THORNBURG	6/30/01	686.60	0.00	0.00	686.60	0.00	686.60	0.00	S/L	5.0
333	Dell Dimension 4300 Sr Computer	9/24/01	1,018.00	0.00	0.00	1,018.00	0.00	1,018.00	0.00	S/L	5.0
334	Omnex Wireless Modem & 4-29M/	10/25/01	2,345.00	0.00	0.00	2,345.00	0.00	2,345.00	0.00	S/L	5.0
335	Dell Dimension 4300, Pent 4	10/26/01	978.00	0.00	0.00	978.00	0.00	978.00	0.00	S/L	5.0
336	Sony Digital Camera	10/29/01	348.67	0.00	0.00	348.67	0.00	348.67	0.00	S/L	5.0
347	Dell Dimension 4400 Series	1/17/02	701.50	0.00	0.00	701.50	0.00	701.50	0.00	S/L	5.0
359	Computer Equip - 2003	1/01/03	7,690.77	0.00	0.00	7,690.77	0.00	7,690.77	0.00	S/L	5.0
360	GIS-2003 Additions	1/01/03	5,470.19	0.00	0.00	5,470.19	0.00	5,470.19	0.00	S/L	5.0
361	Computer Equipment-Capital Lease	1/28/03	61,765.50	0.00	0.00	61,765.50	0.00	61,765.50	0.00	S/L	5.0
371	Itha Receipt Printer-2364685	8/21/03	287.00	0.00	0.00	277.43	9.57	287.00	0.00	S/L	5.0
372	Powerware Online Battery UPS	8/29/03	873.20	0.00	0.00	844.09	29.11	873.20	0.00	S/L	5.0
375	Autocad 2004 Upgrade Software	10/27/03	478.40	0.00	0.00	446.51	31.89	478.40	0.00	S/L	5.0
376	Arcview Upgrade Software	11/14/03	369.50	0.00	0.00	344.87	24.63	369.50	0.00	S/L	5.0
384	GIS-2004 Additions	1/01/04	4,707.73	0.00	0.00	4,236.97	470.76	4,707.73	0.00	S/L	5.0
387	Geni 3860D Printer	2/10/04	942.50	0.00	0.00	832.54	109.96	942.50	0.00	S/L	5.0
389	Microsoft Office 2000 Software Lic	3/31/04	1,523.49	0.00	0.00	1,294.97	228.52	1,523.49	0.00	S/L	5.0
390	Autocad 2005 Software License	4/12/04	2,499.00	0.00	0.00	2,124.15	374.85	2,499.00	0.00	S/L	5.0
393	Okidata B4300N Printer - 6241790-	4/20/04	287.50	0.00	0.00	239.58	47.92	287.50	0.00	S/L	5.0
394	Dell 4600 Pentium 4 Personal Comj	4/25/04	697.50	0.00	0.00	581.25	116.25	697.50	0.00	S/L	5.0
396	Dell 2200MP Powerpoint Projector	5/04/04	486.75	0.00	0.00	405.63	81.12	486.75	0.00	S/L	5.0
400	SONY TAPE DRIVE	7/16/04	281.81	0.00	0.00	220.75	56.36	277.11	4.70	S/L	5.0

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 135COMPUTER EQUIPMENT (continued)</b>											
401	US ROBOTICS FAX/MODEM	7/16/04	35.65	0.00	0.00	27.93	7.72	35.65	0.00	S/L	5.0
404	(2) DELL DIMENSION 2400 PC'S	9/16/04	1,202.32	0.00	0.00	901.73	240.46	1,142.19	60.13	S/L	5.0
406	OKIDATA B4250 PRINTER	10/25/04	130.00	0.00	0.00	107.54	14.97	122.51	7.49	200DB	5.0
415	GIS Additions - 2005	1/01/05	4,878.79	0.00	0.00	3,415.16	975.76	4,390.92	487.87	S/L	5.0
416	(2) DELL DIMENSION 3000 PC'S	2/15/05	1,087.50	0.00	0.00	743.13	217.50	960.63	126.87	S/L	5.0
423	Dell Dimension 3000 PC	9/15/05	452.50	0.00	0.00	256.42	90.50	346.92	105.58	S/L	5.0
426	Dell 670 GIS Workstation	10/17/05	2,143.62	0.00	0.00	1,143.26	428.72	1,571.98	571.64	S/L	5.0
427	(2) Dell Dimension 3000 PC's	10/17/05	906.30	0.00	0.00	483.36	181.26	664.62	241.68	S/L	5.0
433	GIS Additions - 2006	1/01/06	3,064.51	0.00	0.00	1,532.25	612.90	2,145.15	919.36	S/L	5.0
435	(2) Dell Optiplex 210L PC's	5/15/06	672.50	0.00	0.00	291.42	134.50	425.92	246.58	S/L	5.0
436	Dell Optiplex 210L PC	5/15/06	383.50	0.00	0.00	166.18	76.70	242.88	140.62	S/L	5.0
437	Dell Optiplex 210L PC	5/15/06	294.00	0.00	0.00	127.40	58.80	186.20	107.80	S/L	5.0
438	(5) Dell Optiplex GX620 PC's	5/15/06	2,256.43	0.00	0.00	977.79	451.29	1,429.08	827.35	S/L	5.0
440	Neptune Handheld Units	6/01/06	12,500.00	0.00	0.00	5,208.33	2,500.00	7,708.33	4,791.67	S/L	5.0
441	Neptune Cradles & Chargers	6/01/06	2,125.00	0.00	0.00	885.42	425.00	1,310.42	814.58	S/L	5.0
442	Neptune Software & Programming	6/01/06	1,290.00	0.00	0.00	537.50	258.00	795.50	494.50	S/L	5.0
444	DELL DIMENSION C52i PC	11/21/06	628.00	0.00	0.00	198.87	125.60	324.47	303.53	S/L	5.0
452	GIS ADDITIONS - 2007	1/01/07	5,824.16	0.00	0.00	1,747.25	1,164.83	2,912.08	2,912.08	S/L	5.0
454	TRIMBLE HANDHELD GPS	3/13/07	5,363.18	0.00	0.00	1,430.19	1,072.64	2,502.83	2,860.35	S/L	5.0
468	DELL OPTIPLEX 320 PC	10/16/07	1,276.99	0.00	0.00	170.27	255.40	425.67	851.32	S/L	5.0
477	GIS ADDITIONS - 2008	1/01/08	13,883.26	0.00	0.00	1,388.33	2,776.65	4,164.98	9,718.28	S/L	5.0
483	DELL OPTI 330 PC	4/15/08	424.67	0.00	0.00	21.23	84.93	106.16	318.51	S/L	5.0
514	DELL LAPTOP-LATITUDE D630	7/25/08	1,107.00	0.00c	0.00	0.00	202.95	202.95	904.05	S/L	5.0
515	GIS ADDITIONS - 2009	1/01/09	22,975.04	0.00c	0.00	0.00	2,297.50	2,297.50	20,677.54	S/L	5.0
516	AUTOCAD LEGACY 2010	5/26/09	1,757.63	0.00c	0.00	0.00	29.29	29.29	1,728.34	S/L	5.0
517	2 DELL OPTIPLEX 360 PCS	6/25/09	670.00	0.00c	0.00	0.00	0.00	0.00	670.00	S/L	5.0
<b>135COMPUTER EQUIPMENT</b>			<b>396,042.55</b>	<b>0.00c</b>	<b>0.00</b>	<b>310,161.32</b>	<b>21,981.89</b>	<b>332,143.21</b>	<b>63,899.34</b>		
<b>Grand Total</b>			<b>70,989,873.43</b>	<b>0.00c</b>	<b>0.00</b>	<b>19,756,546.06</b>	<b>1,045,362.58</b>	<b>20,801,908.64</b>	<b>50,187,964.79</b>		
<b>Less: Dispositions</b>			<b>4,500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,500.00</b>	<b>0.00</b>	<b>4,500.00</b>	<b>0.00</b>		
<b>Net Grand Total</b>			<b>70,985,373.43</b>	<b>0.00c</b>	<b>0.00</b>	<b>19,752,046.06</b>	<b>1,045,362.58</b>	<b>20,797,408.64</b>	<b>50,187,964.79</b>		

**ATTACHMENT 9**

**Pembroke - Water**

**Book Asset Detail 7/01/08 - 6/30/09**

FYE: 6/30/2009

*Pembroke - Water - Detail*

Asset *	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
<b>Group: 136PEMBROKE DIST. MAINS</b>											
1	DISTRIBUTION MAINS-2000	9/01/99	83,005.91	0.00	0.00	29,328.78	3,320.24	32,649.02	50,356.89	S/L	25.0
3	WATER MAINS-2001	10/01/00	39,480.88	0.00	0.00	12,239.11	1,579.24	13,818.35	25,662.53	S/L	25.0
5	DISTRIBUTION MAINS - 2007	1/01/07	72,274.21	0.00	0.00	2,168.22	1,445.48	3,613.70	68,660.51	S/L	50.0
6	DISTRIBUTION MAINS - 2008	1/01/08	261,386.74	0.00	0.00	1,742.58	3,485.16	5,227.74	256,159.00	S/L	75.0
7	DISTRIBUTION MAINS - 2009	1/01/09	9,440.35	0.00c	0.00	0.00	62.94	62.94	9,377.41	S/L	75.0
	<b>136PEMBROKE DIST. MAINS</b>		<u>465,588.09</u>	<u>0.00c</u>	<u>0.00</u>	<u>45,478.69</u>	<u>9,893.06</u>	<u>55,371.75</u>	<u>410,216.34</u>		
<b>Group: 137PEMBROKE ELEV.TANK WTR</b>											
2	ELEVATED TANKS-2000	9/01/99	14,266.64	0.00	0.00	14,266.64	0.00	14,266.64	0.00	S/L	5.0
4	RENOVATE WATER TANK	12/01/06	20,925.00	0.00	0.00	1,656.56	1,046.25	2,702.81	18,222.19	S/L	20.0
8	REPAINT PEMPROKE TANK	11/14/08	144,422.62	0.00c	0.00	0.00	4,814.09	4,814.09	139,608.53	S/L	20.0
	<b>137PEMBROKE ELEV.TANK WTR</b>		<u>179,614.26</u>	<u>0.00c</u>	<u>0.00</u>	<u>15,923.20</u>	<u>5,860.34</u>	<u>21,783.54</u>	<u>157,830.72</u>		
	<b>Grand Total</b>		<u>645,202.35</u>	<u>0.00c</u>	<u>0.00</u>	<u>61,401.89</u>	<u>15,753.40</u>	<u>77,155.29</u>	<u>568,047.06</u>		

**ATTACHMENT 9**

**Crofton - Water**

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

CROFTON - WATER - DETAIL

Asset *	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
<b>Group: 138CROFTON LAND</b>											
2	LAKE MANIRE LAND	7/17/00	19,454.26	0.00	0.00	0.00	0.00	0.00	19,454.26	Memo	0.0
3	LAND	7/17/00	14,049.83	0.00	0.00	0.00	0.00	0.00	14,049.83	Memo	0.0
18	LAND-CROFTON - .055 ACRE LI	9/30/04	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	Land	0.0
	<b>138CROFTON LAND</b>		<b>34,504.09</b>	<b>0.00c</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>34,504.09</b>		
<b>Group: 139CROFTON STRUCTURES</b>											
1	CROFTON WATER	6/30/00	29,445.81	0.00	0.00	4,711.36	588.92	5,300.28	24,145.53	S/L	50.0
4	LAKE MANIRE PROJECT	7/17/00	91,007.14	0.00	0.00	72,047.29	9,100.71	81,148.00	9,859.14	S/L	10.0
5	STRUCTURE IMPROVEMENTS	7/17/00	45,686.22	0.00	0.00	24,112.19	3,045.75	27,157.94	18,528.28	S/L	15.0
6	PUMP-41 LIFTSTATION	7/17/00	703.64	0.00	0.00	703.64	0.00	703.64	0.00	S/L	2.0
7	CHLORINATOR	7/17/00	1,114.35	0.00	0.00	1,114.35	0.00	1,114.35	0.00	S/L	6.0
8	REPAIR WATER TANK	7/17/00	244.31	0.00	0.00	244.31	0.00	244.31	0.00	S/L	1.0
9	CONSTRUCTION IN PROGRESS	7/17/00	178,132.86	0.00	0.00	4,453.32	4,453.32	8,906.64	169,226.22	S/L	40.0
19	CANARIIS BOOSTER WATER PU	9/30/04	25,900.00	0.00	0.00	4,856.25	1,295.00	6,151.25	19,748.75	S/L	20.0
20	11 X 15 GRACE BUILDING	9/30/04	5,184.43	0.00	0.00	388.84	103.69	492.53	4,691.90	S/L	50.0
21	BOOSTER STATION-LEWIS RO/	9/30/04	16,833.12	0.00	0.00	3,156.22	841.66	3,997.88	12,835.24	S/L	20.0
22	EASTECH FLOW METER	9/08/06	3,743.00	0.00	0.00	343.11	187.15	530.26	3,212.74	S/L	20.0
	<b>139CROFTON STRUCTURES</b>		<b>397,994.88</b>	<b>0.00c</b>	<b>0.00</b>	<b>116,130.88</b>	<b>19,616.20</b>	<b>135,747.08</b>	<b>262,247.80</b>		
<b>Group: 140CROFTON DIST MAINS</b>											
10	WATER LINES	7/17/00	5,541.94	0.00	0.00	3,374.88	426.30	3,801.18	1,740.76	S/L	13.0
11	CASTLEBERRY ROAD EXT	7/17/00	4,801.23	0.00	0.00	1,151.80	145.49	1,297.29	3,503.94	S/L	33.0
12	METERS & LINES INSTALLATIO	7/17/00	109.10	0.00	0.00	109.10	0.00	109.10	0.00	S/L	2.0
13	CHR. CO. WATER SYSTEM	7/17/00	190.10	0.00	0.00	190.10	0.00	190.10	0.00	S/L	2.0
14	DRILLING & LINES	7/17/00	151.10	0.00	0.00	151.10	0.00	151.10	0.00	S/L	2.0
15	WATER LINES	7/17/00	338.10	0.00	0.00	338.10	0.00	338.10	0.00	S/L	3.0
16	WATER LINES	7/17/00	1,381.36	0.00	0.00	1,215.05	153.48	1,368.53	12.83	S/L	9.0
23	DISTRIBUTION MAINS - 2008	1/01/08	2,263.25	0.00	0.00	22.63	45.27	67.90	2,195.35	S/L	50.0
24	DISTRIBUTION MAINS - 2009	1/01/09	4,962.46	0.00c	0.00	0.00	49.62	49.62	4,912.84	S/L	50.0
	<b>140CROFTON DIST MAINS</b>		<b>19,738.64</b>	<b>0.00c</b>	<b>0.00</b>	<b>6,552.76</b>	<b>820.16</b>	<b>7,372.92</b>	<b>12,365.72</b>		
<b>Group: 141CROFTON ELEV. TANKS</b>											
17	Elevated Tanks - 2003	4/01/03	21,760.00	0.00	0.00	2,284.80	435.20	2,720.00	19,040.00	S/L	50.0
	<b>141CROFTON ELEV. TANKS</b>		<b>21,760.00</b>	<b>0.00c</b>	<b>0.00</b>	<b>2,284.80</b>	<b>435.20</b>	<b>2,720.00</b>	<b>19,040.00</b>		
	<b>Grand Total</b>		<b>473,997.61</b>	<b>0.00c</b>	<b>0.00</b>	<b>124,968.44</b>	<b>20,871.56</b>	<b>145,840.00</b>	<b>328,157.61</b>		



**ATTACHMENT 9**

**Hopkinsville - Sewer**

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

HOPK - SEWER - DETAIL

Asset *	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
<b>Group: 219ENGINEERING SVCS-M.P.</b>											
239	Engineering Services Additions-200	1/01/04	98,982.00	0.00	0.00	44,541.90	9,898.20	54,440.10	44,541.90	S/L	10.0
	219ENGINEERING SVCS-M.P.		98,982.00	0.00c	0.00	44,541.90	9,898.20	54,440.10	44,541.90		
<b>Group: 220LAND - SEWER</b>											
32	LAND - SEWER	1/01/80	201,273.29	0.00	0.00	0.00	0.00	0.00	201,273.29	Memo	0.0
123	LAND - SEWER-ALBERT W. SIS	6/30/97	65,245.50	0.00	0.00	0.00	0.00	0.00	65,245.50	Memo	0.0
151	LAND - SEWER - COMMERCE P	1/01/99	6,500.00	0.00	0.00	0.00	0.00	0.00	6,500.00	Memo	0.0
352	14TH & CLAY LOT	5/03/07	15,036.57	0.00	0.00	0.00	0.00	0.00	15,036.57	Land	0.0
	220LAND - SEWER		288,055.36	0.00c	0.00	0.00	0.00	0.00	288,055.36		
<b>Group: 221BUILDINGS - SEWER</b>											
1	BUILDINGS 1957	1/01/57	54,723.79	0.00	0.00	54,723.79	0.00	54,723.79	0.00	S/L	50.0
3	BUILDING 1959	1/01/59	368,397.87	0.00	0.00	364,714.02	3,683.85	368,397.87	0.00	S/L	50.0
18	BUILDINGS 1972	1/01/72	76,862.38	0.00	0.00	56,109.62	1,537.25	57,646.87	19,215.51	S/L	50.0
48	BUILDINGS 1986	1/01/86	700.84	0.00	0.00	315.45	14.02	329.47	371.37	S/L	50.0
124	BUILDINGS 1997	6/30/97	165,773.50	0.00	0.00	36,470.17	3,315.47	39,785.64	125,987.86	S/L	50.0
152	STRUCTURE-1999-NEW OFFICE	1/01/99	441,231.81	0.00	0.00	83,834.08	8,824.64	92,658.72	348,573.09	S/L	50.0
168	BUILDINGS 2000	1/01/00	16,681.46	0.00	0.00	2,835.85	333.63	3,169.48	13,511.98	S/L	50.0
169	DISTRIBUTION CENTER ROOF	1/01/00	17,925.00	0.00	0.00	3,047.25	358.50	3,405.75	14,519.25	S/L	50.0
184	DISTRIBUTION SHOP ADDITIOI	1/01/01	108,381.22	0.00	0.00	16,257.15	2,167.62	18,424.77	89,956.45	S/L	50.0
203	BUILDINGS - SIGNAGE-2002	1/01/02	480.00	0.00	0.00	156.00	24.00	180.00	300.00	S/L	20.0
306	Quality Coatings - Reroof Lake Mo	2/14/06	1,445.00	0.00	0.00	174.60	72.25	246.85	1,198.15	S/L	20.0
335	500 EAST NINTH STREET BUILI	12/19/06	54,337.50	0.00	0.00	4,075.32	2,716.88	6,792.20	47,545.30	S/L	20.0
342	DISTRIBUTION BUILDING ELEC	2/28/07	1,224.94	0.00	0.00	81.67	61.25	142.92	1,082.02	S/L	20.0
359	REMODELING OFFICE	7/31/07	45,717.28	0.00	0.00	2,095.38	2,285.86	4,381.24	41,336.04	S/L	20.0
361	PAVE & SEAL PARKING LOT	9/03/07	12,806.51	0.00	0.00	533.60	640.33	1,173.93	11,632.58	S/L	20.0
368	FENCE & STONE - 14TH STREE	11/15/07	14,543.94	0.00	0.00	484.80	727.20	1,212.00	13,331.94	S/L	20.0
396	BLDG IMPROVEMENTS	6/30/09	2,778.52	0.00c	0.00	0.00	0.00	0.00	2,778.52	S/L	20.0
	221BUILDINGS - SEWER		1,384,011.56	0.00c	0.00	625,908.75	26,762.75	652,671.50	731,340.06		
<b>Group: 222WASTEWATR TREATMT PLTS</b>											
38	WWTP - 1984	1/01/83	8,200,365.79	0.00	0.00	5,227,733.07	205,009.14	5,432,742.21	2,767,623.58	S/L	40.0
49	WWTP - 1986	1/01/86	74,979.96	0.00	0.00	42,176.25	1,874.50	44,050.75	30,929.21	S/L	40.0
54	WWTP - 1987	1/01/87	6,966.44	0.00	0.00	3,744.44	174.16	3,918.60	3,047.84	S/L	40.0
71	WWTP - 1991	1/01/91	3,329.97	0.00	0.00	1,456.87	83.25	1,540.12	1,789.85	S/L	40.0
130	WWTP - NORTHSIDE UPGRADE	1/01/98	490,511.48	0.00	0.00	128,759.29	12,262.79	141,022.08	349,489.40	S/L	40.0
229	Install Verbatim Unit for Alarms	7/01/03	943.88	0.00	0.00	471.95	94.39	566.34	377.54	S/L	10.0
247	Fencing Posts & Wire	3/11/04	546.16	0.00	0.00	118.34	27.31	145.65	400.51	S/L	20.0
267	SAFETY RAILING - NORTHSIDE	9/30/04	5,311.76	0.00	0.00	995.96	265.59	1,261.55	4,050.21	S/L	20.0
282	DC Drive Flexpak 5 HP	6/02/05	1,210.50	0.00	0.00	373.24	121.05	494.29	716.21	S/L	10.0
296	S210K Chlorinator Feed System	10/11/05	3,235.87	0.00	0.00	444.93	161.79	606.72	2,629.15	S/L	20.0
309	Press Drive Unit	4/14/06	1,221.54	0.00	0.00	137.43	61.08	198.51	1,023.03	S/L	20.0
310	Yeoman Centrifugal Pump Rebuild	4/17/06	3,100.00	0.00	0.00	335.83	155.00	490.83	2,609.17	S/L	20.0

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Asset *	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
<b>Group: 222WASTEWATR TREATMT PLTS (continued)</b>											
319	Indoor Evaporator Coil	5/19/06	698.00	0.00	0.00	72.71	34.90	107.61	590.39	S/L	20.0
320	Flygt Adapter Bracket	5/30/06	165.11	0.00	0.00	17.21	8.26	25.47	139.64	S/L	20.0
322	2 Ton Heat Pump Unit	6/09/06	1,163.00	0.00	0.00	121.15	58.15	179.30	983.70	S/L	20.0
325	5 TON TRANE AIR HANDLER	8/09/06	2,078.24	0.00	0.00	398.33	207.82	606.15	1,472.09	S/L	10.0
341	NEMO PUMP	2/27/07	3,803.44	0.00	0.00	253.56	190.17	443.73	3,359.71	S/L	20.0
343	ECHO TRIMMER 8345180	3/12/07	127.99	0.00	0.00	34.13	25.60	59.73	68.26	S/L	5.0
348	REBUILD CLARIFIERS	3/31/07	58,646.45	0.00	0.00	3,665.40	2,932.32	6,597.72	52,048.73	S/L	20.0
349	PIRANHA PUMP - 1.3HP	3/31/07	1,676.00	0.00	0.00	104.75	83.80	188.55	1,487.45	S/L	20.0
350	SUTORBILT BLOWER	4/27/07	1,353.14	0.00	0.00	78.94	67.66	146.60	1,206.54	S/L	20.0
366	ROLLING STEEL DOOR	10/03/07	3,700.00	0.00	0.00	138.75	185.00	323.75	3,376.25	S/L	20.0
371	SPECTROPHOTOMETER	12/26/07	2,478.99	0.00	0.00	123.95	247.90	371.85	2,107.14	S/L	10.0
372	BEARINGS & MOTORS	1/01/08	5,962.97	0.00	0.00	149.07	298.15	447.22	5,515.75	S/L	20.0
383	A-C SERIES 2000 PUMP	3/13/08	1,804.00	0.00	0.00	30.07	90.20	120.27	1,683.73	S/L	20.0
388	WEMCO MODEL E CENTRIFUG.	4/18/08	5,803.00	0.00	0.00	48.36	290.15	338.51	5,464.49	S/L	20.0
393	RAILING REPLACEMENT	6/02/08	2,965.20	0.00	0.00	12.35	148.26	160.61	2,804.59	S/L	20.0
397	JOHN DEERE Z830 MOWER	7/31/08	7,261.00	0.00c	0.00	0.00	665.59	665.59	6,595.41	S/L	10.0
398	45000 BTU HEATER	2/12/09	1,142.00	0.00c	0.00	0.00	23.79	23.79	1,118.21	S/L	20.0
<b>222WASTEWATR TREATMT PLTS</b>			<b>8,892,551.88</b>	<b>0.00c</b>	<b>0.00</b>	<b>5,411,996.33</b>	<b>225,847.77</b>	<b>5,637,844.10</b>	<b>3,254,707.78</b>		
<b>Group: 223MACHINERY &amp; EQUIPMENT</b>											
41	MACHINE & EQUIP 1984 AND B	1/01/84	232,991.65	0.00	0.00	232,991.65	0.00	232,991.65	0.00	S/L	20.0
45	MACHINE & EQUIP 1985	1/01/85	14,764.06	0.00	0.00	14,764.06	0.00	14,764.06	0.00	S/L	20.0
50	MACHINE & EQUIP 1986	1/01/86	1,109.20	0.00	0.00	1,109.20	0.00	1,109.20	0.00	S/L	20.0
57	MACHINE & EQUIP 1988	1/01/88	8,534.14	0.00	0.00	8,534.14	0.00	8,534.14	0.00	S/L	20.0
62	MACHINE & EQUIP 1989	1/01/89	17,799.23	0.00	0.00	17,354.22	445.01	17,799.23	0.00	S/L	20.0
67	MACHINE & EQUIP 1990	1/01/90	31,769.68	0.00	0.00	29,386.88	1,588.48	30,975.36	794.32	S/L	20.0
72	MACHINE & EQUIP 1991	1/01/91	36,437.09	0.00	0.00	31,882.38	1,821.85	33,704.23	2,732.86	S/L	20.0
76	MACHINE & EQUIP 1992	1/01/92	33,051.78	0.00	0.00	27,267.73	1,652.59	28,920.32	4,131.46	S/L	20.0
85	MACHINE & EQUIP 1994	1/01/94	32,527.08	0.00	0.00	23,582.08	1,626.35	25,208.43	7,318.65	S/L	20.0
116	MACHINE & EQUIP 1997 (FROM	1/01/97	1,871,698.00	0.00	0.00	1,076,226.35	93,584.90	1,169,811.25	701,886.75	S/L	20.0
163	HERRICK COMPANY	3/31/99	4,555.00	0.00	0.00	2,106.69	227.75	2,334.44	2,220.56	S/L	20.0
170	MACHINERY & EQUIP 2000	1/01/00	4,168.50	0.00	0.00	1,771.65	208.43	1,980.08	2,188.42	S/L	20.0
185	MACHINERY & EQUIP 2001	1/01/01	83,529.20	0.00	0.00	31,323.45	4,176.46	35,499.91	48,029.29	S/L	20.0
204	MACHINE & EQUIP-2002	1/01/02	24,570.73	0.00	0.00	7,985.51	1,228.54	9,214.05	15,356.68	S/L	20.0
220	Mach & Equip - 2003	1/01/03	78,071.98	0.00	0.00	21,469.80	3,903.60	25,373.40	52,698.58	S/L	20.0
240	Sewer Machinery & Equipment-200	1/01/04	89,159.66	0.00	0.00	20,060.91	4,457.98	24,518.89	64,640.77	S/L	20.0
271	Sewer Machinery & Equipment-200	1/01/05	49,483.22	0.00	0.00	8,659.56	2,474.16	11,133.72	38,349.50	S/L	20.0
390	REBUILDING OF RBC'S	4/30/08	10,927.72	0.00	0.00	91.06	546.39	637.45	10,290.27	S/L	20.0
<b>223MACHINERY &amp; EQUIPMENT</b>			<b>2,625,147.92</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,556,567.32</b>	<b>117,942.49</b>	<b>1,674,509.81</b>	<b>950,638.11</b>		
<b>Group: 224SEWERAGE PUMPING STATN</b>											
23	SEWER PUMP ST - 1975 AND BE	1/01/75	274,103.04	0.00	0.00	274,103.04	0.00	274,103.04	0.00	S/L	20.0
24	SEWER PUMP ST - 1976	1/01/76	20,990.16	0.00	0.00	20,990.16	0.00	20,990.16	0.00	S/L	20.0
26	SEWER PUMP ST - 1977	1/01/77	38,356.70	0.00	0.00	38,356.70	0.00	38,356.70	0.00	S/L	20.0
28	SEWER PUMP ST - 1978	1/01/78	60,831.53	0.00	0.00	60,831.53	0.00	60,831.53	0.00	S/L	20.0
30	SEWER PUMP ST - 1979	1/01/79	10,691.72	0.00	0.00	10,691.72	0.00	10,691.72	0.00	S/L	20.0

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<b>Group: 224SEWERAGE PUMPING STATN (continued)</b>											
33	SEWER PUMP ST - 1980	1/01/80	9,894.95	0.00	0.00	9,894.95	0.00	9,894.95	0.00	S/L	20.0
35	SEWER PUMP ST - 1981	1/01/81	702.87	0.00	0.00	702.87	0.00	702.87	0.00	S/L	20.0
42	SEWER PUMP ST - 1984	1/01/84	18,540.03	0.00	0.00	18,540.03	0.00	18,540.03	0.00	S/L	20.0
46	SEWER PUMP ST - 1985	1/01/85	9,296.60	0.00	0.00	9,296.60	0.00	9,296.60	0.00	S/L	20.0
51	SEWER PUMP ST - 1986	1/01/86	258.20	0.00	0.00	258.20	0.00	258.20	0.00	S/L	20.0
55	SEWER PUMP ST - 1987	1/01/87	7.89	0.00	0.00	7.89	0.00	7.89	0.00	S/L	20.0
58	SEWER PUMP ST - 1988	1/01/88	55.41	0.00	0.00	55.41	0.00	55.41	0.00	S/L	20.0
63	SEWER PUMP ST - 1989	1/01/89	59,115.82	0.00	0.00	57,637.91	1,477.91	59,115.82	0.00	S/L	20.0
77	SEWER PUMP ST - 1992	1/01/92	13,862.07	0.00	0.00	11,436.15	693.10	12,129.25	1,732.82	S/L	20.0
81	SEWER PUMP ST - 1993	1/01/93	17,563.85	0.00	0.00	13,611.95	878.19	14,490.14	3,073.71	S/L	20.0
86	SEWER PUMP ST - 1994	1/01/94	80,025.00	0.00	0.00	58,018.13	4,001.25	62,019.38	18,005.62	S/L	20.0
94	SEWER PUMP ST - 1995	1/01/95	6,608.70	0.00	0.00	4,460.94	330.44	4,791.38	1,817.32	S/L	20.0
102	SEWER PUMP ST - 1996	1/01/96	361,540.02	0.00	0.00	225,962.50	18,077.00	244,039.50	117,500.52	S/L	20.0
131	SEWER PUMP ST - 1998	1/01/98	12,441.59	0.00	0.00	6,531.84	622.08	7,153.92	5,287.67	S/L	20.0
153	SEWER PUMP ST - 1999	1/01/99	39,570.00	0.00	0.00	18,795.75	1,978.50	20,774.25	18,795.75	S/L	20.0
154	SEWER PUMP ST - 1999 - SINKII	1/01/99	90,000.00	0.00	0.00	42,750.00	4,500.00	47,250.00	42,750.00	S/L	20.0
162	SCOTT & RITTER	2/28/99	20,243.25	0.00	0.00	9,446.83	1,012.16	10,458.99	9,784.26	S/L	20.0
164	DALE HOLLOW RETAINAGE	4/30/99	2,249.25	0.00	0.00	1,030.88	112.46	1,143.34	1,105.91	S/L	20.0
165	SCOTT & RITTER	6/30/99	7,847.50	0.00	0.00	3,531.42	392.38	3,923.80	3,923.70	S/L	20.0
171	SEWER PUMP ST - 2000	1/01/00	79,515.00	0.00	0.00	33,793.88	3,975.75	37,769.63	41,745.37	S/L	20.0
186	SEWER PUMP ST-2001	1/01/01	71,835.71	0.00	0.00	26,938.42	3,591.79	30,530.21	41,305.50	S/L	20.0
205	SEWER PUMP STATION - 2002	1/01/02	101,313.09	0.00	0.00	32,926.73	5,065.65	37,992.38	63,320.71	S/L	20.0
221	Sewerage Pumping Stations-2003	1/01/03	54,357.00	0.00	0.00	14,948.18	2,717.85	17,666.03	36,690.97	S/L	20.0
241	Sewerage Pumping Stations-2004	1/01/04	33,731.47	0.00	0.00	7,589.57	1,686.57	9,276.14	24,455.33	S/L	20.0
259	Wal-Mart Pump Station	6/24/04	167,614.55	0.00	0.00	33,522.92	8,380.73	41,903.65	125,710.90	S/L	20.0
260	Conf. Center Pump Station	6/24/04	298,053.48	0.00	0.00	59,610.68	14,902.67	74,513.35	223,540.13	S/L	20.0
272	Sewerage Pumping Stations - 2005	1/01/05	30,508.17	0.00	0.00	5,338.93	1,525.41	6,864.34	23,643.83	S/L	20.0
287	Trail of Tears Lift Stations	8/12/05	8,679.00	0.00	0.00	1,265.69	433.95	1,699.64	6,979.36	S/L	20.0
289	Purafil Odorcarb - Michael & F.C.	9/15/05	12,705.90	0.00	0.00	1,800.01	635.30	2,435.31	10,270.59	S/L	20.0
291	Myers 5 HP Pump Rebuild	9/16/05	1,570.50	0.00	0.00	431.89	157.05	588.94	981.56	S/L	10.0
292	Myers 3 HP Grinder Pump	9/19/05	2,694.41	0.00	0.00	740.96	269.44	1,010.40	1,684.01	S/L	10.0
293	Rebuild CP3085 Pump	9/26/05	1,617.59	0.00	0.00	444.84	161.76	606.60	1,010.99	S/L	10.0
294	Repair Motor Control Boxes	9/30/05	1,142.01	0.00	0.00	314.05	114.20	428.25	713.76	S/L	10.0
295	Piranha Grinder Pump 68W	9/30/05	2,599.83	0.00	0.00	357.47	129.99	487.46	2,112.37	S/L	20.0
301	Lightning Damage Repair	12/10/05	2,500.00	0.00	0.00	645.83	250.00	895.83	1,604.17	S/L	10.0
311	ABS Pump - Sunset Park	4/30/06	3,828.49	0.00	0.00	414.74	191.42	606.16	3,222.33	S/L	20.0
336	ABS PUMP - 14HP	12/27/06	4,100.93	0.00	0.00	307.57	205.05	512.62	3,588.31	S/L	20.0
339	MOTOR SOFT START PUMP #4	1/05/07	4,800.25	0.00	0.00	720.04	480.03	1,200.07	3,600.18	S/L	10.0
340	REBUILD CP3300 PUMP - 77HP	1/26/07	7,367.50	0.00	0.00	1,043.73	736.75	1,780.48	5,587.02	S/L	10.0
346	REBUILD PUMPEX K103 PUMP	3/28/07	4,644.81	0.00	0.00	580.60	464.48	1,045.08	3,599.73	S/L	10.0
358	UPGRADE HUNTING CREEK PU	6/30/07	87,021.79	0.00	0.00	4,351.09	4,351.09	8,702.18	78,319.61	S/L	20.0
363	PEMBROKE-MYERS PUMP REB	9/07/07	4,372.07	0.00	0.00	364.34	437.21	801.55	3,570.52	S/L	10.0
369	CARDINAL DR-INSTALL BYPAS	11/20/07	2,174.25	0.00	0.00	63.42	108.71	172.13	2,002.12	S/L	20.0
377	REBUILD PUMP#1-SALUBRIA S	1/30/08	4,421.54	0.00	0.00	184.23	442.15	626.38	3,795.16	S/L	10.0
380	REBUILD PUMP#2-SALUBRIA S	2/25/08	4,421.54	0.00	0.00	147.38	442.15	589.53	3,832.01	S/L	10.0
381	MICHAEL AVE-PUMP#3 REBUI	2/28/08	5,361.00	0.00	0.00	178.70	536.10	714.80	4,646.20	S/L	10.0
386	REBUILD PUMP#2-SUNSET PAF	4/08/08	4,260.85	0.00	0.00	106.52	426.09	532.61	3,728.24	S/L	10.0
394	AME HOMES - PUMP REBUILD	6/09/08	2,999.33	0.00	0.00	24.99	299.93	324.92	2,674.41	S/L	10.0
399	NEW TOWNE STATION SEWER	9/23/08	36,190.81	0.00c	0.00	0.00	1,357.16	1,357.16	34,833.65	S/L	20.0

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<b>Group: 224SEWERAGE PUMPING STATN (continued)</b>											
400	SEWER PUMP	4/08/09	4,092.15	0.00c	0.00	0.00	102.30	102.30	3,989.85	S/L	10.0
401	ROCKBRIDGE STATION MOTOI	6/22/09	4,137.75	0.00c	0.00	0.00	0.00	0.00	4,137.75	S/L	10.0
402	SALUBRIA SPRINGS STATION I	6/30/09	10,051.40	0.00c	0.00	0.00	0.00	0.00	10,051.40	S/L	10.0
	<b>224SEWERAGE PUMPING STATN</b>		<b>2,219,480.32</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,126,100.80</b>	<b>88,654.20</b>	<b>1,214,755.00</b>	<b>1,004,725.32</b>		
<b>Group: 225SEWER MAINS &amp; LATERALS</b>											
2	SEWER MN & LAT 1957	1/01/58	515,510.11	0.00	0.00	515,510.11	0.00	515,510.11	0.00	S/L	50.0
4	SEWER MN & LAT 1958	1/01/59	22,132.36	0.00	0.00	21,911.17	221.19	22,132.36	0.00	S/L	50.0
5	SEWER MN & LAT 1959	1/01/60	850,233.96	0.00	0.00	824,726.98	17,004.68	841,731.66	8,502.30	S/L	50.0
6	SEWER MN & LAT 1960	1/01/60	155,663.43	0.00	0.00	150,993.59	3,113.27	154,106.86	1,556.57	S/L	50.0
7	SEWER MN & LAT 1962	1/01/62	37,973.52	0.00	0.00	35,315.36	759.47	36,074.83	1,898.69	S/L	50.0
8	SEWER MN & LAT 1963	1/01/63	46,942.14	0.00	0.00	42,717.22	938.84	43,656.06	3,286.08	S/L	50.0
9	SEWER MN & LAT 1964	1/01/64	105,778.90	0.00	0.00	94,143.31	2,115.58	96,258.89	9,520.01	S/L	50.0
10	SEWER MN & LAT 1965	1/01/65	87,128.88	0.00	0.00	75,802.23	1,742.58	77,544.81	9,584.07	S/L	50.0
11	SEWER MN & LAT 1966	1/01/66	163,866.98	0.00	0.00	139,286.95	3,277.34	142,564.29	21,302.69	S/L	50.0
12	SEWER MN & LAT 1967	1/01/67	44,406.16	0.00	0.00	36,856.98	888.12	37,745.10	6,661.06	S/L	50.0
14	SEWER MN & LAT 1968	1/01/68	213,974.94	0.00	0.00	173,319.75	4,279.50	177,599.25	36,375.69	S/L	50.0
15	SEWER MN & LAT 1969	1/01/69	191,813.47	0.00	0.00	151,532.66	3,836.27	155,368.93	36,444.54	S/L	50.0
16	SEWER MN & LAT 1970	1/01/70	126,822.70	0.00	0.00	97,653.33	2,536.45	100,189.78	26,632.92	S/L	50.0
17	SEWER MN & LAT 1971	1/01/71	110,325.43	0.00	0.00	82,744.12	2,206.51	84,950.63	25,374.80	S/L	50.0
19	SEWER MN & LAT 1972	1/01/72	164,244.03	0.00	0.00	119,898.12	3,284.88	123,183.00	41,061.03	S/L	50.0
20	SEWER MN & LAT 1973	1/01/73	100,805.15	0.00	0.00	71,571.55	2,016.10	73,587.65	27,217.50	S/L	50.0
22	SEWER MN & LAT 1974	1/01/74	154,903.54	0.00	0.00	106,883.42	3,098.07	109,981.49	44,922.05	S/L	50.0
25	SEWER MN & LAT 1976	1/01/76	371,121.30	0.00	0.00	241,228.97	7,422.43	248,651.40	122,469.90	S/L	50.0
27	SEWER MN & LAT 1977	1/01/77	428,065.37	0.00	0.00	269,681.26	8,561.31	278,242.57	149,822.80	S/L	50.0
29	SEWER MN & LAT 1978	1/01/78	1,470,812.53	0.00	0.00	897,195.57	29,416.25	926,611.82	544,200.71	S/L	50.0
31	SEWER MN & LAT 1979	1/01/79	169,281.61	0.00	0.00	99,876.19	3,385.63	103,261.82	66,019.79	S/L	50.0
34	SEWER MN & LAT 1980	1/01/80	58,359.03	0.00	0.00	33,264.64	1,167.18	34,431.82	23,927.21	S/L	50.0
36	SEWER MN & LAT 1981	1/01/81	67,650.56	0.00	0.00	37,207.77	1,353.01	38,560.78	29,089.78	S/L	50.0
37	SEWER MN & LAT 1982	1/01/82	74,503.84	0.00	0.00	39,487.12	1,490.08	40,977.20	33,526.64	S/L	50.0
39	SEWER MN & LAT 1983	1/01/83	12,812.69	0.00	0.00	6,534.37	256.25	6,790.62	6,022.07	S/L	50.0
43	SEWER MN & LAT 1984	1/01/84	7,346,639.84	0.00	0.00	3,599,853.62	146,932.80	3,746,786.42	3,599,853.42	S/L	50.0
47	SEWER MN & LAT 1985	1/01/85	81,753.93	0.00	0.00	38,424.39	1,635.08	40,059.47	41,694.46	S/L	50.0
52	SEWER MN & LAT 1986	1/01/86	1,029,198.84	0.00	0.00	463,139.53	20,583.98	483,723.51	545,475.33	S/L	50.0
56	SEWER MN & LAT 1987	1/01/87	550,544.44	0.00	0.00	236,734.10	11,010.89	247,744.99	302,799.45	S/L	50.0
59	SEWER MN & LAT 1988	1/01/88	252,797.28	0.00	0.00	103,646.89	5,055.95	108,702.84	144,094.44	S/L	50.0
64	SEWER MN & LAT 1989	1/01/89	248,398.07	0.00	0.00	96,875.23	4,967.96	101,843.19	146,554.88	S/L	50.0
68	SEWER MN & LAT 1990	1/01/90	12,199.06	0.00	0.00	4,513.64	243.98	4,757.62	7,441.44	S/L	50.0
73	SEWER MN & LAT 1991	1/01/91	50,863.59	0.00	0.00	17,802.24	1,017.27	18,819.51	32,044.08	S/L	50.0
78	SEWER MN & LAT 1992	1/01/92	67,327.95	0.00	0.00	22,218.24	1,346.56	23,564.80	43,763.15	S/L	50.0
82	SEWER MN & LAT 1993	1/01/93	54,528.70	0.00	0.00	16,903.85	1,090.57	17,994.42	36,534.28	S/L	50.0
87	SEWER MN & LAT 1994	1/01/94	45,370.19	0.00	0.00	13,157.32	907.40	14,064.72	31,305.47	S/L	50.0
95	SEWER MN & LAT 1995	1/01/95	65,562.39	0.00	0.00	17,701.86	1,311.25	19,013.11	46,549.28	S/L	50.0
103	SEWER MN & LAT 1996	1/01/96	962,262.11	0.00	0.00	240,565.50	19,245.24	259,810.74	702,451.37	S/L	50.0
117	SEWER MN & LAT 1997	1/01/97	52,617.98	0.00	0.00	12,102.14	1,052.36	13,154.50	39,463.48	S/L	50.0
132	SEWER MN & LAT 1998	1/01/98	27,022.41	0.00	0.00	5,674.72	540.45	6,215.17	20,807.24	S/L	50.0
155	SEWER MN & LATERAL - 1999	1/01/99	27,423.85	0.00	0.00	5,210.56	548.48	5,759.04	21,664.81	S/L	50.0

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 225SEWER MAINS &amp; LATERALS (continued)</b>											
156	SEWER MN & LAT 1999	1/01/99	3,294,561.94	0.00	0.00	625,966.78	65,891.24	691,858.02	2,602,703.92	S/L	50.0
157	SEWER MN & LAT 1999-COMM	1/01/99	654,217.15	0.00	0.00	124,301.23	13,084.34	137,385.57	516,831.58	S/L	50.0
158	SEWER MN & LAT 1999 - SINKI	1/01/99	360,085.44	0.00	0.00	68,416.24	7,201.71	75,617.95	284,467.49	S/L	50.0
166	SEWER MN & LAT 1999-MCGO\	6/30/99	119,734.08	0.00	0.00	21,552.12	2,394.68	23,946.80	95,787.28	S/L	50.0
172	SEWER MN & LT 2000	1/01/00	137,321.70	0.00	0.00	23,381.18	2,746.43	26,127.61	111,194.09	S/L	50.0
173	SEWER MN & LT 2000-MCGOW,	1/01/00	57,961.10	0.00	0.00	9,853.37	1,159.22	11,012.59	46,948.51	S/L	50.0
174	SEWER MN & LT 2000-SINKING	1/01/00	1,746.03	0.00	0.00	296.82	34.92	331.74	1,414.29	S/L	50.0
175	SEWER MN & LT 2000-COMMEI	1/01/00	73,118.92	0.00	0.00	12,430.23	1,462.38	13,892.61	59,226.31	S/L	50.0
187	SEWER MN & LAT 2001	1/01/01	56,409.61	0.00	0.00	8,461.43	1,128.19	9,589.62	46,819.99	S/L	50.0
188	SEWER MN & LAT-COMMERCE	1/01/01	30,519.21	0.00	0.00	4,577.85	610.38	5,188.23	25,330.98	S/L	50.0
189	SEWER MN & LAT-MCGOWAN	1/01/01	189,549.94	0.00	0.00	28,432.50	3,791.00	32,223.50	157,326.44	S/L	50.0
190	FLYNN SEWER RELOCATE	1/01/01	5,910.96	0.00	0.00	886.65	118.22	1,004.87	4,906.09	S/L	50.0
206	SEWER MAIN & LAT - 2002	1/01/02	45,069.98	0.00	0.00	5,859.10	901.40	6,760.50	38,309.48	S/L	50.0
222	Sewerage Mains & Laterals-2003	1/01/03	29,216.85	0.00	0.00	3,213.87	584.34	3,798.21	25,418.64	S/L	50.0
242	Sewer Mains & Laterals	1/01/04	20,332.86	0.00	0.00	1,829.97	406.66	2,236.63	18,096.23	S/L	50.0
261	Wal-Mart & Conf. Ctr Mains & Lat	6/24/04	173,592.71	0.00	0.00	13,887.40	3,471.85	17,359.25	156,233.46	S/L	50.0
273	Sewer Mains & Laterals - 2005	1/01/05	81,311.93	0.00	0.00	5,691.84	1,626.24	7,318.08	73,993.85	S/L	50.0
274	UK Co-op Ext Svc - Sewage Mains	1/01/05	314,580.48	0.00	0.00	22,020.63	6,291.61	28,312.24	286,268.24	S/L	50.0
302	Sewer Mains & Laterals - 2006	1/01/06	4,304,546.50	0.00	0.00	215,227.33	86,090.93	301,318.26	4,003,228.24	S/L	50.0
337	SEWER MAINS & LATERALS - 2	1/01/07	519,358.68	0.00	0.00	15,580.76	10,387.17	25,967.93	493,390.75	S/L	50.0
373	SEWER MAINS & LATERALS - 2	1/01/08	264,378.58	0.00	0.00	2,643.79	5,287.57	7,931.36	256,447.22	S/L	50.0
403	SEWER MAINS LATERALS - 200	1/01/09	2,129,227.34	0.00c	0.00	0.00	21,292.27	21,292.27	2,107,935.07	S/L	50.0
404	PHASE 5 SEWER PROJECT	1/01/09	2,105,282.04	0.00c	0.00	0.00	21,052.82	21,052.82	2,084,229.22	S/L	50.0
<b>225SEWER MAINS &amp; LATERALS</b>			<b>31,587,677.29</b>	<b>0.00c</b>	<b>0.00</b>	<b>10,474,377.66</b>	<b>578,876.78</b>	<b>11,053,254.44</b>	<b>20,534,422.85</b>		
<b>Group: 226CONST PER INT - SEWER</b>											
115	CONST PER INT 1996	7/01/96	134,599.08	0.00	0.00	40,379.76	3,364.98	43,744.74	90,854.34	S/L	40.0
133	CONST PER INT 1998	1/01/98	38,540.81	0.00	0.00	10,116.96	963.52	11,080.48	27,460.33	S/L	40.0
<b>226CONST PER INT - SEWER</b>			<b>173,139.89</b>	<b>0.00c</b>	<b>0.00</b>	<b>50,496.72</b>	<b>4,328.50</b>	<b>54,825.22</b>	<b>118,314.67</b>		
<b>Group: 227WWTP HAMMOND WOOD</b>											
40	WWTP HAMMOND WOOD	10/01/83	5,300,581.92	0.00	0.00	3,279,735.11	132,514.55	3,412,249.66	1,888,332.26	S/L	40.0
104	HAMMOND WOOD-CONTRACT	1/01/96	3,700,277.08	0.00	0.00	1,177,759.65	92,506.93	1,270,266.58	2,430,010.50	S/L	40.0
105	HAMMOND WOOD-CONTRACT	1/01/96	2,492,430.22	0.00	0.00	1,555,110.58	124,621.51	1,679,732.09	812,698.13	S/L	20.0
106	HAMMOND WOOD-CONTRACT	1/01/96	5,072.12	0.00	0.00	5,072.12	0.00	5,072.12	0.00	S/L	10.0
107	HAMMOND WOOD-CONTRACT	1/01/96	10,144.25	0.00	0.00	10,144.25	0.00	10,144.25	0.00	S/L	10.0
176	WWTP HAMMOND WOOD	1/01/00	3,718.93	0.00	0.00	3,161.07	371.89	3,532.96	185.97	S/L	10.0
191	WWTP HAMMOND WOOD 2001	1/01/01	1,225.00	0.00	0.00	918.75	122.50	1,041.25	183.75	S/L	10.0
277	(2) MARATHON PUMP DRIVE N	2/21/05	788.03	0.00	0.00	131.33	39.40	170.73	617.30	S/L	20.0
285	Polyurethane Foam Roof	6/30/05	22,487.03	0.00	0.00	3,373.05	1,124.35	4,497.40	17,989.63	S/L	20.0
286	2 - 4 Ton Heil Heat Pumps	7/31/05	4,748.76	0.00	0.00	1,385.06	474.88	1,859.94	2,888.82	S/L	10.0
288	Thermo Orion Lab Meter	8/12/05	1,282.05	0.00	0.00	373.94	128.21	502.15	779.90	S/L	10.0
299	UV 800136 Ballast	11/15/05	2,007.71	0.00	0.00	535.39	200.77	736.16	1,271.55	S/L	10.0
300	Press Room Heater	11/30/05	1,020.00	0.00	0.00	131.75	51.00	182.75	837.25	S/L	20.0
304	15 HP Hyd Submersible Pump Rebu	1/30/06	2,942.94	0.00	0.00	711.20	294.29	1,005.49	1,937.45	S/L	10.0
305	Rebuild CP3300 Pump	2/08/06	1,546.97	0.00	0.00	373.86	154.70	528.56	1,018.41	S/L	10.0

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 227WWTP HAMMOND WOOD (continued)</b>											
307	Eurodrive Motor & Gearbox	3/16/06	1,731.40	0.00	0.00	389.57	173.14	562.71	1,168.69	S/L	10.0
308	Overhaul CP300 Pump	3/16/06	4,576.00	0.00	0.00	1,029.60	457.60	1,487.20	3,088.80	S/L	10.0
316	Sludge Conveyor	5/18/06	6,248.00	0.00	0.00	650.83	312.40	963.23	5,284.77	S/L	20.0
317	Rebuild Aerator #3	5/18/06	11,285.05	0.00	0.00	2,351.04	1,128.50	3,479.54	7,805.51	S/L	10.0
318	Replace #4 Screw Bearing	5/18/06	3,532.76	0.00	0.00	736.00	353.28	1,089.28	2,443.48	S/L	10.0
323	Greyline Doppler Flowmeter	6/19/06	1,894.47	0.00	0.00	378.90	189.45	568.35	1,326.12	S/L	10.0
324	COFFING HOIST - STONE VALL	7/13/06	2,490.14	0.00	0.00	249.02	124.51	373.53	2,116.61	S/L	20.0
326	OXYGEN METER FOR LAB	8/31/06	1,089.00	0.00	0.00	199.65	108.90	308.55	780.45	S/L	10.0
327	REBUILD MYERS 15HP SUBME	9/08/06	2,515.12	0.00	0.00	461.10	251.51	712.61	1,802.51	S/L	10.0
328	ROSS PH METER	9/15/06	1,292.35	0.00	0.00	236.93	129.23	366.16	926.19	S/L	10.0
329	UV BALLAST & LAMPS	9/27/06	1,795.00	0.00	0.00	314.13	179.50	493.63	1,301.37	S/L	10.0
330	MOTOR SOFT START - STONE \	9/28/06	5,000.00	0.00	0.00	875.00	500.00	1,375.00	3,625.00	S/L	10.0
332	ABS PIRANHA GRINDER PUMP	10/19/06	2,281.88	0.00	0.00	190.15	114.09	304.24	1,977.64	S/L	20.0
347	BELT DRIVE ROEDIGER PRESS	3/30/07	3,251.10	0.00	0.00	203.20	162.56	365.76	2,885.34	S/L	20.0
353	FRIGIDARE REFRIGERATOR	5/14/07	368.00	0.00	0.00	42.93	36.80	79.73	288.27	S/L	10.0
354	REPLACE #3 SCREW PUMP MO	5/18/07	3,461.16	0.00	0.00	187.48	173.06	360.54	3,100.62	S/L	20.0
355	MYERS 5 HP PUMP - NORTH ML	5/23/07	3,120.87	0.00	0.00	169.04	156.04	325.08	2,795.79	S/L	20.0
356	MYERS 15 HP PUMP - CARDINA	5/30/07	5,594.82	0.00	0.00	303.05	279.74	582.79	5,012.03	S/L	20.0
360	REPAIRS #4 SCREW PUMP	7/31/07	13,054.94	0.00	0.00	1,196.70	1,305.49	2,502.19	10,552.75	S/L	10.0
362	HOT WATER HEATER	9/06/07	1,693.26	0.00	0.00	141.11	169.33	310.44	1,382.82	S/L	10.0
370	SPECTROPHOTOMETER	12/17/07	1,809.80	0.00	0.00	90.49	180.98	271.47	1,538.33	S/L	10.0
375	HONEYWELL DR4300 CHART R	1/23/08	1,640.50	0.00	0.00	34.18	82.03	116.21	1,524.29	S/L	20.0
384	DELL OPTI 330 PC	3/17/08	758.50	0.00	0.00	37.93	151.70	189.63	568.87	S/L	5.0
389	PREISER 5010 PROBE	4/24/08	595.28	0.00	0.00	9.92	59.53	69.45	525.83	S/L	10.0
395	LABTRONIX 2000D	6/14/08	2,932.74	0.00	0.00	24.44	293.27	317.71	2,615.03	S/L	10.0
405	REPLACE COUPLING ON SCRE	12/12/08	6,561.34	0.00c	0.00	0.00	382.74	382.74	6,178.60	S/L	10.0
406	REPLACE PUMP	12/16/08	4,961.50	0.00c	0.00	0.00	248.08	248.08	4,713.42	S/L	10.0
<b>227WWTP HAMMOND WOOD</b>			<b>11,645,807.99</b>	<b>0.00c</b>	<b>0.00</b>	<b>6,049,419.50</b>	<b>360,308.44</b>	<b>6,409,727.94</b>	<b>5,236,080.05</b>		

**Group: 230TRANSPORTATION EQUIPMT**

44	UNIT 28-1984 GMC DUMP TRUC	7/01/84	19,440.00	0.00	0.00	19,440.00	0.00	19,440.00	0.00	S/L	5.0
53	UNIT 23-1986 CHEV PICKUP	7/01/86	5,598.99	0.00	0.00	5,598.99	0.00	5,598.99	0.00	S/L	5.0
88	UNIT 17-1994 SAFARI VAN	1/01/94	13,917.20	0.00	0.00	13,917.20	0.00	13,917.20	0.00	S/L	5.0
92	UNIT 22-1992 NISSAN	11/01/94	9,999.00	0.00	0.00	9,999.00	0.00	9,999.00	0.00	S/L	5.0
93	UNIT 42-1992 GMC PICKUP	11/01/94	9,950.00	0.00	0.00	9,950.00	0.00	9,950.00	0.00	S/L	5.0
99	UNIT 6-1995 GMC	4/01/95	18,604.15	0.00	0.00	18,604.15	0.00	18,604.15	0.00	S/L	5.0
100	UNIT 38-1995 FORD PICKUP	5/01/95	15,742.39	0.00	0.00	15,742.39	0.00	15,742.39	0.00	S/L	5.0
101 *	UNIT 3-1995 GMC PICK-UP	6/01/95	13,981.99	0.00	0.00	13,981.99	0.00	13,981.99	0.00	S/L	5.0
112	UNIT 39-1996 1/2 TON GMC PICI	4/01/96	16,906.76	0.00	0.00	16,906.76	0.00	16,906.76	0.00	S/L	5.0
113	UNIT 12-1997 GMC DUMP TRUC	6/01/96	32,157.78	0.00	0.00	32,157.78	0.00	32,157.78	0.00	S/L	5.0
114	UNIT 16-1996 1/2 TON GMC PICI	6/01/96	12,730.00	0.00	0.00	12,730.00	0.00	12,730.00	0.00	S/L	5.0
125	1998 2-TON F-350 4X2 WHITE FC	9/30/97	24,382.94	0.00	0.00	24,382.94	0.00	24,382.94	0.00	S/L	5.0
127	GALION DUMP BODY-1998 F-35	10/31/97	7,525.00	0.00	0.00	7,525.00	0.00	7,525.00	0.00	S/L	5.0
167	ELGIN AUTO SALES	7/31/99	4,400.00	0.00	0.00	4,400.00	0.00	4,400.00	0.00	S/L	5.0
181	COLLINS BUICK-GMC TRUCK	2/29/00	17,481.84	0.00	0.00	17,481.84	0.00	17,481.84	0.00	S/L	5.0
182	STEWART'S TRUCK EQUIP	3/31/00	3,797.00	0.00	0.00	3,797.00	0.00	3,797.00	0.00	S/L	5.0
183	STEWART'S TRUCK EQUIP	4/30/00	8,009.00	0.00	0.00	8,009.00	0.00	8,009.00	0.00	S/L	5.0

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 230TRANSPORTATION EQUIPMT (continued)</b>											
196	WYATT-JOHNSON BUICK	2/28/01	9,995.00	0.00	0.00	9,995.00	0.00	9,995.00	0.00	S/L	5.0
197	RUDOLPH'S AUTO SALES	3/31/01	4,750.00	0.00	0.00	4,750.00	0.00	4,750.00	0.00	S/L	5.0
198	STALLONS AUTO SALES	4/30/01	9,501.00	0.00	0.00	9,501.00	0.00	9,501.00	0.00	S/L	5.0
199	Transportation Equipment	5/31/01	365.34	0.00	0.00	365.34	0.00	365.34	0.00	S/L	5.0
212	Service Bed Added to GMC Truck	1/31/02	1,872.50	0.00	0.00	1,872.50	0.00	1,872.50	0.00	S/L	5.0
213	Major Repairs to '91 GMC P/U (Tr	4/12/02	786.44	0.00	0.00	786.44	0.00	786.44	0.00	S/L	5.0
215	2002 GMC Pickup	5/03/02	13,117.50	0.00	0.00	13,117.50	0.00	13,117.50	0.00	S/L	5.0
216	Service Bed Added to GMC P/U	6/17/02	1,872.50	0.00	0.00	1,872.50	0.00	1,872.50	0.00	S/L	5.0
217	Rudolph's Auto Sales	7/31/02	3,500.00	0.00	0.00	3,500.00	0.00	3,500.00	0.00	S/L	5.0
228 *	Rudolph's Auto Sales	3/13/03	4,500.00	0.00	0.00	4,500.00	0.00	4,500.00	0.00	S/L	5.0
230	Rebuild Cushman Transmission	7/01/03	1,172.51	0.00	0.00	1,172.51	0.00	1,172.51	0.00	S/L	5.0
237	2004 Ford F350 Crew Truck-51531	12/08/03	12,432.59	0.00	0.00	11,396.55	1,036.04	12,432.59	0.00	S/L	5.0
238	2004 Ford F350 Crew Truck-51530	12/08/03	12,432.60	0.00	0.00	11,396.55	1,036.05	12,432.60	0.00	S/L	5.0
244	Used Service Bed & Installation #1	1/21/04	1,848.98	0.00	0.00	1,633.28	215.70	1,848.98	0.00	S/L	5.0
245	Used Service Bed & Installation #1	1/21/04	2,028.80	0.00	0.00	1,792.11	236.69	2,028.80	0.00	S/L	5.0
250	2000 Ford Ranger Pickup-15983	4/13/04	3,128.50	0.00	0.00	2,659.23	469.27	3,128.50	0.00	S/L	5.0
254	2004 GMC Pickup-307852	4/29/04	6,959.77	0.00	0.00	5,799.79	1,159.98	6,959.77	0.00	S/L	5.0
256	2004 Chevrolet 3500 Truck-328929	5/06/04	8,054.02	0.00	0.00	6,711.67	1,342.35	8,054.02	0.00	S/L	5.0
258	Knapheide Service Bed #33	5/25/04	1,884.50	0.00	0.00	1,539.01	345.49	1,884.50	0.00	S/L	5.0
279	16' TIM TRAIL ROLLER TRAILER	4/30/05	1,457.50	0.00	0.00	923.08	291.50	1,214.58	242.92	S/L	5.0
283	2005 Ford F150 Pickup-42896	6/17/05	18,545.75	0.00	0.00	11,127.45	3,709.15	14,836.60	3,709.15	S/L	5.0
334	FORD RANGER - 04305	12/01/06	2,000.00	0.00	0.00	633.33	400.00	1,033.33	966.67	S/L	5.0
357	FORD CARGO VAN - 11719	6/01/07	9,280.52	0.00	0.00	2,010.78	1,856.10	3,866.88	5,413.64	S/L	5.0
407	03 CHEVY ASTRO VAN #120626	10/02/08	3,050.00	0.00c	0.00	0.00	228.75	228.75	2,821.25	S/L	10.0
408	05 CHEVY ASTRO VAN #105488	12/15/08	3,216.30	0.00c	0.00	0.00	187.62	187.62	3,028.68	S/L	10.0
409	03 NISSAN ALTIMA	12/15/08	3,250.00	0.00c	0.00	0.00	189.58	189.58	3,060.42	S/L	10.0
415	RUDOLPH'S AUTO SALES	3/13/03	4,500.00	0.00	0.00	4,500.00	0.00	4,500.00	0.00	S/L	5.0
<b>230TRANSPORTATION EQUIPMT</b>			380,126.66	0.00c	0.00	348,179.66	12,704.27	360,883.93	19,242.73		
<b>*Less: Dispositions</b>			18,481.99	0.00	0.00	18,481.99	0.00	18,481.99	0.00		
<b>Net 230TRANSPORTATION EQUIPMT</b>			361,644.67	0.00c	0.00	329,697.67	12,704.27	342,401.94	19,242.73		
<b>Group: 231TRACTORS AND BACKHOES</b>											
108	TRACTORS & BACKHOES 1996	1/01/96	16,250.00	0.00	0.00	16,250.00	0.00	16,250.00	0.00	S/L	7.0
121	TRAILER - TRAILER WORLD	1/31/97	2,775.00	0.00	0.00	2,775.00	0.00	2,775.00	0.00	S/L	7.0
177	TRACTORS & BACKHOES 2000	1/01/00	26,600.00	0.00	0.00	26,600.00	0.00	26,600.00	0.00	S/L	7.0
<b>231TRACTORS AND BACKHOES</b>			45,625.00	0.00c	0.00	45,625.00	0.00	45,625.00	0.00		
<b>Group: 232GENERAL EQUIPMENT</b>											
21	GENERAL EQUIPMENT 1993 AN	1/01/73	115,533.44	0.00	0.00	115,533.44	0.00	115,533.44	0.00	S/L	20.0
89	GENERAL EQUIPMENT 1994	1/01/94	538.98	0.00	0.00	390.77	26.95	417.72	121.26	S/L	20.0
96	GENERAL EQUIPMENT 1995	1/01/95	14,318.70	0.00	0.00	9,665.19	715.94	10,381.13	3,937.57	S/L	20.0
109	GENERAL EQUIPMENT 1996	1/01/96	6,865.50	0.00	0.00	4,291.00	343.28	4,634.28	2,231.22	S/L	20.0
118	GENERAL EQUIPMENT 1997	1/01/97	1,858.85	0.00	0.00	1,068.81	92.94	1,161.75	697.10	S/L	20.0
128	GENERAL EQUIPMENT 1998	11/30/97	6,070.35	0.00	0.00	3,212.25	303.52	3,515.77	2,554.58	S/L	20.0
136	LEE RENTS	8/31/98	1,605.34	0.00	0.00	789.32	80.27	869.59	735.75	S/L	20.0



## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 232GENERAL EQUIPMENT (continued)</b>											
178	GENERAL EQUIPMENT 2000	1/01/00	10,236.76	0.00	0.00	4,350.64	511.84	4,862.48	5,374.28	S/L	20.0
192	GENERAL EQUIPMENT 2001	1/01/01	9,366.95	0.00	0.00	3,512.62	468.35	3,980.97	5,385.98	S/L	20.0
201	Two (2) Acutec 35 Leak Detectors	10/22/01	3,225.00	0.00	0.00	2,150.00	322.50	2,472.50	752.50	S/L	10.0
202	ATX 612 Gas Monitor & Supplies	10/29/01	232.00	0.00	0.00	154.67	23.20	177.87	54.13	S/L	10.0
207	General Equipment-2002	1/01/02	5,665.34	0.00	0.00	3,682.45	566.53	4,248.98	1,416.36	S/L	10.0
208	GIS Info System	1/01/02	7,688.43	0.00	0.00	7,139.27	549.16	7,688.43	0.00	S/L	7.0
214	Foxcroft CR-4312 Chart Recorder (	4/29/02	1,115.70	0.00	0.00	688.02	111.57	799.59	316.11	S/L	10.0
218	Raco Mfg - Gen'l Equip	9/20/02	2,015.00	0.00	0.00	579.31	100.75	680.06	1,334.94	S/L	20.0
219	Agri-Power - Gen'l Equip	10/31/02	1,250.00	0.00	0.00	354.17	62.50	416.67	833.33	S/L	20.0
227	McCraw Excav - Gen'l Equip	2/24/03	1,500.00	0.00	0.00	400.00	75.00	475.00	1,025.00	S/L	20.0
231	Ingersoll-Rand Light Tower	8/13/03	2,675.00	0.00	0.00	1,315.21	267.50	1,582.71	1,092.29	S/L	10.0
232	John Deere L120 Lawn Mower	8/20/03	1,979.10	0.00	0.00	1,913.13	65.97	1,979.10	0.00	S/L	5.0
270	RECONDITION DA30 ASPHALT	11/02/04	964.78	0.00	0.00	353.76	96.48	450.24	514.54	S/L	10.0
280	John Deere Gator - 10934	5/18/05	3,360.38	0.00	0.00	2,072.25	672.08	2,744.33	616.05	S/L	5.0
281	John Deere Gator - 135569	5/18/05	3,360.38	0.00	0.00	2,072.25	672.08	2,744.33	616.05	S/L	5.0
284	Arch Top Metal Planter	6/23/05	772.20	0.00	0.00	231.66	77.22	308.88	463.32	S/L	10.0
331	JET VAC TRUCK	10/17/06	226,641.00	0.00	0.00	37,773.50	22,664.10	60,437.60	166,203.40	S/L	10.0
333	PUSH/PULL CAMERA	10/31/06	6,991.00	0.00	0.00	2,330.33	1,398.20	3,728.53	3,262.47	S/L	5.0
345	CHAIN CUTTER HEAD FOR VAC	3/20/07	2,628.00	0.00	0.00	657.00	525.60	1,182.60	1,445.40	S/L	5.0
351	SEWER TV CAMERA & EQUIPM	5/01/07	65,704.93	0.00	0.00	7,665.57	6,570.49	14,236.06	51,468.87	S/L	10.0
378	MILLER WALK BEHIND CONCF	1/31/08	1,429.95	0.00	0.00	59.58	143.00	202.58	1,227.37	S/L	10.0
379	TRASH PUMPS	2/22/08	1,025.00	0.00	0.00	34.17	102.50	136.67	888.33	S/L	10.0
392	PRESSURE WASHER	5/16/08	448.96	0.00	0.00	3.74	44.90	48.64	400.32	S/L	10.0
410	M-40 AIR MONITOR	6/11/09	1,214.00	0.00c	0.00	0.00	10.12	10.12	1,203.88	S/L	10.0
	<b>232GENERAL EQUIPMENT</b>		<b>508,281.02</b>	<b>0.00c</b>	<b>0.00</b>	<b>214,444.08</b>	<b>37,664.54</b>	<b>252,108.62</b>	<b>256,172.40</b>		

**Group: 233OFFICE FURN, FIXT, EQP**

13	OFFICE FURN, FIXT, EQUIP 198	1/01/67	39,152.56	0.00	0.00	39,152.56	0.00	39,152.56	0.00	S/L	10.0
60	OFFICE FURN, FIXT, EQUIP 198	1/01/88	28,141.75	0.00	0.00	28,141.75	0.00	28,141.75	0.00	S/L	10.0
65	OFFICE FURN, FIXT, EQUIP 198	1/01/89	1,724.50	0.00	0.00	1,724.50	0.00	1,724.50	0.00	S/L	10.0
69	OFFICE FURN, FIXT, EQUIP 199	1/01/90	750.01	0.00	0.00	750.01	0.00	750.01	0.00	S/L	10.0
74	OFFICE FURN, FIXT, EQUIP 199	1/01/91	5,932.41	0.00	0.00	5,932.41	0.00	5,932.41	0.00	S/L	10.0
79	OFFICE FURN, FIXT, EQUIP 199	1/01/92	4,256.27	0.00	0.00	4,256.27	0.00	4,256.27	0.00	S/L	10.0
83	OFFICE FURN, FIXT, EQUIP 199	1/01/93	966.94	0.00	0.00	966.94	0.00	966.94	0.00	S/L	10.0
90	OFFICE FURN, FIXT, EQUIP 199	1/01/94	2,682.37	0.00	0.00	2,682.37	0.00	2,682.37	0.00	S/L	10.0
97	OFFICE FURN, FIXT, EQUIP 199	1/01/95	19,607.91	0.00	0.00	19,607.91	0.00	19,607.91	0.00	S/L	10.0
110	OFFICE FURN, FIXT, EQUIP 199	1/01/96	5,944.28	0.00	0.00	5,944.28	0.00	5,944.28	0.00	S/L	10.0
119	OFFICE FURN, FIXT, EQUIP 199	1/01/97	7,557.69	0.00	0.00	7,557.69	0.00	7,557.69	0.00	S/L	10.0
134	1/2 SHARP FAX MACHINE (COR	3/31/98	349.50	0.00	0.00	349.50	0.00	349.50	0.00	S/L	10.0
137	SOLLY OFFICE	8/31/98	302.05	0.00	0.00	297.06	4.99	302.05	0.00	S/L	10.0
138	SOLLY OFFICE	8/31/98	1,013.40	0.00	0.00	996.51	16.89	1,013.40	0.00	S/L	10.0
139	SOLLY OFFICE	10/31/98	610.50	0.00	0.00	590.15	20.35	610.50	0.00	S/L	10.0
141	HAYS FURNITURE	11/30/98	137.46	0.00	0.00	131.77	5.69	137.46	0.00	S/L	10.0
142	EMPLOYEE EXPENSES	11/30/98	94.87	0.00	0.00	90.94	3.93	94.87	0.00	S/L	10.0
144	SOLLY OFFICE	12/31/98	246.00	0.00	0.00	233.70	12.30	246.00	0.00	S/L	10.0
145	SOLLY OFFICE	12/31/98	395.65	0.00	0.00	375.91	19.74	395.65	0.00	S/L	10.0
146	SOLLY OFFICE	12/31/98	403.30	0.00	0.00	383.14	20.16	403.30	0.00	S/L	10.0

## Book Asset Detail 7/01/08 - 6/30/09

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Asset *	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
<b>Group: 233OFFICE FURN, FIXT, EQP (continued)</b>											
147	SOLLY OFFICE	12/31/98	388.90	0.00	0.00	369.46	19.44	388.90	0.00	S/L	10.0
160	BILL BELILES	1/31/99	456.50	0.00	0.00	429.87	26.63	456.50	0.00	S/L	10.0
179	FURN, FIX, EQUIP-2000	1/01/00	431.00	0.00	0.00	366.35	43.10	409.45	21.55	S/L	10.0
193	FURN.,FIX.,EQUIP.-2001	1/01/01	106.50	0.00	0.00	79.88	10.65	90.53	15.97	S/L	10.0
209	FURN, FIX & EQUIP-2002	1/01/02	3,531.78	0.00	0.00	2,295.67	353.18	2,648.85	882.93	S/L	10.0
251	A/R Collections Telephone System	4/13/04	1,449.50	0.00	0.00	616.04	144.95	760.99	688.51	S/L	10.0
257	4-Ton Air Conditioner	5/13/04	873.36	0.00	0.00	363.92	87.34	451.26	422.10	S/L	10.0
264	HON RIGHT PEDESTAL WOOD	8/25/04	334.00	0.00	0.00	128.03	33.40	161.43	172.57	S/L	10.0
265	GLOBE SIDE CHAIR-GRAY	8/26/04	40.00	0.00	0.00	15.33	4.00	19.33	20.67	S/L	10.0
268	ULTIMAIL 60 MAIL MACHINE	10/25/04	1,650.00	0.00	0.00	1,210.00	330.00	1,540.00	110.00	S/L	5.0
278	SECURITY CAMERA & RECORI	3/15/05	443.70	0.00	0.00	295.80	88.74	384.54	59.16	S/L	5.0
321	10 Ton Luxaire A/C Unit	5/31/06	1,741.00	0.00	0.00	362.71	174.10	536.81	1,204.19	S/L	10.0
365	PANASONIC PHONE SYSTEM	9/30/07	22,474.30	0.00	0.00	1,685.57	2,247.43	3,933.00	18,541.30	S/L	10.0
376	CREDENZA & CHAIR MATS	1/23/08	349.49	0.00	0.00	14.56	34.95	49.51	299.98	S/L	10.0
382	OFFICE CHAIRS & TABLES	3/03/08	500.00	0.00	0.00	16.67	50.00	66.67	433.33	S/L	10.0
385	HP LASERJET PRINTER	4/01/08	200.00	0.00	0.00	10.00	40.00	50.00	150.00	S/L	5.0
391	2 OFFICE CHAIRS	5/01/08	55.00	0.00	0.00	0.92	5.50	6.42	48.58	S/L	10.0
411	HON OFFICE DESK CHAIR	9/12/08	50.00	0.00c	0.00	0.00	4.17	4.17	45.83	S/L	10.0
<b>233OFFICE FURN, FIXT, EQP</b>			<b>155,344.45</b>	<b>0.00c</b>	<b>0.00</b>	<b>128,426.15</b>	<b>3,801.63</b>	<b>132,227.78</b>	<b>23,116.67</b>		
<b>Group: 234TWO-WAY RADIO EQUIPMNT</b>											
223	Radio Equipment-2003	1/01/03	10,603.56	0.00	0.00	10,603.56	0.00	10,603.56	0.00	S/L	5.0
364	DATA CONNECTS FOR REMOTI	9/26/07	1,271.91	0.00	0.00	95.39	127.19	222.58	1,049.33	S/L	10.0
<b>234TWO-WAY RADIO EQUIPMNT</b>			<b>11,875.47</b>	<b>0.00c</b>	<b>0.00</b>	<b>10,698.95</b>	<b>127.19</b>	<b>10,826.14</b>	<b>1,049.33</b>		
<b>Group: 235COMPUTER EQUIPMENT</b>											
61	COMPUTER EQUIPMENT 1988 /	1/01/88	4,555.21	0.00	0.00	4,555.21	0.00	4,555.21	0.00	S/L	5.0
66	COMPUTER EQUIPMENT 1989	1/01/89	3,110.52	0.00	0.00	3,110.52	0.00	3,110.52	0.00	S/L	5.0
70	COMPUTER EQUIPMENT 1990	1/01/90	684.38	0.00	0.00	684.38	0.00	684.38	0.00	S/L	5.0
75	COMPUTER EQUIPMENT 1991	1/01/91	793.70	0.00	0.00	793.70	0.00	793.70	0.00	S/L	5.0
80	COMPUTER EQUIPMENT 1992	1/01/92	2,296.62	0.00	0.00	2,296.62	0.00	2,296.62	0.00	S/L	5.0
84	COMPUTER EQUIPMENT 1993	1/01/93	24,339.00	0.00	0.00	24,339.00	0.00	24,339.00	0.00	S/L	5.0
91	COMPUTER EQUIPMENT 1994	1/01/94	2,862.40	0.00	0.00	2,862.40	0.00	2,862.40	0.00	S/L	5.0
98	COMPUTER EQUIPMENT 1995	1/01/95	24,926.35	0.00	0.00	24,926.35	0.00	24,926.35	0.00	S/L	5.0
111	COMPUTER EQUIPMENT 1996	1/01/96	15,191.76	0.00	0.00	15,191.76	0.00	15,191.76	0.00	S/L	5.0
120	COMPUTER EQUIPMENT 1997	1/01/97	4,173.32	0.00	0.00	4,173.32	0.00	4,173.32	0.00	S/L	5.0
122	1/2 GATEWAY2000 G6-233 COM	2/28/97	1,510.50	0.00	0.00	1,510.50	0.00	1,510.50	0.00	S/L	5.0
126	1/2 OKIDATA OL810 PRINTER	9/30/97	371.78	0.00	0.00	371.78	0.00	371.78	0.00	S/L	5.0
129	1/2 LAPTOP G5-166SE (GATEWA	11/30/97	774.50	0.00	0.00	774.50	0.00	774.50	0.00	S/L	5.0
135	1/2 AUTOCAD UPGRADE	3/31/98	177.17	0.00	0.00	177.17	0.00	177.17	0.00	S/L	5.0
140	CORNERSTONE INFORMATION	10/31/98	6,423.75	0.00	0.00	6,423.75	0.00	6,423.75	0.00	S/L	5.0
143	WAL-MART #653	11/30/98	379.29	0.00	0.00	379.29	0.00	379.29	0.00	S/L	5.0
148	1/2 1ST PAYMENT HARDWARE	12/31/98	20,078.75	0.00	0.00	20,078.75	0.00	20,078.75	0.00	S/L	5.0
149	GATE 2000	12/31/98	1,013.50	0.00	0.00	1,013.50	0.00	1,013.50	0.00	S/L	5.0
150	UNITED SYSTEMS & SOFTWAR	12/31/98	20,078.75	0.00	0.00	20,078.75	0.00	20,078.75	0.00	S/L	5.0
159	GEOGRAPHICAL INFORMATIO	1/01/99	42,806.91	0.00	0.00	33,888.78	3,567.24	37,456.02	5,350.89	S/L	12.0

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Asset *	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
<b>Group: 235COMPUTER EQUIPMENT (continued)</b>											
161	VISA	1/31/99	317.99	0.00	0.00	317.99	0.00	317.99	0.00	S/L	5.0
180	COMPUTER EQUIPMENT 2000	1/01/00	1,813.00	0.00	0.00	1,813.00	0.00	1,813.00	0.00	S/L	5.0
194	COMPUTER EQUIPMENT 2001	1/01/01	10,783.70	0.00	0.00	10,783.70	0.00	10,783.70	0.00	S/L	5.0
195	MAPSYNC GEOGRAPHICAL INI	1/01/01	27,387.45	0.00	0.00	17,117.17	2,282.29	19,399.46	7,987.99	S/L	12.0
200	Dell Dimension 4300 Series	9/24/01	1,018.00	0.00	0.00	1,018.00	0.00	1,018.00	0.00	S/L	5.0
210	Computer Equipment	1/01/02	7,114.95	0.00	0.00	7,114.95	0.00	7,114.95	0.00	S/L	5.0
211	Dell Dimension 4400 Series	1/17/02	701.50	0.00	0.00	701.50	0.00	701.50	0.00	S/L	5.0
224	Computer Equipment-2003	1/01/03	5,409.08	0.00	0.00	5,409.08	0.00	5,409.08	0.00	S/L	5.0
225	GIS-2003 Additions	1/01/03	4,677.83	0.00	0.00	2,572.79	467.78	3,040.57	1,637.26	S/L	10.0
226	Computer Equipment-Capital Lease	1/28/03	61,765.50	0.00	0.00	61,765.50	0.00	61,765.50	0.00	S/L	5.0
233	Itha Receipt Printer-2364685	8/21/03	287.00	0.00	0.00	277.43	9.57	287.00	0.00	S/L	5.0
234	Powerware Online Battery UPS	8/29/03	873.21	0.00	0.00	844.10	29.11	873.21	0.00	S/L	5.0
235	Autocad 2004 Upgrade Software	10/27/03	478.40	0.00	0.00	446.51	31.89	478.40	0.00	S/L	5.0
236	Arcview Upgrade Software	11/14/03	369.50	0.00	0.00	344.87	24.63	369.50	0.00	S/L	5.0
243	GIS-2004 Additions	1/01/04	4,076.70	0.00	0.00	3,669.03	407.67	4,076.70	0.00	S/L	5.0
246	Geni 3860D Printer	2/10/04	942.50	0.00	0.00	832.54	109.96	942.50	0.00	S/L	5.0
248	Microsoft Office 2000 Software Lic	3/31/04	1,523.50	0.00	0.00	1,294.98	228.52	1,523.50	0.00	S/L	5.0
249	Autocad 2005 Software License	4/12/04	2,499.00	0.00	0.00	2,124.15	374.85	2,499.00	0.00	S/L	5.0
252	Okidata B4300N Printer - 6241790-	4/20/04	287.50	0.00	0.00	239.58	47.92	287.50	0.00	S/L	5.0
253	Dell 4600 Pentium 4 Personal Com	4/25/04	697.50	0.00	0.00	581.25	116.25	697.50	0.00	S/L	5.0
255	Dell 2200MP Powerpoint Projector	5/04/04	486.75	0.00	0.00	405.63	81.12	486.75	0.00	S/L	5.0
262	SONY TAPE DRIVE	7/16/04	281.81	0.00	0.00	220.75	56.36	277.11	4.70	S/L	5.0
263	US ROBOTICS FAX/MODEM	7/16/04	35.65	0.00	0.00	27.93	7.72	35.65	0.00	S/L	5.0
266	(2) DELL DIMENSION 2400 PC'S	9/16/04	1,202.33	0.00	0.00	901.76	240.47	1,142.23	60.10	S/L	5.0
269	OKIDATA B4250 PRINTER	10/25/04	130.00	0.00	0.00	95.33	26.00	121.33	8.67	S/L	5.0
275	GIS Additions - 2005	1/01/05	4,102.83	0.00	0.00	2,871.99	820.57	3,692.56	410.27	S/L	5.0
276	(2) DELL DIMENSION 3000 PC'S	2/15/05	1,087.50	0.00	0.00	743.13	217.50	960.63	126.87	S/L	5.0
290	Dell Dimension 3000	9/15/05	452.50	0.00	0.00	256.42	90.50	346.92	105.58	S/L	5.0
297	Dell 670 GIS Workstation	10/17/05	2,143.63	0.00	0.00	1,143.28	428.73	1,572.01	571.62	S/L	5.0
298	(2) Dell Dimension 3000 PC's	10/17/05	906.30	0.00	0.00	483.36	181.26	664.62	241.68	S/L	5.0
303	GIS Additions - 2006	1/01/06	2,152.12	0.00	0.00	1,076.05	430.42	1,506.47	645.65	S/L	5.0
312	(2) Dell Optiplex 210L PC's	5/15/06	672.50	0.00	0.00	291.42	134.50	425.92	246.58	S/L	5.0
313	Dell Optiplex 210L	5/15/06	383.50	0.00	0.00	166.18	76.70	242.88	140.62	S/L	5.0
314	Dell Optiplex 210L	5/15/06	294.00	0.00	0.00	127.40	58.80	186.20	107.80	S/L	5.0
315	(5) Dell Optiplex GX620 PC's	5/15/06	2,256.42	0.00	0.00	977.77	451.28	1,429.05	827.37	S/L	5.0
338	GIS ADDITIONS - 2007	1/01/07	4,149.06	0.00	0.00	1,244.72	829.81	2,074.53	2,074.53	S/L	5.0
344	TRIMBLE HANDHELD GPS	3/13/07	5,363.19	0.00	0.00	1,430.19	1,072.64	2,502.83	2,860.36	S/L	5.0
367	DELL OPTIPLEX 320 PC	10/16/07	1,277.00	0.00	0.00	170.27	255.40	425.67	851.33	S/L	5.0
374	GIS ADDITIONS - 2008	1/01/08	12,588.54	0.00	0.00	1,258.85	2,517.71	3,776.56	8,811.98	S/L	5.0
387	DELL OPTI 330 PC	4/15/08	424.68	0.00	0.00	21.23	84.94	106.17	318.51	S/L	5.0
412	GIS ADDITIONS - 2009	1/01/09	14,133.59	0.00c	0.00	0.00	1,413.36	1,413.36	12,720.23	S/L	5.0
413	AUTOCAD LEGACY 2010	5/26/09	1,757.64	0.00c	0.00	0.00	29.29	29.29	1,728.35	S/L	5.0
414	2 DELL OPTIPLEX 360 PCS	6/25/09	670.00	0.00c	0.00	0.00	0.00	0.00	670.00	S/L	5.0
<b>235COMPUTER EQUIPMENT</b>			<b>366,523.51</b>	<b>0.00c</b>	<b>0.00</b>	<b>300,811.81</b>	<b>17,202.76</b>	<b>318,014.57</b>	<b>48,508.94</b>		

**Book Asset Detail 7/01/08 - 6/30/09**

FYE: 6/30/2009

<u>Asset</u>	<u>*</u>	<u>Property Description</u>	<u>Date In Service</u>	<u>Book Cost</u>	<u>Book Sec 179 Exp c</u>	<u>Book Sal Value</u>	<u>Book Prior Depreciation</u>	<u>Book Current Depreciation</u>	<u>Book End Depr</u>	<u>Book Net Book Value</u>	<u>Book Method</u>	<u>Book Period</u>
				<b>Grand Total</b>		60,382,630.32	0.00c	0.00	26,387,594.63	1,484,119.52	27,871,714.15	32,510,916.17
				<b>Less: Dispositions</b>		18,481.99	0.00	0.00	18,481.99	0.00	18,481.99	0.00
				<b>Net Grand Total</b>		<u>60,364,148.33</u>	<u>0.00c</u>	<u>0.00</u>	<u>26,369,112.64</u>	<u>1,484,119.52</u>	<u>27,853,232.16</u>	<u>32,510,916.17</u>

**ATTACHMENT 9**

**Pembroke - Sewer**

**Book Asset Detail 7/01/08 - 6/30/09**

FYE: 6/30/2009

*Pembroke - Sewer - Detail*

Asset *	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
<b>Group: 236PEMBROKE DIST. MAINS-S</b>											
1	SEWER MAINS & LATERALS -21	9/01/99	75,656.42	0.00	0.00	26,731.96	3,026.26	29,758.22	45,898.20	S/L	25.0
	<b>236PEMBROKE DIST. MAINS-S</b>		<u>75,656.42</u>	<u>0.00c</u>	<u>0.00</u>	<u>26,731.96</u>	<u>3,026.26</u>	<u>29,758.22</u>	<u>45,898.20</u>		
<b>Group: 237PEMBROKE SEWER PUMP ST</b>											
2	BAPTIST TOWN	9/01/99	20,000.00	0.00	0.00	17,666.67	2,000.00	19,666.67	333.33	S/L	10.0
3	WEBB FARM	9/01/99	20,000.00	0.00	0.00	17,666.67	2,000.00	19,666.67	333.33	S/L	10.0
4	HAILES AVENUE	9/01/99	20,000.00	0.00	0.00	17,666.67	2,000.00	19,666.67	333.33	S/L	10.0
5	MAINT STREET	9/01/99	40,000.00	0.00	0.00	35,333.33	4,000.00	39,333.33	666.67	S/L	10.0
6	SEWER PUMP	9/01/99	6,691.93	0.00	0.00	2,955.63	334.60	3,290.23	3,401.70	S/L	20.0
7	MAIN ST PUMP STATION	4/01/01	11,513.63	0.00	0.00	8,347.36	1,151.36	9,498.72	2,014.91	S/L	10.0
8	Pump Rebuild-Lift Station	2/27/02	1,407.93	0.00	0.00	891.67	140.79	1,032.46	375.47	S/L	10.0
9	Hop Elec Motor - 2003	3/06/03	3,963.54	0.00	0.00	1,056.96	198.18	1,255.14	2,708.40	S/L	20.0
10	OVERHAUL ABS ELECTRIC MC	1/07/05	1,273.29	0.00	0.00	891.31	254.66	1,145.97	127.32	S/L	5.0
	<b>237PEMBROKE SEWER PUMP ST</b>		<u>124,850.32</u>	<u>0.00c</u>	<u>0.00</u>	<u>102,476.27</u>	<u>12,079.59</u>	<u>114,555.86</u>	<u>10,294.46</u>		
	<b>Grand Total</b>		<u>200,506.74</u>	<u>0.00c</u>	<u>0.00</u>	<u>129,208.23</u>	<u>15,105.85</u>	<u>144,314.08</u>	<u>56,192.66</u>		

**ATTACHMENT 9**

**Crofton - Sewer**

Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

CROFTON

Asset *	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
<b>Group: 219ENGINEERING SVCS-M.P.</b>											
12	Master Plan Engineering Svcs	7/01/02	45,519.86	0.00	0.00	27,311.94	4,551.99	31,863.93	13,655.93	S/L	10.0
	219ENGINEERING SVCS-M.P.		45,519.86	0.00c	0.00	27,311.94	4,551.99	31,863.93	13,655.93		
<b>Group: 238CROFTON LAND</b>											
1	LAND	7/17/00	53,393.58	0.00	0.00	0.00	0.00	0.00	53,393.58	Memo	0.0
	238CROFTON LAND		53,393.58	0.00c	0.00	0.00	0.00	0.00	53,393.58		
<b>Group: 239CROFTON SEWER PUMP ST</b>											
2	STRUCTURE IMPROVEMENTS	7/17/00	179,581.70	0.00	0.00	118,474.03	14,965.14	133,439.17	46,142.53	S/L	12.0
3	STRUCTURE IMPROVEMENTS	7/17/00	7,358.25	0.00	0.00	4,480.99	566.02	5,047.01	2,311.24	S/L	13.0
7	Trans Ut/Level Sensor-Pump Statio	10/01/01	1,859.19	0.00	0.00	1,254.96	185.92	1,440.88	418.31	S/L	10.0
8	Recorder-Pump Station	10/01/01	1,235.30	0.00	0.00	833.83	123.53	957.36	277.94	S/L	10.0
9	Flyght Pump-DS Pump Station	4/01/02	4,489.00	0.00	0.00	2,805.63	448.90	3,254.53	1,234.47	S/L	10.0
10	Flyght Pump-Pump Station	5/01/02	4,489.00	0.00	0.00	2,768.22	448.90	3,217.12	1,271.88	S/L	10.0
11	Equipment-Water Plant	6/10/02	2,856.77	0.00	0.00	1,737.89	285.68	2,023.57	833.20	S/L	10.0
13	INSTALL FLUME & FLOW METI	8/28/06	4,380.00	0.00	0.00	401.50	219.00	620.50	3,759.50	S/L	20.0
14	REBUILD RELIANCE AERATOR	3/26/07	1,273.23	0.00	0.00	159.15	127.32	286.47	986.76	S/L	10.0
	239CROFTON SEWER PUMP ST		207,522.44	0.00c	0.00	132,916.20	17,370.41	150,286.61	57,235.83		
<b>Group: 240CROFTON DIST MAINS</b>											
4	DISTRIBUTION MAIN & ACCES	7/17/00	522,099.91	0.00	0.00	516,661.38	5,438.53	522,099.91	0.00	S/L	8.0
5	DISTRIBUTION MAIN & ACCES	7/17/00	18,431.49	0.00	0.00	18,239.52	191.97	18,431.49	0.00	S/L	8.0
6	CONSTRUCTION IN PROGRESS	7/17/00	415,643.32	0.00	0.00	10,391.08	10,391.08	20,782.16	394,861.16	S/L	40.0
	240CROFTON DIST MAINS		956,174.72	0.00c	0.00	545,291.98	16,021.58	561,313.56	394,861.16		
<b>Grand Total</b>			<u>1,262,610.60</u>	<u>0.00c</u>	<u>0.00</u>	<u>705,520.12</u>	<u>37,943.98</u>	<u>743,464.10</u>	<u>519,146.50</u>		



**ATTACHMENT 9**

**Oak Grove - Sewer**

## Book Asset Detail 7/01/08 - 6/30/09

FYE: 6/30/2009

Oak Grove - Sewer - Detail

Asset *	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
<b>Group: 324SEWER PUMP STATION-OG</b>											
1	SEWER PUMPING STATIONS	6/02/08	378,165.00	0.00	0.00	1,575.69	18,908.25	20,483.94	357,681.06	S/L	20.0
2	EMERGENCY GENERATOR	6/02/08	59,784.00	0.00	0.00	249.10	2,989.20	3,238.30	56,545.70	S/L	20.0
3	6 GRINDER PUMPS	6/02/08	4,512.00	0.00	0.00	37.60	451.20	488.80	4,023.20	S/L	10.0
4	3 SEWER PUMPS	6/02/08	6,131.00	0.00	0.00	51.09	613.10	664.19	5,466.81	S/L	10.0
20	60 LOCKS	6/11/08	396.00	0.00	0.00	3.30	39.60	42.90	353.10	S/L	10.0
23	PUMP STATION #1 DISCHARGE	7/03/08	609.63	0.00c	0.00	0.00	60.96	60.96	548.67	S/L	10.0
24	AMPG PUMP	12/02/08	1,475.00	0.00c	0.00	0.00	86.04	86.04	1,388.96	S/L	10.0
25	WOODARD #5 - NEW STARTER	3/26/09	2,160.17	0.00c	0.00	0.00	54.00	54.00	2,106.17	S/L	10.0
26	WOODARD #5 - CONTACTORS	4/30/09	1,607.51	0.00c	0.00	0.00	26.79	26.79	1,580.72	S/L	10.0
	<b>324SEWER PUMP STATION-OG</b>		<b>454,840.31</b>	<b>0.00c</b>	<b>0.00</b>	<b>1,916.78</b>	<b>23,229.14</b>	<b>25,145.92</b>	<b>429,694.39</b>		
<b>Group: 325SEWER MAINS&amp;LATS-OG</b>											
5	SEWER MAINS & LATERALS - 2	6/02/08	4,473,182.00	0.00	0.00	7,455.30	89,463.64	96,918.94	4,376,263.06	S/L	50.0
21	SEWER MAINS & LATERALS - 2	6/13/08	1,558.76	0.00	0.00	2.60	31.18	33.78	1,524.98	S/L	50.0
22	SEWER MAINS & LATERALS - 2	1/01/09	10,760.93	0.00c	0.00	0.00	107.61	107.61	10,653.32	S/L	50.0
	<b>325SEWER MAINS&amp;LATS-OG</b>		<b>4,485,501.69</b>	<b>0.00c</b>	<b>0.00</b>	<b>7,457.90</b>	<b>89,602.43</b>	<b>97,060.33</b>	<b>4,388,441.36</b>		
<b>Group: 327STRUCTURES- OG</b>											
6	WASTEWATER TREATMENT PI	6/02/08	1,943,285.00	0.00	0.00	5,398.01	64,776.17	70,174.18	1,873,110.82	S/L	30.0
7	PUMP STORAGE BUILDING	6/02/08	5,589.00	0.00	0.00	15.53	186.30	201.83	5,387.17	S/L	30.0
8	WAREHOUSE	6/02/08	8,707.00	0.00	0.00	24.19	290.23	314.42	8,392.58	S/L	30.0
9	WALL HEATER	6/02/08	1,319.00	0.00	0.00	10.99	131.90	142.89	1,176.11	S/L	10.0
10	AUTOMATIC TRANSFER SWITC	6/02/08	14,088.00	0.00	0.00	117.40	1,408.80	1,526.20	12,561.80	S/L	10.0
11	RAS PUMP	6/02/08	4,862.00	0.00	0.00	40.52	486.20	526.72	4,335.28	S/L	10.0
27	REPLACE SLUDGE PUMP	10/13/08	2,882.10	0.00c	0.00	0.00	108.08	108.08	2,774.02	S/L	20.0
28	ENCLOSE EFFLUENT WATER S	12/31/08	2,000.00	0.00c	0.00	0.00	50.00	50.00	1,950.00	S/L	20.0
	<b>327STRUCTURES- OG</b>		<b>1,982,732.10</b>	<b>0.00c</b>	<b>0.00</b>	<b>5,606.64</b>	<b>67,437.68</b>	<b>73,044.32</b>	<b>1,909,687.78</b>		
<b>Group: 330TRANSPORT EQUIP-OG</b>											
12	2006 FORD F350 TRUCK	6/02/08	26,127.00	0.00	0.00	217.73	2,612.70	2,830.43	23,296.57	S/L	10.0
13	INTL VAC CON TRUCK	6/02/08	47,852.00	0.00	0.00	398.77	4,785.20	5,183.97	42,668.03	S/L	10.0
	<b>330TRANSPORT EQUIP-OG</b>		<b>73,979.00</b>	<b>0.00c</b>	<b>0.00</b>	<b>616.50</b>	<b>7,397.90</b>	<b>8,014.40</b>	<b>65,964.60</b>		
<b>Group: 332GENERAL EQUIP-OG</b>											
14	SKID LOADER	6/02/08	5,000.00	0.00	0.00	41.67	500.00	541.67	4,458.33	S/L	10.0
15	LIFT CRANE	6/02/08	1,500.00	0.00	0.00	12.50	150.00	162.50	1,337.50	S/L	10.0
16	CHEMICAL SCALES	6/02/08	1,000.00	0.00	0.00	8.33	100.00	108.33	891.67	S/L	10.0
17	SEWER EQUIPMENT	6/02/08	5,659.00	0.00	0.00	47.16	565.90	613.06	5,045.94	S/L	10.0
18	3 KENWOOD TWO-WAY RADIO	6/03/08	1,962.72	0.00	0.00	16.36	196.27	212.63	1,750.09	S/L	10.0
19	SIGNAGE	6/05/08	572.50	0.00	0.00	4.77	57.25	62.02	510.48	S/L	10.0

**Book Asset Detail 7/01/08 - 6/30/09**

FYE: 6/30/2009

Asset *	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
<b>Group: 332GENERAL EQUIP-OG (continued)</b>											
	332GENERAL EQUIP-OG		<u>15,694.22</u>	<u>0.00c</u>	<u>0.00</u>	<u>130.79</u>	<u>1,569.42</u>	<u>1,700.21</u>	<u>13,994.01</u>		
	<b>Grand Total</b>		<u>7,012,747.32</u>	<u>0.00c</u>	<u>0.00</u>	<u>15,728.61</u>	<u>189,236.57</u>	<u>204,965.18</u>	<u>6,807,782.14</u>		

10. Provide an adjusted trial balance and audit adjustments for the proposed test period and the most recently completed fiscal year. The trial balance shall be traced and referenced directly to the general ledgers requested in Item 4.

**RESPONSE:**

Attached are the Adjusting Journal Entries and the Trial Balance for  
FYE June 30, 2009.

**WITNESS:** Russell King

**ATTACHMENT 10**

**ADJUSTING JOURNAL ENTRIES**

**and**

**TRIAL BALANCE**

Account #	Account Name / Description	Debits	Credits
06/30/2009	AJE 1 <hr/>		
01-02500-0000	SURPLUS	513,699.61	
01-02500-0001	SURPLUS-PEMBROKE WATER		331,878.00
01-02500-0002	SURPLUS-CROFTON WATER		83,505.00
02-02500-0000	SURPLUS-SEWER	235,470.94	
02-02500-0001	SURPLUS-PEMBROKE SEWER	177,407.00	
02-02500-0002	SURPLUS-CROFTON SEWER	9,142.45	
02-02500-0003	SURPLUS - OAK GROVE SEWER		520,337.00
ENTRY TO ADJUST SURPLUS ACCOUNTS TO ACTUAL AS PER EQUITY WORKSHEET AT YY-1.			
06/30/2009	AJE 2 <hr/>		
02-10050-0000	R&M MAINS & LATERALS SWR		47,187.64
02-05910-0000	CROFTON DEPRECIATION	4,551.99	
02-10500-0000	DEPRECIATION	42,635.65	
TO RECLASSIFY DEPRECIATION EXPENSE FOR HOPKINSVILLE AND CROFTON THAT WERE INCORRECTLY POSTED TO R&M.			
06/30/2009	AJE 3 <hr/>		
01-02310-0200	ACC INT KIA LOAN-PEMBROKE	12.20	
01-02170-0500	N/P PEMBROKE KIA SERVICE FEE	2.03	
01-30041-0000	INTEREST-PEMBROKE KIA		14.23
02-02310-0999	ACC INT PAY KIA LOAN-PHASE III	126.07	
02-30032-0000	INT ON KIA FUND PHASE III(3)		126.07
02-02310-0997	ACC INT PAY KIA LOAN-1997	266.94	
02-30031-0000	INT ON KIA FUND PHASE II(2)		266.94
01-02310-0201	ACC INT KIA LOAN-CROFTON	8.06	
01-30050-0000	KIA A94-01 CROFTON INTEREST		8.06
02-02310-0201	ACC INT KIA LOAN-CROFTON	8.07	
02-30050-0001	KIA A94-01 CROFTON INTEREST		8.07
01-02330-0000	ACC INT N/P CROFTON	351.36	
01-30120-0000	INT ON N/P CROFTON		351.36
02-02330-0000	ACC INT N/P CROFTON	351.36	
02-30120-0000	INT ON N/P CROFTON		351.36
01-02310-0505	ACC INT PAY ON BOND - 2005 SR A		900.01
01-30030-0505	INT ON 2005 BOND ISSUE	0.01	
01-02311-0205	ACC INT PAY ON BOND - 2005 SR B	900.00	
01-02310-0040	ACC INT PAY KIA FUND F		243.74
01-02310-0500	ACC INT PAY - KIA F0602	1,505.07	
01-30040-0003	INT ON KIA FUND F LOAN - WATER		535.82
02-02310-0040	ACCT INT PAY KIA FD A PHASE 4	219.03	
02-30033-0000	INT ON KIA FUND PHASE IV (4)		219.03
02-02310-0050	ACC INT PAY KIA FD A PHASE 5 - WW		280.45
02-30034-0000	INT ON KIA FUND A-PHASE V(5)	280.45	
01-02310-0207	ACC INT PAYABLE - KIA-LAKE BARKLEY	10,137.53	
01-02310-0500	ACC INT PAY - KIA F0602		10,137.53
02-02310-0204	ACC INT - KIA PHASE IV LOAN		219.03

Account #	Account Name / Description	Debits	Credits	
02-02310-0205	ACC INT - KIA PHASE V LOAN		113.57	
02-02310-0206	ACC INT - KIA PHASE II LOAN		266.91	
02-02310-0207	ACC INT - KIA PHASE III LOAN		126.00	
02-02310-0500	ACC INT - OAK GROVE BONDS		1,902.19	
02-30103-0000	INT ON OAK GROVE DEBT	1,902.19		
TO ADJUST ACCRUED INTEREST TO ACTUAL PER WORKSHEETS INCLUDED IN SECTION CC.				
06/30/2009		AJE 4 <hr/>		
02-00396-0000	OFFICE FURN, FIXT, EQUIP-OG	8,678.50		
02-02196-0000	CAPITAL LEASE - TELEPHONE SYSTEM		8,678.50	
TO RECORD THE LEASE OF A PANASONIC TELEPHONE SYSTEM FOR THE OAK GROVE SEWER DIVISION.				
06/30/2009		AJE 5 <hr/>		
02-05920-0000	OAK GROVE DEPRECIATION	867.85		
02-00396-0001	A/D-OFFICE FURN, FIXT, EQUIP-OG		867.85	
TO RECORD DEPRECIATION EXPENSE ON LEASED PANASONIC TELEPHONE SYSTEM FOR OAK GROVE.				
		Totals	1,008,524.36	1,008,524.36

ACCOUNT SUB DESCRIPTION	DEBIT	CREDIT
10 LAND	1,229,390.80	
10 LAND-CROFTON	34,504.09	
20 STRUCTURES	2,486,951.47	
20 1 RES FOR DEPREC. - STRUCTURES		1,190,932.54
30 ELEV. TANKS	3,461,495.64	
30 1 RES FOR DEPREC. ELEV. TANKS		1,552,094.04
40 INT DURING CONST	42,977.20	
40 1 RES FOR DEP - INT DURING CONST		29,309.62
50 TRANSMISSION MAINS	196,595.93	
50 1 RES FOR DEPREC. - TRANSMISSION		190,998.26
60 DISTR MAINS	14,569,794.53	
60 1 RES FOR DEPREC. DISTR MAINS		6,294,560.20
70 SERVICES	2,431,759.44	
70 1 RES FOR DEPREC. - SERVICES		1,169,048.17
80 METER AND INSTALLATIONS	2,371,519.55	
80 1 RES FOR DEPREC. - METER & INST		2,072,349.16
90 HYDRANTS	890,402.00	
90 1 RES FOR DEPREC. - HYDRANTS		413,253.82
100 PURIFICATION STRUCTURES	7,498,044.90	
100 1 RES FOR DEP. - PURIFICATION ST		2,628,788.76
110 PURIFICATION EQUIPMENT	4,598,288.04	
110 1 RES FOR DEP. - PURIFICATION EQ		3,262,272.91
120 CAST IRON PIPE LINES	44,435.59	
120 1 RES FOR DEP. - CAST IRON PIPE L		40,961.59
130 ELEC PUMPING EQUIPMENT	413,147.91	
130 1 RES FOR DEP. ELEC PUMPING EQUT		277,891.36
140 AUX POWER UNITS	128,790.41	
140 1 RES FOR DEP. AUX POWER UNITS		128,790.41
150 QUARRY RAW WATER SUPPLY-WATER	29,364,045.90	
150 1 RES FOR DEP-QUARRY-WATER		514,417.64
300 TRANS. EQUIPMENT	282,101.70	
300 1 RES FOR DEP. TRANS. EQUIP.		262,858.99
310 TRACTORS AND BACKHOES	114,591.00	
310 1 RES FOR DEP. TRACTORS AND BACK		71,897.77
320 GENERAL EQUIPMENT	293,346.05	
320 1 RES FOR DEP. - GENERAL EQUIPME		216,931.23
330 OFFICE FURN, FIXTURES, EQUIPME	159,777.35	
330 1 RES FOR DEP - FURN, FIXTURES,		137,082.82
340 TWO WAY RADIO EQUIPMENT	11,875.47	
340 1 RES FOR DEP. - TWO WAY RADIO EQ		10,826.14
350 COMPUTER EQUIPMENT	396,042.55	
350 1 RES FOR DEP. - COMPUTER EQUIPME		332,143.21
360 DISTR MAINS-PEMBROKE	465,588.09	
360 1 RES FOR DEPR. DISTR MAINS-PEMB		55,371.75
370 ELEV. WATER TANK-PEMBROKE	179,614.26	
370 1 RES FOR DEPREC. ELEV. TANK-PEM		21,783.54
375 CROFTON ELEVATED WATER TANKS	21,760.00	
375 1 RES FOR DEPREC. CROFTON		2,720.00
380 DISTR MAINS & LINES-CROFTON	19,738.64	
380 1 RES FOR DEPR. -DISTR MAINS-CROF		7,372.92
390 STRUCTURES-CROFTON	397,994.88	



ACCOUNT SUB DESCRIPTION DEBIT CREDIT

ACCOUNT	SUB	DESCRIPTION	DEBIT	CREDIT
390	1	RES FOR DEPRRC - STRUCTURES	36,572.97	
400	100	BOND & INT REDEMPTION FUND INV	52.54	
402	205	2005A BOND SINKING FUND	20.39	
403	205	2005B BOND SINKING FUND	66,023.58	
404	205	DEFERRED REFUNDING COST (96-05)	347.84	
430		INT RECEIVABLE-UNEMPLOYMENT\	11,765.34	
460	100	UNEMPLOYMENT COMPENSATION FUND	200.00	
600		CHANGE FUND-WATER	1,000.00	
610		PEPTY CASH - WATER	11,179.12	
650		OPER AND MAINT FUND-BB&T BANK	33,040.22	
650	1	PEMBROKE OPER & MAINT-BB&T	14,929.29	
650	2	CROFTON OPER & MAINT-BB&T	334,329.42	
660		OPER & MAINT-HERITAGE BANK	1,564.96	
660	1	PEMBROKE OPER & MAINT-HERITAGE	160,763.66	
660	2	CROFTON OPER & MAINT-HERITAGE	7,283.65	
665		HEALTH CLAIMS BANK A/C - BB&T	8,491.85	
667		AFLAC EMPLOYEE RETIB. -HERITAGE	301,871.89	
700		WATER CUSTOMER ACCOUNTS RECEIV	7,282.91	
700	1	WATER CUSTOMER ACCOUNTS RECEIV	13,316.32	
700	2	WATER CUSTOMER ACCOUNTS RECEIV	110,000.00	
717		AMT DUE FROM PEMB DIV TO HOPK	26,248.59	
720		WATER MISC ACCTS RECEIVABLE	256,000.00	
740		N/R CROFTON-HWEA (OLD USDA BOND	225,911.13	
800		STORES - WATER	306,029.13	
1140	205	2005A BOND DISCOUNT	11,495.69	
1145	205	2005B BOND DISCOUNT	277,360.47	
1150	205	2005A BOND ISSUANCE FEES	13,785.32	
1155	205	2005B BOND ISSUANCE FEES	935.00	
1520		WORK IN PROGRESS - WATER MAINS	570,304.90	
1520	2	WORK IN PROGRESS - WATER PLANT	6,000.00	
1640		STORM DAMAGE COSTS-FEMA TO PAY	42,425.40	
1860		NATURAL GAS PROTECT		23,560,000.00
2000	205	2005A WATER REVENUE BONDS		1,145,000.00
2001	205	2005B WATER REVENUE BONDS		112,366.71
2050	995	CITY OF HOPKINSVILLE LOAN-COMM		3,174,972.96
2100	995	KIA-FUND B WATER PLANT CONST L		1,444,869.43
2110		KIA FUND F0204-BARKLEY RAW WTR		3,743,089.39
2110	500	KIA FUND F0602-INTAKE SITE		103,051.58
2160	500	KIA PEMBROKE LOAN		17.18
2170	500	KIA PEMBROKE LOAN SERVICE FEE		173,426.99
2180	501	KIA CROFTON LOAN		256,000.00
2180	503	CROFTON-HWEA (OLD USDA BOND)		110,000.00
2194		AMT OWED HOPK DIV - PEMBROKE		14,202.24
2196		CAP LEASE - TELEPHONE SYSTEM		158,557.60
2200		ACCOUNTS PAYABLE-WATER		5,000.00
2200	59	US41 WIDENING-RETAIN. PAYABLE		5,000.00
2200	76	PENNYVILLE PKWAY EXT. RETAINAGE		13,346.69
2210		RETAIL SALES & USE TAX-WATER		262.38
2210	1	RETAIL SALES & USE TAX-PEMBROK		194.34
2210	2	RETAIL SALES & USE TAX-CROFTON		10,903.12
2220		SCHOOL UTIL TAX-WATER		

135,747.08

ACCOUNT SUB DESCRIPTION	DEBIT	CREDIT
2220 1 SCHOOL UTIL TAX-PEMBROKE DIVIS		209.16
2220 2 SCHOOL UTIL TAX-CROFTON DIVISI		378.78
2230 WATER CUSTOMER DEPOSITS		14,973.63
2300 100 EMPLOYEE INSURANCE-WATER		15,093.70
2310 40 ACCRUED INT ON KIA LOAN-FUND F		1,505.07
2310 200 ACCRUED INT ON KIA LOAN - PEMB		103.05
2310 201 ACCRUED INT ON KIA LOAN - CROF		86.72
2310 500 ACCRUED INT ON KIA F0204		10,137.53
2310 505 ACCRUED INT-BONDS 2005 ISSUE		228,215.32
2310 995 ACCRUED INT ON KIA FUND B LOAN		5,556.20
2311 205 ACCRUED INT BOND 2005 SRB		9,540.63
2320 ACCRUED PAYROLL - WATER		53,732.00
2350 ACCRUED VACATION PAY - WATER		24,376.56
2400 WATER SERVICE COLLECTED IN ADV		47,286.50
2500 1 SURPLUS-WATER		4,761,897.01
2500 2 SURPLUS-CROFTON WATER		525,723.00
2500 MONTHLY SURPLUS - WATER	321,249.01	150,700.00
2600 WATER LINES DONATED		1,884,023.19
2800 GRANTS-WATER		10,852,716.50
3010 WATER RESIDENTIAL SALES		2,085,242.96
3020 WATER COMMERCIAL SALES		1,045,661.51
3030 WATER INDUSTRIAL SALES		396,308.80
3040 WATER SALES TO GOVERN AGENCIES		1,040,035.17
3080 WATER PENALTY		80,020.86
3090 WATER SERVICE FEES		8,501.58
3100 WATER ALLOWANCES	26,543.51	
3110 PEMBROKE RESIDENTIAL SALES-WAT		50,029.14
3120 PEMBROKE COMMERCIAL SALES-WATE		25,308.70
3140 PEMBROKE SALES TO GOVERN AGENC		8,039.29
3180 PEMBROKE PENALTY-WATER		1,814.78
3190 PEMBROKE SERVICE FEES-WATER		80.00
3210 CROFTON RESIDENTIAL SALES-WATER		121,869.92
3220 CROFTON COMMERCIAL SALES-WATER		28,394.30
3240 CROFTON SALES TO GOVERN AGENCI		2,192.83
3280 CROFTON PENALTY-WATER		3,614.00
3290 CROFTON SERVICE FEES-WATER		180.00
4020 LABOR-SOURCE OF SUPPLY	5,595.31	
4030 SUPPLIES AND EXPENSES	398.00	
4040 REPAIRS TO SOURCE OF SUPPLY ST	798.00	
4070 REPAIRS TO SOURCE OF SUPPLY EQ	57.52	
4080 UTILITIES-QUARRY	72,822.01	
4100 GROUNDS & MAINTENANCE	4,822.38	
4140 UTILITIES-INPAKE SITE	370,884.17	
5020 PEMBROKE LABOR-DISTR-WATER	18,503.31	
5030 PEMBROKE LABOR-ADMINISTRATIVE	5,267.11	
5040 PEMBROKE SUPPLIES & EXPENSES	22,214.46	
5050 PEMBROKE ELEV. TANK UTILITIES	135.02	
5220 CROFTON LABOR-DISTR-WATER	26,584.72	

ACCOUNT SUB DESCRIPTION	DEBIT	CREDIT
5230 CROFTON LABOR-ADMINISTRATIVE	8,176.15	
5240 CROFTON SUPPLIES & EXPENSES-WA	44,805.17	
5270 CROFTON PLANT UTILITIES-WATER	2,198.42	
5900 PEMERKE DEPRECIATION	15,753.40	
5910 CROFTON DEPRECIATION	20,871.56	
6010 SUPERVISION-WATER PLANT	46,426.72	
6020 LABOR-WATER PLANT	246,480.15	
6030 CHEMICALS	295,206.56	
6040 MAINTENANCE TO STRUCTURES	1,497.24	
6050 MAINTENANCE TO EQUIPMENT	14,998.06	
6060 SUPPLIES AND EXPENSES	8,613.84	
6070 MAINT TO RESERVOIRS & TANKS	1,200.41	
6080 MISCELLANEOUS EXPENSES	73.27	
6110 GROUNDS & MAINTENANCE	878.46	
6120 LABORATORY WORK	44,288.40	
6130 LAB SUPPLIES AND EXPENSES	15,659.12	
6140 TRANSPORTATION EXPENSES	4,620.64	
6150 UTILITIES	264,471.97	
6160 TRAINING AND EDUCATION	1,802.26	
6170 WATER TANK UTILITIES	32,845.23	
7010 SUPERVISION-WATER DISTRIBUTION	44,774.64	
7020 LABOR-WATER DISTRIBUTION	213,916.69	
7030 SUPPLIES AND EXPENSES	26,065.18	
7040 SMALL TOOLS EXPENSE	985.96	
7050 REPAIRS TO DISTR STRUCTURES	90.56	
7080 REPAIRS TO DISTRIBUTION MAINS	32,240.56	
7090 REPAIRS TO SERVICES	12,452.78	
7100 REPAIRS TO METERS	287.13	
7110 REMOVING AND RESETTING METERS	49,456.71	
7120 TRANSPORTATION EXPENSES	28,058.37	
7130 GAS OIL TIRES-REP COMPR & TRAC	6,351.09	
7140 REPAIRS TO FIRE HYDRANTS	1,614.19	
7150 MISCELLANEOUS EXPENSES	1,381.75	
7160 GROUNDS & MAINTENANCE	11,776.17	
7170 TRAINING, EDUCATION & LICENSES	753.00	
8010 COMMISSIONERS SALARIES	6,000.00	
8020 OFFICE SALARIES-ADMINISTRATIVE	318,247.90	
8030 METER READING SALARIES	41,084.35	
8040 SUPPLIES AND EXPENSES	33,192.73	
8050 POSTAGE	19,133.18	
8060 TELEPHONE & 2-WAY RADIO EQUIP	16,546.16	
8070 INSURANCE PREMIUM	153,872.87	
8080 TRAINING AND LICENSES	4,970.86	
8090 PROFESSIONAL SERVICES	18,411.42	
8100 TRANSPORTATION EXPENSES	11,026.60	
8150 EMPLOYER BENEFITS	528,202.63	
8160 SAFETY PROGRAM	32,959.72	
8190 BLDG MAINTENANCE & UTILITIES	34,671.65	
8510 MISCELLANEOUS EXPENSES	29,098.42	
8520 LABOR-TECHNICAL SERVICES	96,202.77	
SUPPLIES AND EXPENSES	2,484.01	

ACCOUNT SUB	DESCRIPTION	DEBIT	CREDIT
8530	TRAINING, EDUCATION & LICENSES	121.00	
8540	TRANSPORTATION EXPENSES	3,753.34	
8550	MISCELLANEOUS EXPENSES	800.00	
1-0500	WATER DEPRECIATION	1,045,362.58	
2-0010	DISCOUNT ON PURCHASES-WATER		1,794.70
2-0020	BAD ACCOUNTS RECOVERED-WATER		7,752.74
2-0020	BAD ACCOUNTS RECOVERED-CROFTON		713.10
2-0020	BAD ACCOUNTS RECOVERED-PEMBROK		120.87
2-0050	RENTAL-LAKE TANDY-WATER INCOME		1.00
2-0060	INT-BOND & INTEREST REDEM FUND		1,935.62
2-0060	INT ON DEMPL COMP INVESTMENT		370.78
2-0070	INT-DEPRECIATION INVESTMENTS		4,089.58
2-0080	INT-CONST FUND INVESTMENTS		3,993.40
2-0090	CASH OVERAGE-WATER INCOME CRED	518.86	
2-0110	MISCELLANEOUS INCOME-WATER		12,522.31
2-0110	MISC INCOME-CROFTON-WATER INCO		3,100.00
2-0111	CAPITAL ASSETS CONTR-DEVELOPER		506,997.64
2-0120	INT-GENERAL REVENUE ACCOUNTS		3,509.95
2-0130	WATER CONNECTION FEES		43,436.00
2-0130	WATER CONNECTION FEES-CROFTON		2,600.00
2-0130	CONNECTION FEES-PEMBROKE-WATER		2,600.00
2-0140	WATER SERVICE FEES		44,281.93
2-0140	SERVICE FEES-CROFTON WATER		2,605.00
2-0140	SERVICE FEES-PEMBROKE-WATER		1,245.00
2-0160	GAIN ON SALE / FIXED ASSETS		2,217.98
3-0004	CAPITAL CREDIT PAYMENTS	144,400.00	
3-0005	REZ REBATE PAYMENTS	4,500.00	
3-0010	BAD ACCOUNTS CHARGED OFF-WATER	33,906.57	
3-0010	BAD ACCOUNTS CHARGED OFF-CROFT	2,793.90	
3-0010	BAD ACCOUNTS CHARGED OFF-PEMBR	468.73	
3-0030	INTEREST - 2005 BOND ISSUE	960,076.65	
3-0040	INT ON KIA FUND F LOAN - WATER	154,989.96	
3-0040	INT ON KIA FUND B9502 LOAN	59,155.79	
3-0041	INT ON KIA LOAN-PEMBROKE-WATER	1,556.74	
3-0050	KIA A94-01 CROFTON LOAN INT-SE	1,105.16	
3-0080	AMORT. 2005 BOND FEES & DISC.	49,055.52	
3-0120	INT ON NOTE PAYABLE-CROFTON-WA	1,054.05	

\*\*\*\*\* ERRORS \*\*\*\*\* COMPANY TOTALS 1,645,434.99 80,825,535.52 79,180,100.53

ACCOUNT SUB DESCRIPTION	DEBIT	CREDIT
100 3 LAND-CROFTON	53,393.58	
200 LAND-SEWER	288,055.36	
210 BLDG S-SEWER	1,384,011.56	652,671.50
210 1 RES FOR DEPRCC. -BLDG S-SEWER	144,501.86	86,304.03
219 ENGINEERING SVCS-MASTER PLAN	8,892,551.88	5,637,844.10
219 1 RES FOR DEP. -ENG SVCS MAS PLAN	2,625,147.92	1,674,509.81
220 NORTHSIDE WASTEWATER TREATMENT	2,219,480.32	1,214,755.00
220 1 RES FOR DEPRCC. -NORTHSIDE-SEW	31,587,677.29	11,053,254.44
230 MACHINERY AND EQUIPMENT-SEWER	173,139.89	54,825.22
230 1 RESERV FOR DEP-MACHINERY AND E		
240 SEWAGE PUMPING STATIONS-SEWER		
240 1 RESERV FOR DEP - SEWAGE PUMPIN		
250 SEWER MAINS AND LATERALS-SEWER		
250 1 RES FOR DEP - SEWER MAINS AND		
260 CONST PERIOD INT-SEWER		
260 1 RES FOR DEP-INT DURING CONST	11,645,807.99	6,409,727.94
270 HAMMOND-WOOD WASTEWATER TREATM	361,644.67	342,401.94
270 1 RES FOR DEPRCC. -HAMMOND-WOOD		
300 TRANS. EQUIPMENT-SEWER	45,625.00	45,625.00
300 1 RES FOR DEPRCC. -TRANS. -SEWER		
310 TRACTORS AND BACKHOES-SEWER	508,281.02	252,108.62
310 1 RES FOR DEP-TRACTORS AND BACKH		
320 GENERAL EQUIPMENT-SEWER	155,344.45	132,227.78
320 1 RES FOR DEP-GENERAL EQUIPMENT		
330 OFFICE FURN, FIXTURES AND EQUI	11,875.47	10,826.14
330 1 RES FOR DEP- FURN, FIXTURES & E		
340 TWO-WAY RADIO EQUIPMENT-SEWER	366,523.51	318,014.57
340 1 RES FOR DEP-TWO-WAY RADIO EQUI		
350 COMPUTER EQUIPMENT-SEWER	75,656.42	29,758.22
350 1 RES FOR DEP-COMPUTER EQUIPMENT		
360 SEWER MAINS AND LATERALS-PEMBO	124,850.32	114,555.86
360 1 RES FOR DEPR. - SEWER MAINS AN		
370 SEWAGE PUMPING STATIONS-PEMBO	207,522.44	150,286.61
370 1 RES. FOR DEPR. - SEWAGE PUMPIN		
380 STRUCTURES-CROFTON	956,174.72	561,313.56
380 1 RES FOR DEPRCC. - STRUCTURES		
390 DISTR MAINS-CROFTON	4,485,501.69	97,060.33
390 1 RES FOR DEPR. - DISTR MAINS-CR		
391 SEWER MAINS & LATERALS - OG	454,840.31	25,145.92
391 1 RES FOR DEP-MAINS/LATERALS-OG		
392 SEWAGE PUMPING STATIONS - OG	1,982,732.10	73,044.32
392 1 RES FOR DEPR-SEWAGE PUMP ST-OG		
393 STRUCTURES - OAK GROVE	15,694.22	1,700.21
393 1 RES FOR DEPR-STRUCTURES-OG		
394 SEWER EQUIPMENT-OAK GROVE	73,979.00	8,014.40
394 1 RES FOR DEP-SEWER EQ-OG		
395 TRANSPORTATION EQ - OAK GROVE	8,678.50	867.85
395 1 RES FOR DEP-TRANSP EQ - OG		
396 OFFICE FURN, FIXT & EQ-OG		
396 1 RES FOR DEPR-OFC FFE - OG		
430 INT REC-UNEMPLOYMENT COMP FUND	347.84	

ACCOUNT SUB DESCRIPTION DEBIT CREDIT

460	100	UNEMPLOYMENT COMP FUND INVESTM	11,765.33	
600		CHANGE FUND-SEWER	200.00	
610		PETTY CASH-SEWER	1,000.00	
650		OPER AND MAINT FUND-BB&T BANK	11,179.12	
650	1	PEMBROKE OPER & MAINT-BB&T	33,040.21	
650	2	CROFTON OPER & MAINT-BB&T	14,929.28	
660		OPER & MAINT-HERITAGE BANK	334,329.42	
660	1	PEMBROKE OPER & MAINT-HERITAGE	1,564.96	
660	2	CROFTON OPER & MAINT-HERITAGE	160,763.65	
660	3	CASH IN BANK-HERITAGE - OG	57,332.80	
665		HEALTH CLAIMS BANK A/C - BB&T	7,283.64	
700		SEWER CUSTOMER ACCOUNTS RECEIV	198,591.53	
700	1	SEWER CUSTOMER ACCOUNTS RECEIV	5,119.16	
700	2	SEWER CUSTOMER ACCOUNTS RECEIV	9,531.44	
700	3	SEWER ACCTS REC.-OAK GROVE	133,208.30	
716		RECEIVABLE-DUE FROM OAK GROVE	963,540.00	
730		NOTE RECEIVABLE-CHRISTIAN CO B	317,262.46	
735		NOTE RECEIVABLE-HOPK IND FOUN	290,739.78	
1960		PHASE 6 CONSTRUCTION ACCOUNT	3,772.63	
2050	994	KIA-FUND A WASTEWATER LOAN		3,418,734.08
2100	204	KIA FUND A PHASE IV		3,948,126.14
2100	205	KIA FUND A PHASE V LOAN		2,250,561.43
2100	997	KIA FUND A-PHASE II LOAN		1,578,241.35
2100	999	KIA FUND A-PHASE 3 LOAN		554,568.50
2140		LOAN PAYABLE - HERITAGE BANK		1,300,000.00
2150		OAK GROVE DEBT OBLIGATION		3,355,475.93
2150	100	DUE CITY OF OAK GROVE		2,193,222.00
2160		NOTE PAYABLE-PENNYROYAL CENTER		150,000.00
2180	501	KIA CROFTON LOAN		173,427.01
2195		PAYABLE-O.G. OWES HOPK. DIV.		963,540.00
2196		CAP LEASE - TELEPHONE SYSTEM		20,797.90
2200		ACCOUNTS PAYABLE-SEWER		125,473.73
2200	66	RETAINAGE-HAYDON BROS CONTRACT		8,515.98
2200	76	SRP PHASE 5 RETAINAGE PAYABLE		16,056.06
2230		SEWER CUSTOMER DEPOSITS		10,173.62
2300	100	EMPLOYEE INSURANCE-SEWER		15,093.71
2310	40	ACCURED INT ON KIA LOAN-FUND F		3,948.13
2310	50	ACCURED INT ON KIA LOAN PH V		2,250.56
2310	201	ACCURED INT ON KIA LOAN - CROF		86.71
2310	500	ACCURED INT-OAK GROVE BONDS		21,549.69
2310	993	ACCURED INT ON KIA LOAN-1993		3,986.93
2310	997	ACCURED INT ON KIA LOAN - 1997		2,630.40
2310	999	ACCURED INT ON KIA LOAN - PHAS		1,848.56
2320		ACCURED PAYROLL-SEWER		24,290.89
2325		ACCURED EXPENSES		7,939.45
2350		ACCURED VACATION PAY - SEWER		61,988.47
2500		SURPLUS-SEWER		7,710,211.00
2500	1	SURPLUS-PEMBROKE SEWER	51,903.00	
2500	2	SURPLUS-CROFTON SEWER		613,476.00
2500	3	SURPLUS-OAK GROVE SEWER		520,357.00
2501		MONTHLY SURPLUS - SEWER		2,050,886.51

ACCOUNT SUB	DESCRIPTION	DEBIT	CREDIT
2700	SEWER LINES DONATED-SEWER		1,897,807.47
2800	GRANTS-SEWER		11,149,442.45
3010	SEWER RESIDENTIAL SALES		2,082,570.40
3020	SEWER COMMERCIAL SALES		981,628.81
3030	SEWER INDUSTRIAL SALES		354,316.48
3040	SEWER SALES TO GOVERN AGENCIES		258,209.05
3080	SEWER PENALTY		78,461.07
3090	SEWER SERVICE FEES	39,755.75	8,501.59
3100	SEWER ALLOWANCES		46,394.96
3110	PEMBROKE RESIDENTIAL SALES-SEW		22,184.76
3120	PEMBROKE COMMERCIAL SALES-SEWE		1,672.64
3140	PEMBROKE SALES TO GOVERN AGENC		1,824.09
3180	PEMBROKE PENALTY-SEWER		85,110.80
3210	CROFTON RESIDENTIAL SALES-SEWE		18,680.59
3220	CROFTON COMMERCIAL SALES-SEWER		2,472.18
3240	CROFTON SALES TO GOVERN AGENCI		3,179.47
3280	CROFTON PENALTY-SEWER		889,034.10
3410	OG RESIDENTIAL SALES-SEWER		227,308.53
3420	OG COMMERCIAL SALES-SEWER		22,908.17
3440	OG SALES TO GOVERN AGENCIES-SEW		250.00
3490	OG SERVICE FEES-SEWER	7,383.15	
5010	PEMBROKE LABOR-PUMP STATIONS	948.89	
5020	PEMBROKE LABOR-DISTR-SEWER	3,912.42	
5030	PEMBROKE LABOR-ADMINISTRATIVE	37,296.76	
5040	PEMBROKE SUPPLIES & EXPENSES	5,622.23	
5050	PEMBROKE PUMP STATION UTILITIE	2,673.76	
5220	CROFTON LABOR-DISTR-SEWER	5,580.61	
5230	CROFTON LABOR-ADMINISTRATIVE	9,930.17	
5240	CROFTON SUPPLIES & EXPENSES-SE	4,540.15	
5250	CROFTON PUMP STATION UTILITIES	4,080.80	
5270	CROFTON PLANT UTILITIES-SEWER	5,657.70	
5280	CROFTON LABOR-PLANT-SEWER	13,159.08	
5410	SUPERVISION-OAK GROVE	71,361.27	
5420	LABOR-OAK GROVE WWTP	3,656.70	
5430	OAK GROVE CHEMICALS & MATERIAL	114.24	
5450	OAK GROVE TOOLS	5,473.59	
5460	OAK GROVE SUPPLIES & EXPENSES	118,908.61	
5470	OAK GROVE UTILITIES	5,540.96	
5480	OAK GROVE TRANSPORTATION EXP.	366.23	
5500	OAK GROVE MAINT TO BLDG & GRDS	13,723.90	
5510	OAK GROVE REPAIR TO MACH & EQ	5,418.47	
5515	REPAIRS TO MAINS & LATERALS	13,316.37	
5520	OAK GROVE LABORATORY WORK	2,037.21	
5530	OAK GROVE LAB SUPPLIES & EXP.	62,140.88	
5540	OAK GROVE MAINT. TO PUMP STATI	284.41	
5560	OAK GROVE MISCELLANEOUS EXP	32,081.72	
5570	OAK GROVE SLUDGE DISPOSAL.	468.51	
5580	OAK GROVE TRAINING, EDUC & LTC	32,457.44	
5600	OAK GROVE PUMP STATION UTILITY	18,776.65	
5605	BILLING & COLLECTION EXPENSE	15,049.49	
5610	OAK GROVE GRINDER PUMP UTIL.		

ACCOUNT SUB	DESCRIPTION	DEBIT	CREDIT
5900	PEMBROKE DEPRECIATION	15,105.85	
5910	CROFTON DEPRECIATION	37,943.98	
5920	OAK GROVE DEPRECIATION	190,104.42	
8010	COMMISSIONERS SALARIES	6,000.00	
8020	OFFICE SALARIES-ADMINISTRATIVE	317,420.66	
8030	METER READING SALARIES	42,081.55	
8040	OFFICE SUPPLIES AND EXPENSES	33,321.85	
8050	POSTAGE	19,133.17	
8060	TELEPHONE & 2-WAY RADIO EQUIP	16,516.58	
8070	INSURANCE PREMIUM	153,872.87	
8080	TRAINING AND LICENSES	4,970.89	
8090	PROFESSIONAL SERVICES	18,411.49	
8100	TRANSPORTATION EXPENSES	11,026.95	
8140	EMPLOYEE BENEFITS	555,578.04	
8150	SAFETY PROGRAM	32,959.90	
8160	BLDG MAINTENANCE & UTILITIES	34,884.60	
8180	MISCELLANEOUS EXPENSES	29,630.78	
8510	LABOR-TECHNICAL SERVICES	102,223.06	
8515	LABOR - CAMERA CREW	5,229.50	
8520	SUPPLIES AND EXPENSES	3,419.71	
8530	TRAINING, EDUCATION & LICENSES	17.50	
8540	TRANSPORTATION EXPENSES	3,711.62	
8550	MISCELLANEOUS EXPENSES	800.00	
9010	SUPERVISION-NORTHSIDE WWTP	142,748.13	
9020	LABOR-NORTHSIDE WWTP	11,532.00	
9030	CHEMICALS AND MATERIALS	35.84	
9050	TOOLS	4,297.58	
9060	SUPPLIES AND EXPENSES	97,022.66	
9070	UTILITIES	9,585.76	
9080	TRANSPORTATION EXPENSES	22,031.79	
9090	PERMIT AND PRETREATMENT COMPLI	6,221.39	
9100	MAINTENANCE TO BLDGS & GROUNDS	21,395.36	
9110	REPAIRS TO MACHINERY AND EQUIP	62,636.63	
9120	LABORATORY WORK	7,384.89	
9130	LAB SUPPLIES AND EXPENSES	50,768.59	
9140	MAINTENANCE TO PUMP STATIONS	18,405.09	
9170	SLUDGE DISPOSAL-NORTHSIDE WWTP	492.50	
9180	TRAINING, EDUCATION & LICENSES	17,307.84	
9200	PUMP STATION UTILITIES	119,339.72	
9520	LABOR-HAMMOND-WOOD WWTP	6,102.00	
9530	CHEMICALS AND MATERIALS	60.96	
9550	TOOLS	5,941.13	
9560	SUPPLIES & EXPENSES	238,869.00	
9570	UTILITIES	11,274.69	
9580	TRANSPORTATION EXPENSES	22,063.79	
9590	PERMIT & PRETREATMENT COMPLI	1,646.44	
9600	MAINTENANCE TO BLDGS & GROUNDS	22,930.69	
9610	REPAIRS TO MACHINERY & EQUIP	38,911.12	
9620	LABORATORY WORK	7,906.80	
9630	LAB SUPPLIES & EXPENSES	54,786.44	
9640	MAINTENANCE TO PUMP STATIONS		



ACCOUNT SUB	DESCRIPTION	DEBIT	CREDIT
9660	MISCELLANEOUS EXPENSES	30.00	
9670	SLUDGE DISPOSAL-HAMMOND-WOOD	59,100.96	
9680	TRAINING, EDUCATION & LICENSES	271.06	
9700	PUMP STATION UTILITIES	123,772.18	
1-0010	SUPERVISION-SEWER	32,298.23	
1-0020	LABOR-SEWER	117,815.07	
1-0025	LABOR - VACUUM TRUCK	12,160.72	
1-0030	SUPPLIES AND SMALL TOOLS-SEWER	9,988.44	
1-0040	GASOLINE, OIL AND TIRES-SEWER	31,629.56	
1-0050	REPAIRS TO MAINS AND LATERALS	15,871.74	
1-0060	REPAIRS TO SEMERAGE EQUIPMENT	2,191.63	
1-0070	REPAIRS TO TRUCKS-SEWER	75.26	
1-0090	DEVELOPER REBATES	17,595.44	
1-0500	SEWER DEPRECIATION	1,484,119.52	
2-0010	DISCOUNT ON PURCHASES-SEWER		46.08
2-0020	BAD ACCOUNTS RECOVERED-SEWER		4,689.29
2-0020	BAD ACCOUNTS RECOVERED-CROFTON		801.80
2-0020	BAD ACCOUNTS RECOVERED-PEMBROK		138.86
2-0050	INT INCOME-CC BOARD OF ED N/R		7,245.06
2-0060	10 INTEREST INCOME - OTHER INCOME		3,028.54
2-0060	20 INT ON UNEMPL COMP INVESTMENT		370.79
2-0080	100 INT-EQUIPMENT REPLACEMENT FUND		10,947.04
2-0090	CASH OVERAGE-SEWER	518.91	
2-0110	OTHER INCOME-SEWER		189,986.72
2-0111	CAPITAL ASSETS CONTRIBUTED		2,100,868.63
2-0120	INT-GENERAL REVENUE ACCOUNTS		3,762.47
2-0130	SEWER CONNECTION FEES		24,000.00
2-0130	100 SEWER CONNECTION FEES-CROFTON		1,400.00
2-0130	100 CONNECTION FEES-PEMBROK-SEWER		1,200.00
2-0131	SEWER CONNECTION FEES-OAK GROV		30,452.00
2-0140	SEWER SERVICE FEES		43,751.96
2-0150	INDUSTRIAL SURCHARGE-SEWER		7,024.63
2-0160	GAIN ON SALE / FIXED ASSETS		7,653.48
3-0005	REZ REBATE PAYMENTS	4,500.00	
3-0010	BAD ACCOUNTS CHARGED OFF-SEWER	38,043.97	
3-0010	100 BAD ACCOUNTS CHARGED OFF-CROFT	2,059.80	
3-0010	500 BAD ACCOUNTS CHARGED OFF-PEMBR	451.20	
3-0030	993 INTEREST EXPENSE-HERITAGE BANK	59,395.17	
3-0031	INT ON KIA FUND A-PHASE II LOA	33,436.96	
3-0032	INT ON KIA FUND A-PHASE 3 LOAN	23,068.83	
3-0033	INT ON KIA FUND A - PHASE IV	48,912.40	
3-0034	INT ON KIA FUND A - PHASE V	28,196.64	
3-0050	1 KIA A94-01 CROFTON LOAN INT-SE	1,105.15	
3-0103	INTEREST ON OAK GROVE DEBT	145,662.56	
3-0120	INT ON NOTE PAYABLE-CROFTON-SE	1,054.05	
***** ERRORS *****			
COMPANY TOTALS		1,645,434.99	76,927,284.57
			78,572,719.56

11. Provide the “Enterprise Funds Uniform Financial Information Report” that HWEA submitted to the Kentucky Department of Local Government for the fiscal years ending June 30, 2007, June 30, 2008, and June 30, 2009.

**RESPONSE:**

HWEA is not required to submit and, consequently, has not submitted the “Enterprise Funds Uniform Financial Information Report” to DLG.

**WITNESS:** Russell King

12.

- a. Identify all persons or entities to which HWEA provides wholesale water service.
- b. For each customer listed above, provide for each of the previous 24 months its monthly water usage and the amount that HWEA charged it for service.

**RESPONSE:**

- a. Christian County Water District (CCWD) is HWEA's only wholesale water customer.
- b. Attachment 12b sets forth HWEA's monthly water sales to CCWD (both volume and revenue) for each month of FYE June 30, 2007, 2008 and 2009. To be consistent with the information provided in response to Item 18, data has been provided for 36 months rather than 24 months.

**WITNESS:** Derrick W. Watson

## WHOLESALE WATER STATISTICS

Month	CCWD Usage 100 Cubic Feet	CCWD Usage Cubic Feet	CCWD Usage Gallons	CCWD Water Sales Revenue
<b>July 2006</b>	58,764	5,876,400	44,073,000	\$80,977.03
August	49,512	4,951,200	37,134,000	\$68,300.57
September	48,509	4,850,900	36,381,750	\$66,889.44
October	46,088	4,608,800	34,566,000	\$63,576.30
November	43,500	4,350,000	32,625,000	\$60,009.92
December	40,436	4,043,600	30,327,000	\$55,812.14
January 2007	46,406	4,640,600	34,804,500	\$64,007.87
February	45,910	4,591,000	34,432,500	\$63,327.29
March	43,300	4,330,000	32,475,000	\$59,746.87
April	51,230	5,123,000	38,422,500	\$70,615.64
May	52,862	5,286,200	39,646,500	\$72,852.54
June 2007	57,156	5,715,600	42,867,000	\$78,775.62
<b>Sub-Totals</b>	<b>583,673</b>	<b>58,367,300</b>	<b>437,754,750</b>	<b>\$804,891.23</b>
<b>July 2007</b>	51,101	5,110,100	38,325,750	\$70,479.42
August	55,432	5,543,200	41,574,000	\$76,413.57
September	52,536	5,253,600	39,402,000	\$72,445.25
October	52,652	5,265,200	39,489,000	\$72,605.13
November	45,009	4,500,900	33,756,750	\$62,133.25
December	45,795	4,579,500	34,346,250	\$63,210.48
January 2008	43,889	4,388,900	32,916,750	\$60,599.40
February	47,560	4,756,000	35,670,000	\$65,626.04
March	36,023	3,602,300	27,017,250	\$49,813.42
April	39,204	3,920,400	29,403,000	\$54,180.33
May	44,850	4,485,000	33,637,500	\$61,916.37
June 2008	50,039	5,003,900	37,529,250	\$69,024.88
<b>Sub-Totals</b>	<b>564,090</b>	<b>56,409,000</b>	<b>423,067,500</b>	<b>\$778,447.54</b>
<b>July 2008</b>	45,195	4,519,500	33,896,250	\$63,484.34
August	53,261	5,326,100	39,945,750	\$73,401.20
September	54,780	5,478,000	41,085,000	\$75,513.31
October	53,988	5,398,800	40,491,000	\$74,428.06
November	50,250	5,025,000	37,687,500	\$69,307.07
December	48,475	4,847,500	36,356,250	\$66,878.05
January 2009	54,509	5,450,900	40,881,750	\$75,141.48
February	51,502	5,150,200	38,626,500	\$71,061.97
March	34,039	3,403,900	25,529,250	\$47,093.44
April	38,259	3,825,900	28,694,250	\$52,879.08
May	43,950	4,395,000	32,962,500	\$60,703.99
June 2009	45,390	4,539,000	34,042,500	\$62,684.53
<b>Sub-Totals</b>	<b>573,598</b>	<b>57,359,800</b>	<b>430,198,500</b>	<b>\$792,576.52</b>

Q 13. a. Complete the table below for all sizes of line:

<b>Water Main Size</b>	<b>Total Miles of Line</b>	<b>Total Inch Miles</b>	<b>Miles of Lines Used By HWEA To Serve Its Wholesale Customer</b>	<b>Jointly Used Inch Miles</b>
<b>Raw Water Transmission Mains</b>				
36"	25.4	914.4	25.4	914.4
30"	0.7	21.0	0.7	21.0
24"	0.4	9.6	0.4	9.6
18"	0.5	9.0	0.5	9.0
12"	0.1	1.2	0.1	1.2
<b>Raw Water Sub-Total</b>	<b>27.1</b>	<b>955.2</b>	<b>27.1</b>	<b>955.2</b>
<b>Potable Water Mains</b>				
24"	0.0	0.0	0.0	0.0
20"	0.3	6.0	0.3	6.0
18"	0.9	16.2	0.9	16.2
16"	14.7	235.2	14.7	235.2
14"	0.1	1.4	0.1	1.4
12"	45.6	547.2	45.6	547.2
10"	6.1	61.0	6.1	61.0
8"	46.4	371.2	46.4	371.2
6"	122.7	736.2	110.4	662.4
4"	5.9	23.6	0.0	0.0
3"	0.1	0.3	0.0	0.0
2"	21.6	43.2	0.0	0.0
<b>Potable Water Sub-Total</b>	<b>264.5</b>	<b>2,041.5</b>	<b>224.6</b>	<b>1,900.6</b>
<b>GRAND TOTALS</b>	<b>291.6</b>	<b>2,996.7</b>	<b>251.7</b>	<b>2,855.8</b>

13. b. Who paid for the water mains that HWEA uses to deliver water to HWEA's wholesale customer?

**RESPONSE:** HWEA

**WITNESS:** Derrick W. Watson

14.

a. What is the maximum capacity of HWEA's water treatment plant?

**RESPONSE:** 8.5 million gallons per day (MGD)

b. For each of the customers listed in response to Item 12(a), state:

1) The amount of HWEA's total water treatment plant capacity currently reserved for that customer.

2) The minimum and maximum quantity of water (in gallons) that the customer may purchase in a month under the terms of its present water purchase contract with HWEA.

**RESPONSE:** No amount of HWEA's water treatment plant capacity is reserved for CCWD. CCWD is not contractually obligated to purchase any minimum amount of water from HWEA. CCWD may purchase up to a maximum of 2 million gallons per day and 49 million gallons per month from HWEA.

c. Describe the changes, if any, that HWEA expects within the next three years in the level of water treatment capacity reserved for each of the customers listed in Item 12(a) and state the reason(s) for HWEA's expectations.

**RESPONSE:** CCWD has expressed interest in increasing its maximum daily purchase amount from 2 MGD to 4 MGD once the Moss Water Treatment Plant Expansion Project has been completed. Contract negotiations have not yet commenced.

**WITNESS:** Derrick W. Watson

15.

- a. Who owns the master meter(s) through which HWEA provides water to the customers listed in Item 12(a)?

**RESPONSE:** HWEA

- b. Through how many master meters does HWEA provide water service to each of the customers listed in Item 12(a)?

**RESPONSE:** HWEA provides water service to CCWD at 13 different delivery points located primarily around the perimeter of HWEA's service area. A master meter, owned and maintained by HWEA, is located at each delivery point to measure the volume of water delivered to CCWD at each of these 13 delivery points. The location of each master meter is depicted on System Map #01 which is attached in response to Item 16.

- c. Who is responsible for maintaining these master meters?

**RESPONSE:** HWEA

**WITNESS:** Derrick W. Watson



16. Provide a system map showing all HWEA facilities that are used to serve the customers listed in Item 12(a). This map shall, at a minimum, show all master meters, pumping stations, storage tanks, water transmission mains, and water distribution mains used to serve the customers listed in Item 12(a). The size of all mains shall be clearly indicated on this map.

**RESPONSE:**

The CCWD is HWEA's only wholesale customer. Attached are two (2) system maps. **MAP #01** depicts the locations of the master meters, pumping stations, storage tanks, water treatment plant and certain other facilities used to serve CCWD. **MAP #02** depicts the locations and sizes of the raw water transmission main and the finished water transmission and distribution mains used to serve CCWD.

**WITNESS:** Derrick W. Watson

17. What portion, if any, of HWEA's water main(s) that serve the customers listed in Item 12(a) are gravity-fed?

**RESPONSE:**

No portion of HWEA's transmission and distribution mains are "gravity-fed". All potable water is pumped from the Moss Water Treatment Plant via high service pumps into the HWEA transmission and distribution mains. CCWD is served by this pressurized transmission and distribution system.

**WITNESS:** Derrick W. Watson

18.

- a. List HWEA's water sales (in gallons) for each month of the previous 36 months for each of its wholesale customers and for its retail customers.
- b. List the total amount billed by HWEA for water service for each month of the previous 36 months to each of its wholesale customers and to its retail customers.

**RESPONSE:**

See Attachments 18a and 18b. The volumetric sales are shown in cubic feet rather than gallons because all retail meters and all wholesale master meters register in cubic feet.

**WITNESS:** Derrick W. Watson

<b>WATER SALES - VOLUME</b>			
<b>Month</b>	<b>CCWD Sales 100 Cubic Feet</b>	<b>Retail Sales 100 Cubic Feet</b>	<b>Total Sales 100 Cubic Feet</b>
<b>July 2006</b>	58,764	162,110	220,874
August	49,512	152,281	201,793
September	48,509	157,936	206,445
October	46,088	140,912	187,000
November	43,500	138,150	181,650
December	40,436	133,175	173,611
January 2007	46,406	132,516	178,922
February	45,910	126,814	172,724
March	43,300	122,376	165,676
April	51,230	134,542	185,772
May	52,862	159,898	212,760
June 2007	57,156	167,465	224,621
<b>Sub-Totals</b>	<b>583,673</b>	<b>1,728,175</b>	<b>2,311,848</b>
<b>July 2007</b>	51,101	167,333	218,434
August	55,432	178,851	234,283
September	52,536	173,833	226,369
October	52,652	149,519	202,171
November	45,009	132,324	177,333
December	45,795	126,177	171,972
January 2008	43,889	117,253	161,142
February	47,560	119,987	167,547
March	36,023	105,254	141,277
April	39,204	113,807	153,011
May	44,850	123,925	168,775
June 2008	50,039	137,609	187,648
<b>Sub-Totals</b>	<b>564,090</b>	<b>1,645,872</b>	<b>2,209,962</b>
<b>July 2008</b>	45,195	157,605	202,800
August	53,261	156,929	210,190
September	54,780	154,549	209,329
October	53,988	151,216	205,204
November	50,250	125,224	175,474
December	48,475	113,149	161,624
January 2009	54,509	125,439	179,948
February	51,502	124,404	175,906
March	34,039	112,117	146,156
April	38,259	110,259	148,518
May	43,950	116,492	160,442
June 2009	45,390	126,764	172,154
<b>Sub-Totals</b>	<b>573,598</b>	<b>1,574,147</b>	<b>2,147,745</b>

<b>WATER SALES - REVENUE</b>			
<b>Month</b>	<b>CCWD Revenue</b>	<b>Retail Revenue</b>	<b>Total Revenue</b>
<b>July 2006</b>	\$80,977.03	\$329,609.44	\$410,586.47
August	\$68,300.57	\$309,435.50	\$377,736.07
September	\$66,889.44	\$329,438.48	\$396,327.92
October	\$63,576.30	\$301,843.37	\$365,419.67
November	\$60,009.92	\$295,466.31	\$355,476.23
December	\$55,812.14	\$290,465.97	\$346,278.11
January 2007	\$64,007.87	\$293,542.42	\$357,550.29
February	\$63,327.29	\$280,744.34	\$344,071.63
March	\$59,746.87	\$269,914.53	\$329,661.40
April	\$70,615.64	\$290,566.22	\$361,181.86
May	\$72,852.54	\$338,960.65	\$411,813.19
June 2007	\$78,775.62	\$358,701.79	\$437,477.41
<b>Totals</b>	<b>\$804,891.23</b>	<b>\$3,688,689.02</b>	<b>\$4,493,580.25</b>
<b>July 2007</b>	\$70,479.42	\$365,229.67	\$435,709.09
August	\$76,413.57	\$382,847.83	\$459,261.40
September	\$72,445.25	\$379,289.37	\$451,734.62
October	\$72,605.13	\$338,061.74	\$410,666.87
November	\$62,133.25	\$318,803.96	\$380,937.21
December	\$63,210.48	\$307,595.60	\$370,806.08
January 2008	\$60,599.40	\$296,147.01	\$356,746.41
February	\$65,626.04	\$297,190.46	\$362,816.50
March	\$49,813.42	\$269,904.87	\$319,718.29
April	\$54,180.33	\$283,518.74	\$337,699.07
May	\$61,916.37	\$306,031.09	\$367,947.46
June 2008	\$69,024.88	\$329,916.90	\$398,941.78
<b>Totals</b>	<b>\$778,447.54</b>	<b>\$3,874,537.24</b>	<b>\$4,652,984.78</b>
<b>July 2008</b>	\$63,484.34	\$370,033.12	\$433,517.46
August	\$73,401.20	\$364,527.67	\$437,928.87
September	\$75,513.31	\$363,644.59	\$439,157.90
October	\$74,428.06	\$358,599.90	\$433,027.96
November	\$69,307.07	\$307,792.02	\$377,099.09
December	\$66,878.05	\$288,081.41	\$354,959.46
January 2009	\$75,141.48	\$314,672.10	\$389,813.58
February	\$71,061.97	\$309,490.37	\$380,552.34
March	\$47,093.44	\$287,933.97	\$335,027.41
April	\$52,879.08	\$279,594.22	\$332,473.30
May	\$60,703.99	\$291,034.81	\$351,738.80
June 2009	\$62,684.53	\$312,059.71	\$374,744.24
<b>Totals</b>	<b>\$792,576.52</b>	<b>\$3,847,463.89</b>	<b>\$4,640,040.41</b>

19. Provide HWEA's current rate schedule for its retail customers and for each of its wholesale customers.

**RESPONSE:**

HWEA increased rates to all retail customers, effective September 1, 2009, by an average of approximately 37%. It also increased its wholesale service rates to CCWD by 37%, subject to approval by the PSC.

**Attachment 19** contains the current rate schedule for the Hopkinsville Utility Division, Pembroke Utility Division, Crofton Utility Division and the CCWD.

**WITNESS:** Derrick W. Watson

**ATTACHMENT 19**

**RATE SCHEDULES**

## Hopkinsville Utility Division Retail Rates

1	2	3
Meter Size	Minimum Bill	Usage (Cubic Feet )
5/8"	\$8.85	300
3/4"	\$18.00	610
1"	\$25.37	860
1-1/2"	\$45.73	1,550
2"	\$76.11	2,580
3"	\$160.19	5,430
4"	\$252.23	8,550
6"	\$843.70	28,600
8"	\$5,516.50	187,000

All water used in excess of the amount shown in Column 3 for a particular meter size will be billed at the rate of **\$2.95** per 100 cubic feet.

## Christian County Water District Wholesale Rate Schedule

USAGE	Current Rate Per 100 Cubic Feet	Proposed Rate Per 100 Cubic Feet
First 3,000 cubic feet	\$2.16	\$2.96
Next 3,000 cubic feet	\$1.89	\$2.59
Over 6,000 cubic feet	\$1.37	\$1.88



## Pembroke Utility Division Retail Rates

1	2	3
Meter Size	Minimum Bill	Usage (Cubic Feet )
5/8"	\$10.56	300
3/4"	\$21.47	610
1"	\$30.27	860
1-1/2"	\$54.56	1,550
2"	\$90.82	2,580
3"	\$191.14	5,430
4"	\$300.96	8,550
6"	\$1,006.72	28,600

All water used in excess of the amount shown in Column 3 for a particular meter size will be billed at the rate of **\$3.52** per 100 cubic feet.

## Crofton Utility Division

### Retail Rates For All Customers Except Lewis Road Customers

Usage	Amount
First 300 cubic feet	\$16.32 Minimum Bill
All over 300 cubic feet	\$3.35 per 100 cubic feet

### Lewis Road Customers

Usage	Amount
First 300 cubic feet	\$20.37 Minimum Bill
All over 300 cubic feet	\$4.70 per 100 cubic feet

20. Complete the table below:

<b>HWEA</b>	<b>100 Cubic Feet For Fiscal Year Ending June 30, 2009</b>
Plant Use	517,777
Line Loss (Unaccounted for)	517,204
Sales to Retail	1,574,147
Sales to Christian County Water District	573,598
Sales to Other Wholesale Customers	0
Total Produced and Purchased	2,911,409
Total Sold	2,147,745

**Notes:**

1. The table has been modified because the Test Period is FYE 6-30-09.
2. Also, the volume amounts are shown in units of 100 cubic feet rather than gallons because the meters register in cubic feet.

**WITNESS:** Derrick W. Watson

21.

- a. State whether HWEA provides unmetered water service to any entities (e.g., service to municipal buildings, fire departments, or protection services).
- b. If unmetered service is provided, then for each type of service, estimate the percentage of the total unmetered amount.

**RESPONSE:** Yes. See the table set forth below.

<b>PURPOSE</b>	<b>ESTIMATED AMOUNT FOR FYE JUNE 30, 2009 (100 Cubic Feet)</b>
Fire Department Use	48,000
Private Fire Protection	8,000
Flushing	6,300
<b>TOTAL</b>	<b>62,300</b>

The total estimated unmetered water usage represents approximately **2%** of the total water produced by HWEA and delivered into the transmission mains ( $62,300 \div 2,911,409 = 0.02$  or 2%).

**WITNESS:** Derrick W. Watson

22. Provide a copy of the cost-of-service study upon which the proposed rate is based.

**RESPONSE:**

No Cost-of-Service Study exists. The proposed 37% rate increase was not based upon a Cost-of-Service Study. HWEA determined that it needed to increase its water revenues by approximately 37% to offset increased operating costs and debt service expenses. Based upon the settlement negotiations that occurred during the pendency of PSC Case No. 2005-00174 and the terms of the Settlement Agreement dated December 8, 2005 between HWEA and CCWD, HWEA believed it was legally obligated to increase all rates (both retail and wholesale) by the same percentage amount. That is why HWEA increased both retail and wholesale rates by approximately 37% and did not prepare a Cost-of-Service Study.

Based upon the discussions that took place during the Informal Conference conducted on October 29, 2009, HWEA has decided to have a Cost-of-Service Study prepared. HWEA has engaged the services of HDR/Quest Engineers to prepare the Study. The Cost-of-Service Study will be filed with the Commission as soon as it has been completed.

**WITNESS:** Len F. Hale

23.

- a. Identify the person who prepared the cost-of-service study upon which the proposed rate is based.
- b. Provide the preparer's curriculum vitae.
- c. List all cases before the Commission in which the preparer has submitted a cost-of-service study.
- d. List all utilities (municipal or public) for which the preparer has prepared a cost-of-service study. For each utility, identify the type of utility service (water or sewer) for which the report was prepared.

**RESPONSE:**

This information will be provided when the Cost-of-Service Study has been completed.

24. If the proposed rate is not based upon a cost-of-service study, describe how HWEA determined the proposed wholesale rate and state who participated in the determination.

**RESPONSE:**

As discussed in response to Item 22, HWEA determined that it needed to increase its water revenues by approximately 37% to offset increased operating costs and debt service expenses. The debt service expenses will increase because of the expansion of the Moss Water Treatment Plant. This project is currently under construction. Also, electric and chemical costs have increased substantially.

HWEA believed it was obligated, under the terms of the December 8, 2005 Settlement Agreement, to increase both retail and wholesale rates by the same percentage. This is why HWEA increased its retail rates by 37% and has proposed a 37% wholesale rate increase.

Len Hale, Derrick W. Watson and Russell King participated in this determination. Next, the HWEA Board recommended the proposed 37% increase to the Hopkinsville City Council. On August 20, 2009, the Hopkinsville City Council enacted Ordinance 15-2009 and approved the proposed rates.

**WITNESSES:** Len F. Hale, Russell King and Derrick W. Watson

25. Provide the ordinance or resolution of the Hopkinsville City Council in which the proposed rate adjustment was approved.

**RESPONSE:**

The Hopkinsville City Council approved the proposed wholesale rate increase by enacting Ordinance 15-2009 on August 20, 2009. (The new wholesale rates are shown at the bottom of page 5 of the Ordinance.) Ordinance 20-2009 was enacted on October 6, 2009 to correct a typographical error in Ordinance 15-2009. Both Ordinances are attached.

**WITNESS:** Derrick W. Watson



**ATTACHMENT 25**

**ORDINANCES**

ORDINANCE 15-2009

AMENDING SECTIONS IN CHAPTERS 51 (SEWERAGE & WATER), 52 (WASTE WATER COLLECTION AND TREATMENT), AND 53 (SEWER AND WATER SERVICE RATES AND USER FEES) OF THE HOPKINSVILLE CODE OF ORDINANCES PERTAINING TO HOPKINSVILLE WATER ENVIRONMENT AUTHORITY

WHEREAS, this item was recommended by the Committee of the Whole at the July 23, 2009 meeting.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOPKINSVILLE, KENTUCKY AS FOLLOWS:

SECTION ONE

That Section 51.41 of the Hopkinsville Code of Ordinances is hereby amended to read as follows:

§ 51.41 POWERS AND DUTIES

The Sewerage and Water Works Commission, on behalf of the city, shall have exclusive supervision, management, and control of the business and affairs of the entire sewerage, and water works, and any municipal natural gas utility, including the Pembroke Utility Division and the Crofton Utility Division, both in its fiscal affairs and in the maintenance, operation, and extension thereof, including maintenance of the funds for redemption of bonds, operation and depreciation created by presently existing bond authorization ordinances, disbursements therefrom, the employment and the discharge of servants and agents and the fixing of their compensation. However, the Commission shall have no power to borrow money or to enter into contracts for the expenditure of funds other than those derived from the operation of the sewerage and water works system without specific approval of the City Council by properly recorded resolution.

SECTION TWO

That Section 52.061(B) (20) and (21) are amended to read as follows:

§ 52.061(B) RESTRICTED DISCHARGES.

(20) Any additional regulations as established by the Sewerage and Water Works Commission pursuant to Section 53.02 of the Hopkinsville Code of Ordinances.

~~(20) Any water or waste which has characteristics based on a 24-hour composite sample, or a shorter period composite sample if more representative which exceed the following normal maximum domestic waste water parameter concentrations:~~

Parameter	Maximum Allowable Concentration Without Surcharge
-----------	---

BOD	350 mg/l
TSS	350 mg/l
NH3-N	20 mg/l

(21) In addition to the requirements stated above, the following limitations are established for characteristics of any waste waters to be discharged into the municipal sewer system:

Parameter	Maximum Daily Concentration
Arsenic, total	0.31 mg/l
Barium, total	3.80 mg/l
Boron, total	1.00 mg/l
Cadmium, total	0.30 mg/l
Chlorides	800.00 mg/l
Chromium, hexavalent	0.5 mg/l
Chromium, total	2.50 mg/l
Copper, total	0.53 mg/l
Cyanide, total	0.10 mg/l
Iron, total	3.00 mg/l
Lead, total	0.14 mg/l
Magnesium, total	50.00 mg/l
Manganese, total	3.40 mg/l
Mercury, total	0.002 mg/l
Nickel, total	0.425 mg/l
Phenols	5.00 mg/l
Selenium, total	0.01 mg/l
Silver, total	0.10 mg/l
Sulfate, total	350.00 mg/l
Sulfide	50.00 mg/l
Zinc, total	0.64 mg/l

**SECTION THREE**

That Section 53.18 (A-C) of the Hopkinsville Code of Ordinances is amended to read as follows:

**§ 53.18 RATES AND CHARGES.**

(A) The following schedule of rates shall apply to each Hopkinsville Division user of the waste water treatment works. ~~This schedule includes rates for user charges and rates for debt service charges, each based on the volume of metered or estimated water consumption.~~

Hopkinsville Division Waste Water Services Monthly Rate Schedule		
1	Water Consumption	
2	Flat Rate, Per 100 cubic feet	\$2.99
3	Minimum bill 300 cubic feet or less	\$8.97

Hopkinsville Division Waste Water Services Monthly Rate Schedule				
1	Water Consumption per Month	User Charge	Debt Service	Combined
2	Minimum bill 300 cubic feet or less	\$4.68	\$3.84	\$8.52
3	Next 2,700 cu. ft.	\$1.65	\$1.19	\$2.84
4	Next 3,000 cubic feet	\$1.65	\$0.77	\$2.42
5	Over 6,000 cubic feet	\$1.64	\$0.34	\$1.98

(B) The following schedule of rates shall apply to each Pembroke Division user of the waste water treatment works. This schedule includes rates based on the volume of metered or estimated water consumption.

Pembroke Division Waste Water Services Monthly Rate Schedule		
1	Water Consumption Per Month	
2	Flat Rate Per, 100 cubic feet	\$3.59
3	Minimum Bill, 300 cubic feet or less	\$12.24

Pembroke Division Waste Water Services Monthly Rate Schedule		
1	Water Consumption Per Month	Monthly Charge per 100 cubic feet
2	First 300 cubic feet	\$11.23
3	Next 1,700 cubic feet	\$2.79
4	Next 2,000 cubic feet	\$2.66
5	Next 3,000 cubic feet	\$2.46
6	Next 3,000 cubic feet	\$2.24
7	All over 10,000 cubic feet	\$1.88

(C) The following schedule of rates shall apply to each Crofton Utility Division user of the waste water treatment works. This schedule includes rates based on the volume of metered or estimated water consumption.

Crofton Utility Division Waste Water Services Monthly Rate Schedule	
Water Consumption per Month	Monthly Charge per 100 Cubic Feet
Minimum bill 150 cubic feet or less	<del>\$11.57</del> <u>\$12.50</u>
All over 150 cubic feet	<del>\$3.30</del> <u>\$3.60</u>

#### SECTION FOUR

That Section 53.35 of the Hopkinsville Code of Ordinances is amended to read as follows:

#### § 53.35 MONTHLY WATER RATES.

The monthly rates and charges for water service furnished by the system are fixed and established on a monthly basis as follows:

(A) Meter minimum rate.

		Rates
1	Monthly minimum for 5/8-inch meter	\$8.85 per 300 cubic feet
2	Monthly minimum for 3/4-inch meter	\$18.00 per 610 cubic feet
3	Monthly minimum for 1-inch meter	\$25.37 per 860 cubic feet
4	Monthly minimum for 1-1/2-inch meter	\$45.73 per 1,550 cubic feet
5	Monthly minimum for 2-inch meter	\$76.11 per 2,580 cubic feet
6	Monthly minimum for 3-inch meter	\$160.19 per 5,430 cubic feet

7	Monthly minimum for 4-inch meter	\$252.23 per 8,550 cubic feet
8	Monthly minimum for 6-inch meter	\$843.70 per 28,600 cubic feet

		Rates
1	Monthly minimum for 5/8-inch meter	\$7.41 per 300 cubic feet
2	Monthly minimum for 3/4-inch meter	\$13.09 per 530 cubic feet
3	Monthly minimum for 1-inch meter	\$18.53 per 750 cubic feet
4	Monthly minimum for 1-1/2-inch meter	\$33.35 per 1,350 cubic feet
5	Monthly minimum for 2-inch meter	\$55.58 per 2,250 cubic feet
6	Monthly minimum for 3-inch meter	\$116.70 per 5,000 cubic feet
7	Monthly minimum for 4-inch meter	\$184.20 per 9,000 cubic feet
8	Monthly minimum for 6-inch meter	\$615.40 per 37,000 cubic feet

(B) Water consumption rates for Hopkinsville Division water usage. Subject to the minimum monthly water rate specified above, the following metered charges shall be made for each 100 cubic feet of water consumption per month to customers of all size connections to the Hopkinsville Division:

1	Number of Cubic Feet of Water Per Month	
2	Flat Rate, Per 100 cubic feet	\$2.95

1	Number of Cubic Feet of Water Per Month	Monthly Charge Per 100 Cubic Feet
2	First 3,000 cubic feet	\$2.47
3	Next 3,000 cubic feet	\$2.13
4	All over 6,000 cubic feet	\$1.54

(C) Wholesale water rates. The wholesale rates for water supplied for resale shall be as follows:

1	Number of Cubic Feet of Water Per Month	Monthly Charge Per 100 Cubic Feet
2	First 3,000 cubic feet	\$2.96
3	Next 3,000 cubic feet	\$2.59
4	Next 3,000 cubic feet	\$1.88

1	Number of Cubic Feet of Water Per Month	Monthly Charge Per 100 Cubic Feet
2	First 3,000 cubic feet	\$2.81
3	Next 3,000 cubic feet	\$2.46
4	Next 3,000 cubic feet	\$1.78
5	All over 9,000 cubic feet	\$1.98

(D) Water consumption rates for Pembroke Division usage.

Meter Minimum Rate

1	Monthly minimum for 5/8-inch meter	\$10.56 per 300 cubic feet
2	Monthly minimum for 3/4-inch meter	\$21.47 per 610 cubic feet
3	Monthly minimum for 1-inch meter	\$30.27 per 860 cubic feet
4	Monthly minimum for 1-1/2-inch meter	\$54.56 per 1,550 cubic feet
5	Monthly minimum for 2-inch meter	\$90.82 per 2,580 cubic feet
6	Monthly minimum for 3-inch meter	\$191.14 per 5,430 cubic feet
7	Monthly minimum for 4-inch meter	\$300.96 per 8,550 cubic feet
8	Monthly minimum for 6-inch meter	\$1,006.72 per 28,600 cubic feet

Subject to the minimum monthly water rate specified above, the following metered charges shall be made for each 100 cubic feet of water consumption per month to customers of all size connections to the Pembroke Utility Division.

1	Number of Cubic Feet of Water Per Month	
2	Flat Rate, Per 100 cubic feet	\$3.52

Pembroke Division Water Services Monthly Rate Schedule		
1	Number of Cubic Feet of Water per Month	Monthly Charge per Cubic Feet
2	First 300 cubic feet	\$9.45
3	Next 1,700 cubic feet	\$2.14
4	Next 2,000 cubic feet	\$2.50
5	Next 3,000 cubic feet	\$1.95
6	Next 3,000 cubic feet	\$1.59
7	All over 10,000 cubic feet	\$1.37

(E) Water consumption rates for Crofton Utility Division usage. The following schedule of rates shall be made for each 100 cubic feet of water consumption per month to customers of all size connections to the Crofton Utility Division.

Crofton Utility Division Water Services Monthly Rate Schedule	
Inside Crofton City Limits	
First 300 cubic feet	<del>\$41.91</del> <u>\$16.32 flat rate</u>
All over 300 cubic feet	<del>\$2.50</del> <u>\$3.35 per 100 cubic feet</u>

(F) Surcharge. Crofton Utility Division customers served by the Lewis Hill Booster Station shall be charged a surcharge of \$0.01350 per cubic foot of water usage per month until the cost of the installation of the pump station plus interest has been paid.

### SECTION FIVE

That section 53.36 of the Hopkinsville Code of Ordinances is amended to read as follows:

#### § 53.36 FIRE SERVICE CONNECTION FEES

Private fire protection (not metered). The rates or charges for fire protection afforded by private hydrants which are not metered shall be based on the respective sizes of the connections of such private fire hydrants, as follows:

1	Size of Fire Hydrant Connection	Annual Charge (Apart From Metered Rates)
2	2-inch	<del>\$46.89</del> <u>\$65.00</u>
3	3-inch	<del>\$46.89</del> <u>\$65.00</u>
4	4-inch	<del>\$99.92</del> <u>\$140.00</u>
5	6-inch	<del>\$290.24</del> <u>\$400.00</u>
6	8-inch	<del>\$618.51</del> <u>\$850.00</u>
7	10-inch	<del>\$1,112.29</del> <u>\$1,525.00</u>
8	12-inch	<del>\$1,796.66</del> <u>\$2,475.00</u>

### SECTION SIX

If any section, subsection, sentence, clause, or phrase of this ordinance is held unconstitutional or otherwise invalid, such infirmity shall not affect the validity of the remaining portions of this ordinance.



**SECTION SEVEN**

All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed.

**SECTION EIGHT**

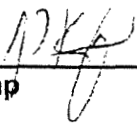
This ordinance shall take effect September 1, 2009 after its passage and publication according to law.

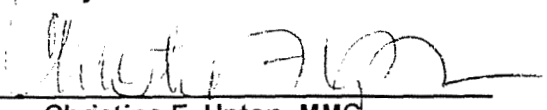
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**ORDINANCE 15-2009  
HWEA Rates**

PUBLICLY READ AND PASSED FIRST TIME: Aug 15, 2009

PUBLICLY READ AND PASSED SECOND TIME: Aug 20, 2009

APPROVED:   
J. Daniel Kemp  
Mayor

ATTEST:   
Christine F. Upton, MMC  
City Clerk

ORDINANCE 20-2009

AMENDING SECTION FOUR OF ORDINANCE 15-2009 RELATING TO CHAPTER 53 (SEWER AND WATER SERVICE RATES AND USER FEES) OF THE HOPKINSVILLE CODE OF ORDINANCES PERTAINING TO HOPKINSVILLE WATER ENVIRONMENT AUTHORITY

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOPKINSVILLE, KENTUCKY AS FOLLOWS:

SECTION ONE

That Section Four of Ordinance 15-2009 is amended to read as follows:

§ 53.35 MONTHLY WATER RATES.

The monthly rates and charges for water service furnished by the system are fixed and established on a monthly basis as follows:

(A) Meter minimum rate.

		Rates
1	Monthly minimum for 5/8-inch meter	\$8.85 per 300 cubic feet
2	Monthly minimum for 3/4-inch meter	\$18.00 per 610 cubic feet
3	Monthly minimum for 1-inch meter	\$25.37 per 860 cubic feet
4	Monthly minimum for 1-1/2-inch meter	\$45.73 per 1,550 cubic feet
5	Monthly minimum for 2-inch meter	\$76.11 per 2,580 cubic feet
6	Monthly minimum for 3-inch meter	\$160.19 per 5,430 cubic feet
7	Monthly minimum for 4-inch meter	\$252.23 per 8,550 cubic feet
8	Monthly minimum for 6-inch meter	\$843.70 per 28,600 cubic feet

(B) Water consumption rates for Hopkinsville Division water usage. Subject to the minimum monthly water rate specified above, the following metered charges shall be made for each 100 cubic feet of water consumption per month to customers of all size connections to the Hopkinsville Division:

1	Number of Cubic Feet of Water Per Month	
2	Flat Rate, Per 100 cubic feet	\$2.95

(C) Wholesale water rates. The wholesale rates for water supplied for resale shall be as follows:

	Number of Cubic Feet of Water Per Month	Monthly Charge Per 100 Cubic Feet
2	First 3,000 cubic feet	\$2.96
3	Next 3,000 cubic feet	\$2.59
4	Next 3,000 cubic feet All over 6,000 cubic feet	\$1.88

(D) Water consumption rates for Pembroke Division usage.

Meter Minimum Rate

1	Monthly minimum for 5/8-inch meter	\$10.56 per 300 cubic feet
2	Monthly minimum for 3/4-inch meter	\$21.47 per 610 cubic feet
3	Monthly minimum for 1-inch meter	\$30.27 per 860 cubic feet
4	Monthly minimum for 1-1/2-inch meter	\$54.56 per 1,550 cubic feet
5	Monthly minimum for 2-inch meter	\$90.82 per 2,580 cubic feet
6	Monthly minimum for 3-inch meter	\$191.14 per 5,430 cubic feet
7	Monthly minimum for 4-inch meter	\$300.96 per 8,550 cubic feet
8	Monthly minimum for 6-inch meter	\$1,006.72 per 28,600 cubic feet

Subject to the minimum monthly water rate specified above, the following metered charges shall be made for each 100 cubic feet of water consumption per month to customers of all size connections to the Pembroke Utility Division.

1	Number of Cubic Feet of Water Per Month	
2	Flat Rate, Per 100 cubic feet	\$3.52

(E) Water consumption rates for Crofton Utility Division usage. The following schedule of rates shall be made for each 100 cubic feet of water consumption per month to customers of all size connections to the Crofton Utility Division.

Crofton Utility Division Water Services Monthly Rate Schedule	
Inside Crofton City Limits	
First 300 cubic feet	\$16.32 flat rate
All over 300 cubic feet	\$3.35 per 100 cubic feet

(F) Surcharge. Crofton Utility Division customers served by the Lewis Hill Booster Station shall be charged a surcharge of \$0.01350 per cubic foot of water usage per month until the cost of the installation of the pump station plus interest has been paid.

SECTION TWO

If any section, subsection, sentence, clause, or phrase of this ordinance is held unconstitutional or otherwise invalid, such infirmity shall not affect the validity of the remaining portions of this ordinance.

SECTION THREE

All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed.

SECTION FOUR

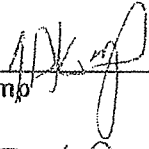
This ordinance shall take effect after its passage and publication according to law.

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ORDINANCE 20-2009  
AMEND ORDINANCE 15-2009, HWEA RATES

PUBLICLY READ AND PASSED FIRST TIME: Sept 15, 2009

PUBLICLY READ AND PASSED SECOND TIME: Oct 6, 2009

APPROVED:   
\_\_\_\_\_  
J. Daniel Kemp  
Mayor

ATTEST:   
\_\_\_\_\_  
Christine F. Upton, MMC  
City Clerk

Ordinance \_\_\_\_\_  
was published in the Kentucky New Era  
on \_\_\_\_\_  
As Certified By \_\_\_\_\_

26. Provide the minutes of each meeting of the Hopkinsville City Council since January 1, 2009 in which a proposed rate adjustment to HWEA's wholesale customers was discussed.

**RESPONSE:**

Attached as composite **Attachment 26** is a copy of the minutes of the Hopkinsville City Council meetings held on the following dates:

July 23, 2009

August 18, 2009

August 20, 2009

September 15, 2009

October 6, 2009

**WITNESS:** Derrick W. Watson

**ATTACHMENT 26**

**MINUTES**

**MINUTES  
of a Regular Meeting of the  
Committee of the Whole  
July 23, 2009**

A previously and publicly announced regular meeting of the Committee of the Whole, a Standing Committee of Hopkinsville City Council, was convened at 6:01 p.m., Thursday, July 23, 2009 in the Council Chamber of the Lackey Municipal Building, Hopkinsville, Kentucky by Chairman Paul Henson.

**ROLL CALL**

Besides Chairman Henson, members in attendance were Hon. Don Ahart, Hon. Fred Atkins, Hon. Patricia Bell, Hon. Phillip Brooks, Hon. Ann Cherry, Hon. Jimmy Dossett, Hon. Dave Fernandez, Hon. Wesley Grimes, Hon. Charlie Henderson, Hon. Kimberly McCarley, and Hon. Marby Schlegel.

Also in attendance were Christine F. Upton, City Clerk; H. Douglas Willen, City Attorney; J. Daniel Kemp, Mayor; Terry Sanders, Operations Major; Adam Robertson, Patrol Officer; Eric Bleidt, Deputy Fire Chief/Training; Larry Hulsey, Fire Battalion Chief; Robert Martin, Chief Financial Officer; Bob Cope, Public Works Director/Engineer; Terry Rudd, Street Department Superintendent; Cheryl Nichols, Human Resources Officer; and Steve Bourne, HCCPC Director.

**APPROVAL OF MINUTES**

Councilman Atkins moved to approve the minutes of the June 18, 2009 regular meeting; seconded by Councilman Ahart. All members voted aye.

**ADMINISTRATIVE MATTERS**

**Department Quarterly Reports**

Chairman Henson noted the Department Quarterly Reports were included in the packet. There were no questions.

**Agency/Board Council Appointee Reports**

Councilman Grimes gave a report on the Emergency Communications Center.

**Stormwater Utility Report**

Chairman Henson indicated the Stormwater Utility Report was included in the packet. There were no questions.

**Business List Review**

Chairman Henson noted the Business List was included in the packet. There were no questions.

**UNFINISHED BUSINESS**

None.

## NEW BUSINESS

### CW0930 Sanctuary Funding Request

Mr. Martin discussed the Sanctuary funding request. Councilman Henderson moved to make a one-time contribution of \$10,000; seconded by Councilman Bell. Following discussion, all members voted aye.

### CW0932 Ohio County Balefill Contract Extension

Chairman Henson indicated the request was included in the packet. Councilman Henderson moved to forward to City Council; seconded by Councilman Brooks. There being no discussion, all members voted aye.

Councilman Henderson moved to take a ten minute recess; seconded by Councilman Brooks. Chairman Henson declared a recess at 6:22 p.m. He reconvened the meeting at 6:34 p.m.

### CW0931 HWEA Rate Increase

Len Hale, HWEA General Manager, discussed the rate increase and answered questions from Committee members. Councilman Henderson moved to forward to City Council as presented; seconded by Councilman Brooks. There being no discussion, all members voted aye.

## OTHER

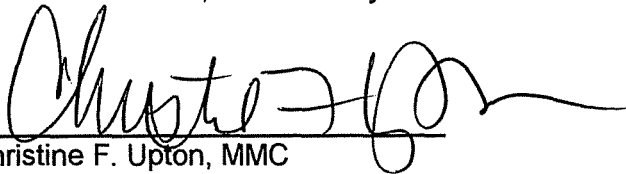
None.

## ADJOURN

Councilman Henderson moved to adjourn at 6:58 p.m.; seconded by Councilman Brooks. All members voted aye.

## APPROVAL CERTIFICATION

The foregoing are true and accurate minutes of the regular Committee of the Whole meeting held on Thursday, July 23, 2009. The minutes were approved on August 20, 2009 on motion by Councilman Ahart; seconded by Councilman McCarley. All members present voted aye.



Christine F. Upton, MMC  
City Clerk



August 18, 2009

A regular meeting of the City of Hopkinsville City Council was held Tuesday, August 18, 2009 at 6:00 p.m. in the Lackey Municipal Building Council Chamber.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Councilman Fernandez opened the meeting with the invocation. Mayor Kemp then led the Pledge of Allegiance.

**ROLL CALL:**

Presiding Officer: J. Daniel Kemp, Mayor

Councilmen: Honorable Don Ahart  
Honorable Fred Atkins  
Honorable Patricia Bell  
Honorable Phillip Brooks  
Honorable Ann Cherry  
Honorable Jimmy Dossett  
Honorable Dave Fernandez  
Honorable Wesley Grimes  
Honorable Charlie Henderson  
Honorable Paul Henson  
Honorable Kimberly McCarley  
Honorable Marby Schlegel (*arrived at 6:44 p.m.*)

Also present were: Christine F. Upton, City Clerk  
H. Douglas Willen, City Attorney  
Glenn Abee, City Administrative Officer  
Guy Howie, Police Chief  
Ryan Seitz, Patrol Officer (*arrived at 6:10 p.m.*)  
Johnny Ezell, Fire Battalion Chief  
Bob Cope, Public Works Director/Engineer  
Terry Rudd, Street Department Superintendent  
Robert Martin, Chief Financial Officer  
Joe Grace, Information Technology Director  
Norris Adams, Communications Systems Specialist  
Steve Bourne, HCCPC Director

Mayor Kemp announced Councilman Schlegel would be late due to a flight delay.

**AWARDS AND RECOGNITIONS:**

Mayor Kemp recognized Ms. Upton for receiving her Master Municipal Clerk certification from IIMC.

**PUBLIC COMMENTS:**

None.

**MAYOR COMMENTS:**

Mayor Kemp announced several upcoming events.

**REPORTS FROM OFFICERS, COMMITTEES AND GUEST SPEAKERS:**

Monthly Financial Statement – Mr. Martin presented the July financial statement.

**APPROVAL OF MINUTES:**

Councilman Fernandez moved to approve the minutes of the August 4, 2009 regular meeting; seconded by Councilman Grimes. There being no discussion, all Councilmen present voted aye.

**ORDINANCE 14-2009 ADOPT CH. 51, 52, & 53 OF 2009 CODIFICATION (FIRST READING):**

Mr. Willen explained the necessity of this ordinance. Ms. Upton then read Ordinance 14-2009 adopting Chapters 51, 52, and 53 of the 2009 codification. Moved for adoption by Councilman Brooks; seconded by Councilman Grimes. Following discussion, Ordinance 14-2009 passed on first reading by roll call vote with all Councilmen present voting aye.

*(Councilman Schlegel arrived at 6:44 p.m. during reading of the following ordinance)*

**ORDINANCE 15-2009 AMEND CH. 51, 52, & 53 OF THE HCO, HWEA RATES (FIRST READING):**

Len Hale, HWEA General Manager, explained the necessity of the proposed amendments. Ms. Upton read Ordinance 15-2009 amending Chapters 51, 52, and 53 of the HCO regarding HWEA. Moved for adoption by Councilman Fernandez; seconded by Councilman Henderson. Following discussion, Councilman Cherry made a motion to remove Section 51.41 from the Ordinance to allow further City Council review. The motion died for lack of a second. Ordinance 15-2009 passed on first reading by roll call vote with all Councilmen voting aye except Councilman Cherry who voted nay.

**ORDINANCE 16-2009 ESTABLISH 2009 PROPERTY TAX RATES (FIRST READING):**

Mr. Martin explained how the tax rates were calculated. Ms. Upton read Ordinance 16-2009 establishing the 2009 property tax rates. Moved for adoption by Councilman Brooks; seconded by Councilman Henderson. Following discussion, Ordinance 16-2009 passed on first reading by roll call vote with all Councilmen voting aye except Councilmen Cherry and Dossett who voted nay.

**EXECUTIVE ORDER 41-2009 LIBRARY BOARD APPOINTMENT:**

Ms. Upton read Executive Order 41-2009 reappointing William G. Deatherage, Jr. No Council action was required.

**EXECUTIVE ORDER 42-2009 STORMWATER UTILITY BOARD APPOINTMENT:**

Ms. Upton read Executive Order 42-2009 reappointing Kelley C. Workman. Moved for adoption by Councilman Henson; seconded by Councilman Schlegel. Following discussion, Executive Order 42-2009 passed by voice vote with all Councilmen voting aye.

**OTHER:**

None.

**COUNCIL MEMBER COMMENTS:**

Comments were made by Councilman Fernandez.


**ADJOURNMENT:**

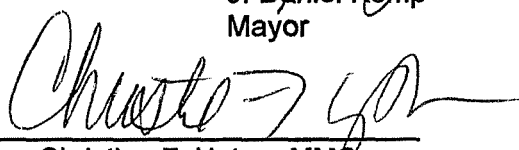
Councilman Fernandez gave the Adjourning Thought.

Councilman Fernandez moved to adjourn at 7:29 p.m.; seconded by Councilman Schlegel. All Councilmen voted aye.

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Minutes approved at the City Council meeting held on the 1<sup>st</sup> day of September, 2009.

PRESIDING OFFICER:   
J. Daniel Kemp  
Mayor

ATTEST:   
Christine F. Upton, MME  
City Clerk

August 20, 2009

A special called meeting of the City of Hopkinsville City Council was held Thursday, August 20, 2009 at 5:34 p.m. in the Lackey Municipal Building Council Chamber.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Mayor Kemp opened the meeting with the invocation. He then led the Pledge of Allegiance.

**ROLL CALL:**

Presiding Officer: J. Daniel Kemp, Mayor

Councilmen: Honorable Don Ahart  
Honorable Fred Atkins  
Honorable Ann Cherry  
Honorable Jimmy Dossett (*arrived at 5:37 p.m.*)  
Honorable Dave Fernandez  
Honorable Wesley Grimes  
Honorable Charlie Henderson (*arrived at 5:37 p.m.*)  
Honorable Paul Henson  
Honorable Marby Schlegel

Absent were: Honorable Patricia Bell  
Honorable Phillip Brooks  
Honorable Kim McCarley

Also present were: Christine F. Upton, City Clerk  
H. Douglas Willen, City Attorney  
Glenn Abee, City Administrative Officer  
Guy Howie, Police Chief  
Ralph Lageman, Detective Captain  
Bob Cope, Public Works Director/Engineer  
Robert Martin, Chief Financial Officer  
Joe Grace, Information Technology Director  
Norris Adams, Communications Systems Specialist  
Steve Bourne, HCCPC Director  
Holly Boggess, HCCPC Assistant Director

Mayor Kemp announced Councilman Brooks was absent due to a scheduling conflict.

*(Councilmen Dossett & Henderson arrived at 5:37 p.m. during reading of the following ordinance.)*

**ORDINANCE 14-2009 ADOPT CH. 51, 52, & 53 OF 2009 CODIFICATION (SECOND READING):**

Ms. Upton read Ordinance 14-2009 adopting Chapters 51, 52, and 53 of the 2009 codification. Moved for adoption by Councilman Fernandez; seconded by Councilman Schlegel.

There being no discussion, Ordinance 14-2009 passed on second reading by roll call vote with all Councilmen present voting aye.

**ORDINANCE 15-2009 AMEND CH. 51, 52, & 53 OF THE HCO, HWEA RATES (SECOND READING):**


Ms. Upton read Ordinance 15-2009 amending Chapters 51, 52, and 53 of the HCO regarding HWEA rates. Moved for adoption by Councilman Fernandez; seconded by Councilman Grimes. Following discussion, Ordinance 15-2009 passed on second reading by roll call vote with all Councilmen present voting aye except Councilman Cherry who voted nay.

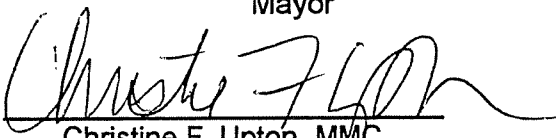
**ADJOURNMENT:**

Councilman Fernandez moved to adjourn at 5:53 p.m.; seconded by Councilman Schlegel. All Councilmen present voted aye.

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Minutes approved at the City Council meeting held on the 1<sup>st</sup> day of September, 2009.

PRESIDING OFFICER:   
J. Daniel Kemp  
Mayor

ATTEST:   
Christine F. Upton, MMC  
City Clerk

September 15, 2009

A regular meeting of the City of Hopkinsville City Council was held Tuesday, September 15, 2009 at 6:00 p.m. in the Lackey Municipal Building Council Chamber.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Councilman Bell opened the meeting with the invocation. Mayor Kemp then led the Pledge of Allegiance.

**ROLL CALL:**

Presiding Officer: J. Daniel Kemp, Mayor

Councilmen: Honorable Don Ahart  
Honorable Fred Atkins  
Honorable Patricia Bell  
Honorable Phillip Brooks  
Honorable Ann Cherry  
Honorable Jimmy Dossett  
Honorable Dave Fernandez  
Honorable Wesley Grimes  
Honorable Charlie Henderson  
Honorable Paul Henson  
Honorable Kimberly McCarley  
Honorable Marby Schlegel

Also present were: Christine F. Upton, City Clerk  
H. Douglas Willen, City Attorney  
Glenn Abee, City Administrative Officer  
Pat Lageman, Detective Captain  
Terry Parker, Patrol Sergeant  
Fagan Pace, Fire Chief  
Bob Cope, Public Works Director/Engineer  
Terry Rudd, Street Department Superintendent  
Robert Martin, Chief Financial Officer  
Joe Grace, Information Technology Director  
Steve Bourne, HCCPC Director  
Dave Herndon, HCCPC Manager of Planning

**AWARDS AND RECOGNITIONS:**

None.

**PUBLIC COMMENTS:**

John Fuqua, Lone Star Pawn Shop, 301 East 21<sup>st</sup> Street, spoke in opposition of Ordinances 17-2009 and 18-2009 and referred to a letter handed out which was prepared by his attorney, Ben Fletcher.

**MAYOR COMMENTS:**

Mayor Kemp announced several upcoming events.

**REPORTS FROM OFFICERS, COMMITTEES AND GUEST SPEAKERS:**

Monthly Financial Statement – Mr. Martin presented the August financial statement.

Surface and Stormwater Utility Report – Mr. Bourne gave a Surface and Stormwater Utility report and answered questions from Council.

**APPROVAL OF MINUTES:**

Councilman Atkins moved to approve the minutes of the September 1, 2009 regular meeting; seconded by Councilman Fernandez. There being no discussion, all Councilmen voted aye.

**ORDINANCE 17-2009 AMEND CH. 114.01, JUNK AND SECONDHAND DEALERS (SECOND READING):**

Ms. Upton read Ordinance 17-2009 amending Chapter 114.01 of the HCO regarding junk and secondhand dealers. Moved for adoption by Councilman Henson; seconded by Councilman Brooks. Following discussion, Councilman Cherry made a motion to table Ordinance 17-2009 until the City received an opinion from the Attorney General. The amendment failed for a lack of a second. Ordinance 17-2009 passed on second reading by roll call vote with all Councilmen voting aye except Councilman Cherry who voted nay.

**ORDINANCE 18-2009 AMEND CH. 115, PRECIOUS METALS (SECOND READING):**

Ms. Upton read Ordinance 18-2009 amending Chapter 115 of the HCO regarding precious metals. Moved for adoption by Councilman Brooks; seconded by Councilman Fernandez. Following discussion, Ordinance 18-2009 passed on second reading by roll call vote with all Councilmen voting aye except Councilman Cherry who voted nay.

**ORDINANCE 19-2009 ADOPT 2009 CODIFICATION (SECOND READING):**

Ms. Upton read Ordinance 19-2009 adopting the 2009 codification. Moved for adoption by Councilman Henderson; seconded by Councilman Schlegel. There being no discussion, Ordinance 19-2009 passed on second reading by roll call vote with all Councilmen voting aye.

**ORDINANCE 20-2009 AMEND ORD. 15-2009, HWEA RATES (FIRST READING):**

Mr. Hale provided an explanation for the amendment. Ms. Upton read Ordinance 20-2009 amending Section Four of Ordinance 15-2009 regarding water rates. Moved for adoption by Councilman Fernandez; seconded by Councilman Brooks. There being no discussion, Ordinance 20-2009 passed on first reading by roll call vote with all Councilmen voting aye.

**EXECUTIVE ORDER 44-2009 LDC APPOINTMENT:**

Ms. Upton read Executive Order 44-2009 correcting the term length of Peg Hays. No Council action was required.

**EXECUTIVE ORDER 45-2009 RENAISSANCE DESIGN REVIEW BOARD APPOINTMENTS:**

Ms. Upton read Executive Order 45-2009 appointing Katherine Demps and Tony Kirves and reappointing Alissa Young. No Council action was required.

**OTHER:**

Councilman Dossett asked questions regarding Leads Online.

**COUNCIL MEMBER COMMENTS:**

Comments were made by Councilmen Fernandez, Schlegel, Bell, and Atkins.

**ADJOURNMENT:**

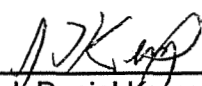
Councilman Bell gave the Adjourning Thought.

Councilman Fernandez moved to adjourn at 7:11 p.m.; seconded by Councilman Grimes. All Councilmen voted aye.

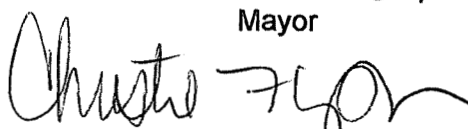
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Minutes approved at the City Council meeting held on the 14th day of October, 2009.

PRESIDING OFFICER: \_\_\_\_\_

  
J. Daniel Kemp  
Mayor

ATTEST: \_\_\_\_\_

  
Christine F. Upton, MMC  
City Clerk



October 6, 2009

A regular meeting of the City of Hopkinsville City Council was held Tuesday, October 6, 2009 at 6:00 p.m. in the Lackey Municipal Building Council Chamber.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Councilman Dossett opened the meeting with the invocation. Mayor Kemp then led the Pledge of Allegiance.

**ROLL CALL:**

Presiding Officer: J. Daniel Kemp, Mayor

Councilmen: Honorable Don Ahart (*arrived at 6:01 p.m.*)  
Honorable Fred Atkins  
Honorable Patricia Bell (*arrived at 6:06 p.m.*)  
Honorable Phillip Brooks (*arrived at 6:05 p.m.*)  
Honorable Ann Cherry  
Honorable Jimmy Dossett  
Honorable Dave Fernandez  
Honorable Wesley Grimes  
Honorable Charlie Henderson  
Honorable Kimberly McCarley

Absent were: Honorable Paul Henson  
Honorable Marby Schlegel

Also present were: Christine F. Upton, City Clerk  
Foster Cotthoff, City Attorney's Office  
Glenn Abee, City Administrative Officer  
Terry Sanders, Police Major  
Joe Garcia, Patrol Officer  
Larry Hulseby, Fire Battalion Chief  
Bob Cope, Public Works Director/Engineer  
Robert Martin, Chief Financial Officer  
Joe Grace, Information Technology Director  
Norris Adams, Communications Systems Specialist  
Angela Satterlee, HCCPC Manager of Community Development  
David Carroll, E911 Coordinator  
Steve Bourne, HCCPC Director

Mayor Kemp announced Councilmen Henson and Schlegel were out of town.

**AWARDS AND RECOGNITIONS:**

Recognize Trash for Cash Recipients – Mayor Kemp presented checks to All Nations House of Prayer Music Department, Usher Group, Ministers Group, A New Horizon of Purpose, Youth Group, and Choir. He also presented checks to Holiness Church of Deliverance and North Drive Middle School Lady Eagles Basketball Team.

Swear in HPD Officer Brian Smith – Mayor Kemp introduced and administered the Oath of Office to Officer Brian Smith.

Recognize Recently Promoted HPD Corporal Jeff Stevenson – Mayor Kemp introduced Jeff Stevenson who was recently promoted to corporal.

**PUBLIC COMMENTS:**

Peggy Guier, present on behalf of Troy & Sue Guier of 5365 Russellville Road, spoke to oppose any portion of the Flood Hazard Mitigation Plan relating to construction of a dry dam.

Lewis Hopper, 407 James Drive, asked Council to do whatever needed to be done to address flooding problems.

Teresa Medeiros, Hunting Creek Subdivision, requested Council take action to address the flooding problems.

**MAYOR COMMENTS:**

Mayor Kemp announced several upcoming events.

**REPORTS FROM OFFICERS, COMMITTEES AND GUEST SPEAKERS:**

None.

**APPROVAL OF MINUTES:**

Councilman Fernandez moved to approve the minutes of the September 15, 2009 regular meeting; seconded by Councilman Atkins. There being no discussion, all Councilmen present voted aye.

**ORDINANCE 20-2009 AMEND ORD. 15-2009, HWEA RATES (SECOND READING):**

Ms. Upton read Ordinance 20-2009 amending Section Four of Ordinance 15-2009 regarding water rates. Moved for adoption by Councilman Brooks; seconded by Councilman Bell. There being no discussion, Ordinance 20-2009 passed on second reading by roll call vote with all Councilmen present voting aye.

**ORDINANCE 21-2009 AMEND CH. 11.01, WARDS OF THE CITY (FIRST READING):**

Ms. Upton read Ordinance 21-2009 amending wards of the city. Moved for adoption by Councilman Brooks; seconded by Councilman Fernandez. There being no discussion, Ordinance 21-2009 passed on first reading by roll call vote with all Councilmen present voting aye.

**MUNICIPAL ORDER 49-2009 APPROVE SPEED HUMPS ON WEST 18<sup>TH</sup> STREET:**

Ms. Upton read Municipal Order 49-2009 approving installation of speed humps on West 18<sup>th</sup> Street near the main entrance of Jennie Stuart Medical Center. Moved for adoption by

Councilman Grimes; seconded by Councilman Fernandez. There being no discussion, Municipal Order 49-2009 passed by voice vote with all Councilmen present voting aye.

**MUNICIPAL ORDER 50-2009 AUTHORIZE SUBMISSION OF FLOOD HAZARD MITIGATION PLAN:**

Ms. Upton read Municipal Order 50-2009 authorizing the submittal of the draft Flood Hazard Mitigation Plan. Moved for adoption by Councilman Brooks; seconded by Councilman Grimes. Following discussion, all Councilmen present voted aye.

**MUNICIPAL ORDER 51-2009 ACCEPT NICK TERHUNE BLVD. EXTENSION:**

Ms. Upton read Municipal Order 51-2009 accepting Nick Terhune Blvd. Extension. Moved for adoption by Councilman Henderson; seconded by Councilman Brooks. There being no discussion, Municipal Order 51-2009 passed by voice vote with all Councilmen present voting aye.

**MUNICIPAL ORDER 52-2009 ACCEPT SECRETARIAT WAY:**

Ms. Upton read Municipal Order 52-2009 accepting a portion of Secretariat Way. Moved for adoption by Councilman Ahart; seconded by Councilman Grimes. There being no discussion, Municipal Order 52-2009 passed by voice vote with all Councilmen present voting aye.

**EXECUTIVE ORDER 46-2009 BEAUTIFICATION COMMISSION APPOINTMENT:**

Ms. Upton read Executive Order 46-2009 appointing Alphonso Billy to fill the unexpired term of Kurt Anderson. Moved for adoption by Councilman Henderson; seconded by Councilman Brooks. There being no discussion, Executive Order 46-2009 passed by voice vote with all Councilmen present voting aye.

**EXECUTIVE ORDER 47-2009 DOWNTOWN RENAISSANCE ADVISORY BOARD APPOINTMENT:**

Ms. Upton read Executive Order 47-2009 appointing Dr. Kim Henegan to fill the unexpired term of Johan Westenburg. Moved for adoption by Councilman Atkins; seconded by Councilman McCarley. There being no discussion, Executive Order 47-2009 passed by voice vote with all Councilmen present voting aye.

**OTHER:**

None.

**COUNCIL MEMBER COMMENTS:**

None.


**ADJOURNMENT:**

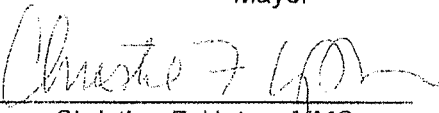
Councilman Dossett gave the Adjourning Thought.

Councilman Fernandez moved to adjourn at 7:02 p.m.; seconded by Councilman Bell.  
All Councilmen present voted aye.

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Minutes approved at the City Council meeting held on the 20<sup>th</sup> day of October,  
2009.

PRESIDING OFFICER:   
J. Daniel Kemp  
Mayor

ATTEST:   
Christine F. Upton, MMC  
City Clerk

27. Provide a copy of all correspondence, electronic mail messages, or other written communications between HWEA and its wholesale customers since January 1, 2007 regarding revisions to HWEA's wholesale rate.

**RESPONSE:**

Representatives of HWEA and CCWD met on three (3) occasions to discuss the proposed wholesale rate increase. These meetings occurred on:

July 23, 2009: Prior to Hopkinsville City Council Meeting

August 3, 2009: CCWD Offices – Special Meeting

August 21, 2009: Cayce Mill Supply

Attached as composite **Attachment 27** is a copy of all correspondence, electronic mail messages or other written communications between HWEA and CCWD regarding the proposed wholesale rate increase.

**WITNESS:** Derrick W. Watson

**ATTACHMENT 27**

**CORRESPONDENCE**

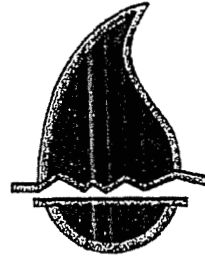
**BETWEEN**

**HWEA AND CCWD**

**Hopkinsville Water Environment Authority**

401 East 9th Street • P.O. Box 628 • Hopkinsville, Kentucky 42241-0628

Len F. Hale  
General Manager



Phone (270) 887-4246

Fax (270) 887-4244



July 9, 2009

Mr. James Owen, Manager  
Christian County Water District  
P.O. Box 7  
Hopkinsville, KY. 42241-007

Subject: Proposed Wholesale Rate Increase

Dear Mr. Owen:

HWEA will be proposing a water rate increase to the Hopkinsville City Council in August 2009. The purpose of the proposed rate increase is to support the indebtedness for the expansion and upgrade of the Moss WTP. HWEA is expanding and upgrading the Moss WTP from 10 MGD capacity to 15 MGD. Bids were received on June 18, 2009 and construction should begin in late summer or early fall. During both 2007 and 2008, the Moss WTP exceeded 85% of its capacity on 100 or more days. The expansion of the Moss WTP is needed to ensure adequate processed water for our customers.

HWEA will be proposing to the Hopkinsville City Council the following wholesale water rates as established by Agreement 01-2005 between HWEA and the CCWD:

	<u>Rate/100 CF</u>	<u>Equivalent Rate/1000 Gal.</u>
First 3000 CF	\$2.96	\$3.96
Next 3000 CF	\$2.59	\$3.47
All Over 6000 CF	\$1.88	\$2.52

The new rates will go into effect for the CCWD 6 months after being approved by the Hopkinsville City Council consistent with Agreement 01-2005.

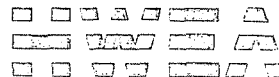
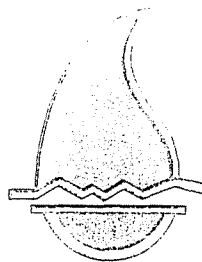
If you have any questions, please call us.

Sincerely,

Derrick W. Watson  
Director of Technical Operations

2009-07-16 10:10:10 AM  
Len F. Hale  
General Manager

2009-07-16 10:10:10 AM  
Len F. Hale  
General Manager



Len F. Hale  
General Manager

July 16, 2009

Mr. Ashbel Brunson, III, Chairman  
Christian County Water District  
P.O. Box 7  
Hopkinsville, KY. 42240

Subject: Emergency Connections


Dear Mr. Brunson:

The HWEA Board of Commissioners approved on July 15, 2009 your request of July 2, 2009 to enter into emergency connection agreements with Barkley Lake Water District, Muhlenberg County Water District, and South Hopkins Water District. We were asked by the Board to request that the Christian County Water District supply HWEA with the executed agreements with these other water districts and that you provide us with a map showing the locations of the master meters serving these emergency interconnections.

Beginning later this summer the HWEA will expand the Moss WTP from 10 MGD to 15 MGD. This project will enable HWEA to better serve the needs of the Christian County Water District and these other districts during emergency situations. We hope to have this expansion completed by March 2011.

If we can be of further assistance to you on this or other matters, please contact us.

Sincerely,

  
Derrick Watson  
Director of Technical Services

c: HWEA Board of Commissioners



**Len Hale**

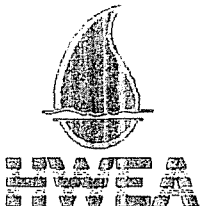
**From:** Derrick Watson [dwatson@hwea-ky.com]  
**Sent:** Friday, July 17, 2009 4:29 PM  
**To:** Len Hale (E-mail)  
**Subject:** CY 2009 Rate Increase - CCWD

Len, this afternoon I returned a call from James Owens T # 886-3696 about the Emergency Interconnect Agreements and the upcoming proposed rate increase.

James stated the South Hopkins is a framework for the other agreements and that he would be glad to provide once they are developed. He also requested that at some point he would need additional financial information in order to review and present to his Board about the proposed rate increase.

I told James Russell and I plan to attend CCWD's 08/06/2009 meeting @ 7:00 am in order to answer any questions they may have about either issue.

Thanks.



Hopkinsville Water Environment Authority  
401 East 9<sup>th</sup> Street  
P.O. Box 628  
Hopkinsville, KY 42240  
T-(270) 887-4129  
F-(270) 887-4244

## TECHNICAL SERVICES DEPARTMENT

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### TRANSMITTAL / SPEEDLETTER

To: Mr. Ashbel Brunson, III, Chairman  
Christian County Water District  
PO Box 7  
Hopkinsville, KY 42240

From: Derrick Watson, Director of Operations

Date: 07/27/2009

Subject: CY 2009 – Proposed Rate Increase  
Christian County Water District  
Request For Information  
Transmittal # 01

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Mr. Brunson, per our 07/23/2009 meeting in City of Hopkinsville's Council Chambers, please find enclosed (7) copies of the following information:

- # 1. FY 08-09 – CCWD 16.75% of Total Sales / Expenses
- # 2. Memo From Len Hale To David Johnson – CCWD Board Member

Thank you for the opportunity to present this information. If you have any questions or comments, please contact me at your earliest convenience, T # 270-887-4129.

enclosures: As Listed Within Body of Memo

cc: HWEA Board Members  
Len Hale, HWEA General Manager  
Jack Lackey, HWEA Attorney  
Russell, King, HWEA Director of Finance

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# Hopkinsville Water Environment Authority

2014-2019 Proposed Rate Increase Summary

Hopkinsville Division - CCWD Expenses		
FY 08-09 Sales Data		
Total Revenue	\$4,578,289.14	
Total Sales - CCWD	\$766,933.45	
CCWD % of Total Sales	16.75%	
Expense Categories Water	FY 08-09 Expenses	CCWD % Sales 16.75%
Operations		
Source of Supply	\$455,226.37	\$76,250.42
Moss WTP	\$1,005,083.54	\$168,351.49
Annual WTP Indebtedness (Projected)	\$530,000	\$88,775.00
<b>Total Expenses CCWD FY 08-09</b>		<b>\$333,376.91</b>
Indebtedness	Total Amount	
Lo 01 - KIA - 1%	\$4,415,000	
Loan # 02 - KIA - 1%	\$4,415,000	
Loan # 03 - Conventional - 3.65%	\$1,763,092	
<b>TOTAL</b>	<b>\$10,593,092.00</b>	
Annualized 20 Years - 240 Months	\$529,654.60	

**HOPKINSVILLE WATER ENVIRONMENT AUTHORITY**

**401 E. Ninth Street, P.O. Box 628**

**Hopkinsville, KY 42240**

**MEMORANDUM**

**TO:** David Johnson, CCWD Board Member

**FROM:** Len Hale 

**DATE:** July 27, 2009

**SUBJECT:** Copies of Rate Increase Work Papers

In our telephone conversation of July 23, 2009, during which we discussed the proposed water rate increase, you requested that I send you copies of my handwritten work papers regarding: 1) calculations showing that the proposed rate increase for HWEA – Hopkinsville Division is a 37% increase (although individual customers may receive more or less increase), and 2) calculations on the impact of the proposed wholesale rate increase on the average CCWD customers using 4000 gallons per month of water.

The first sheet shows that the proposed rate increase (flat rate for Hopkinsville of \$2.95/100 CF) will generate about 40% in additional revenues for the Hopkinsville Division. We had determined that HWEA needs at least a 37% increase in revenues to cover project needs and indebtedness in the water department. These calculations show that the increase of Hopkinsville Division rates to a flat rate should produce the minimum 37% increase in water revenues. The calculations assume no additional losses in large revenue sources and no large increases in expenses from major suppliers such as power and chemicals.

The second sheet reflect my calculations on how the proposed wholesale rate increase will impact the average CCWD water user of 4000 gallons per month.

I hope you can read my writing. If you have any questions, please contact me.

attachments

FY 2009 Water Revenue (HWEL) \$4,578,939.14

Low CCWD Revenue 766,933.45

Adjusted FY 2009 Water Revenue (per CCWD) \$3,311,355.69

Water Delivered to Main (FY 2009) gal. 1,790,230,800

low water delivered to CCWD gal. 432,528,171

1,357,702,629

$1,357,702,629 \div 743 = 1,813,866.13$

$1,813,866.13 \times 295 = 535,088,408.35$

100% of CCWD

$\$5,354,510 - \$3,311,355.69 = \$1,543,204.31$

$\$1,543,204.31 \div \$3,311,355.69 =$

46% projected

100% of HWEL

Division of Water

1770 10th St

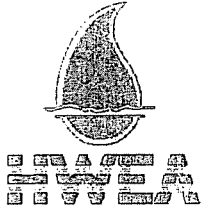
Impact of 37% wholesale increase to CCWD m  
Average 4000 gal/month customer

Existing

CCWD 4000 gal/month customer pays \$38.60/mo.  
Of that amount ( $\$1.37/\text{mccf} \times 535 = \$7.33$ ), \$7.33 is  
the cost of wholesale water, or 19% of the bill.

Proposed

Assuming no increase in CCWD customer's bill from the  
wholesale rate increase. Then, the impact of the increase in  
wholesale rate on the customer's bill will be:  $\$1.37/\text{mccf} \times 535$   
( $4000 \text{ gal} = 7.43 \text{ mcf} \div 100$ ) = \$10.06 per month. So  
CCWD 4000 gal/month customer's bill will be impacted  
by an additional \$2.73 per month. The impact  
raises the wholesale rate part of invoice from 19% to  
26% ( $\$10.06 \div 38.60$ ).



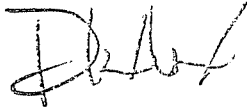
Hopkinsville Water Environment Authority  
401 East 9<sup>th</sup> Street  
P.O. Box 628  
Hopkinsville, KY 42240  
T-(270) 887-4129  
F-(270) 887-4244

## TECHNICAL SERVICES DEPARTMENT

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### TRANSMITTAL / SPEEDLETTER

To: Mr. Ashbel Brunson, III, Chairman  
Christian County Water District  
PO Box 7  
Hopkinsville, KY 42240

From: Derrick Watson, Director of Operations 

Date: 08/10/2009

Subject: CY 2009 – Proposed Rate Increase  
Christian County Water District - Request For Information  
Transmittal # 02

---

Mr. Brunson, per our 08/03/2009 special called CCWD Board meeting, please find enclosed (7) copies of the following information;

- # 1. Exhibit A - Current CCWD / HWEA Rates vs. Proposed CCWD / HWEA Rate
- # 2. Exhibit B - Current Crofton Rate vs. Crofton Proposed Rate
- # 3. Exhibit C - Current Pembroke Rate vs. Pembroke Proposed Rate
- # 4. HWEA Indebtedness – Water

Thank you for the opportunity to present this information. If you have any questions or comments, please contact me at your earliest convenience, T # 270-887-4129.

enclosures: As Listed Within Body of Memo

cc: HWEA Board Members  
Len Hale, HWEA General Manager  
Jack Lackey, HWEA Attorney  
Russell, King, HWEA Director of Finance  
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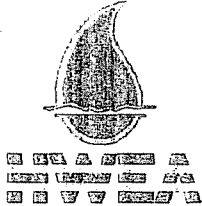






**HWEA**  
**Debt Service Analysis**  
**Water Division**

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
		Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments	Prin. & Int. Payments
<b>Existing Debt</b>											
KIA Loan B95-02	Water Plant Const.	\$225,695	\$225,374	\$225,046	\$224,712	\$224,373	\$224,028	\$223,673	\$223,313	\$222,947	\$222,573
Original Loan Amount -	\$ 5,000,000.00										
Loan Origination - 1995											
Maturity Date	June 1, 2028										
KIA Loan F02-04	Barkley Raw Water	\$87,257	\$87,083	\$86,907	\$86,730	\$86,551	\$86,370	\$86,187	\$86,002	\$85,815	\$85,627
Original Loan Amount -	\$ 1,513,593.00										
Loan Origination - 2002											
Maturity Date	June 1, 2028										
KIA Loan F06-02	Intake Site	\$269,157	\$268,782	\$268,396	\$267,999	\$267,589	\$267,167	\$266,733	\$266,285	\$265,823	\$265,348
Original Loan Amount -	\$ 3,887,432.12										
Loan Origination - 2006											
Maturity Date	June 1, 2028										
2005A Series Bonds	Barkley Project	\$1,905,818	\$1,906,139	\$1,904,605	\$1,905,405	\$1,903,645	\$1,904,893	\$1,902,600	\$1,901,600	\$1,903,500	\$1,903,200
Original Bond Proceeds -	\$ 25,635,000.00										
Bond Origination - 2005											
Maturity Date	April 1, 2026										
2005B Series Bonds	Water Treatment Plt.	\$166,213	\$162,313	\$163,337	\$164,038	\$164,316	\$164,244	\$163,809	\$163,000	\$0	\$0
Original Bond Proceeds -	\$ 1,545,000.00										
Bond Origination - 2005											
Maturity Date	April 1, 2017										
<b>Less WTP - 15 MGD Expansion</b>											
KIA Loan \$3,000,000 @ 1% for 20 Years		\$40,000	\$80,000	\$459,342	\$458,406	\$457,460	\$456,503	\$455,536	\$454,558	\$453,570	\$452,573
Other Financing \$2,500,000 @ 3.8% for 20 Years		\$0	\$47,500	\$182,368	\$182,112	\$181,846	\$181,570	\$181,283	\$180,985	\$180,676	\$180,356
		<u>\$2,694,140</u>	<u>\$2,777,191</u>	<u>\$3,290,001</u>	<u>\$3,289,402</u>	<u>\$3,285,780</u>	<u>\$3,284,775</u>	<u>\$3,279,821</u>	<u>\$3,275,743</u>	<u>\$3,112,331</u>	<u>\$3,109,630</u>



Hopkinsville Water Environment Authority  
401 East 9<sup>th</sup> Street  
P.O. Box 628  
Hopkinsville, KY 42240  
T-(270) 887-4129  
F-(270) 887-4244

## TECHNICAL SERVICES DEPARTMENT

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### TRANSMITTAL / SPEEDLETTER

To: Mr. Ashbel Brunson, III, Chairman  
Christian County Water District  
PO Box 7  
Hopkinsville, KY 42240

From: Derrick Watson, Director of Operations

Date: 08/24/2009

Subject: HWEA / CCWD 08/21/2009 Meeting Minutes  
Transmittal # 03

---

Mr. Brunson, per our 08/21/2009 meeting, please find enclosed (1) draft copy of the meeting minutes.

Please review and comment at your earliest convenience.

We trust this information is thorough and complete, however, if you have any questions or comments, please contact me at your earliest convenience, T # 270-887-4129.

enclosures: 08/21/2009 HWEA / CCWD Meeting Minutes

cc: HWEA Board Members  
Len Hale, HWEA General Manager  
Jack Lackey, HWEA Attorney  
Russell, King, HWEA Director of Finance  
c:\hwea\agencies\CCWD\2009\08242009.SAB.doc



## HWEA / CCWD MEETING MINUTES

Date: 08/21/2009  
Time: 8:15 am – 9:00 am  
Location: Cayce Mill Supply – 2225 Pembroke Road, Hopkinsville  
Attendees: Mr. Ash Brunson, Christian County Water District Chairman  
Mr. David Johnson, CCWD Board Member  
Mr. Breck Cayce, HWEA Board Member  
Mr. Derrick Watson, HWEA Director of Operations

\*\*\*\*\*  
A meeting was held as noted above in order to discuss HWEA's proposed 37% rate increase. The following topics were discussed;

- # 1. CCWD asked if the 37% increase is negotiable rate since a previous negotiation reduced the initial offering from 62% to 30% ?
- # 2. CCWD is not opposed to a general rate increase, but considers 37% unreasonable – from \$ 1.37 per 100 cf / \$ 1.83 per 1,000 gals to \$ 1.88 per 100 cf / \$ 2.52 per 1,000 gals.
- # 3. CCWD offered a KRWA table noting average wholesale price for water District's across the state with the average being \$ 2.09 per 1,000 gals.
- # 4. CCWD countered \$ 1.61 - \$ 1.65 per 100 cf or \$ 2.15 - \$ 2.20 per 1,000 gals and asked that HWEA consider the lesser rate.
- # 5. CCWD would like to raise the per day purchase cap to 4 MG at some point in the future.
- # 6. CCWD stated Logan-Todd has offered to sell CCWD water at a rate less than \$ 2.50 per 1,000 gals.
- # 7. CCWD offered a spreadsheet prepared by James Owen noting the portion of indebtedness incurred by CCWD should only be \$ 0.15 per 1,000 gals not \$ 0.67 per 1,000 gals as requested.
- # 8. CCWD noted the terms and conditions pertaining to the Pembroke Road / US 68/80 territory transfer(s) remain valid and actionable.

# 9. CCWD considers the Rosetown Road territory transfer request moot since the immediate area just outside of Pembroke is now served by CCWD.

# 10. CCWD considers it appropriate to request territory from CCWD as the City develops and sanitary sewer is to be made available to territory such as the Mega-site.

# 11. CCWD has no interest in becoming a sewer utility and was not specifically aware of the Lafayette sewer project noted in the Pennyrile Water Management Council's project list.

# 12. CCWD stated they generally believe there to be approximately 500 - 600 more customers that will need to be served with potable water in order to comply with then Governor Patton's 2020 goal of supplying potable water to all county resident's.

Seeing no further discussion, the general consensus is both parties would proceed with the PSC hearing in order to verify the validity of the requested rate increase.

**END of MEETING**

\*\*\*\*\*

Attachments:           Item # 03 - KRWA Water District Cost Per 1,000 gals  
                              Item # 07 - "Using HWEA Cost As Presented"

Water District	Per 1000
Ohio County WD	\$ 2.20
Mountain WD	\$ 2.40
Henry County WD	\$ 2.20
Carroll County WD	\$ 2.32
Southern WD	\$ 1.69
McCreary County WD	\$ 3.48
Edmonson County WD	\$ 2.70
Hardin County WD #1	\$ 1.92
Hardin County WD #2	\$ 1.77
Green River Valley WD	\$ 1.18
Wood Creek WD	\$ 1.24
Crittenden Livingston WD	\$ 2.20
Western Fleming WD	\$ 1.43
Northern Kentucky WD	\$ 2.97
Grayson County WD	\$ 1.81
Oldham County WD	\$ 1.22
Webster County WD	\$ 2.75

\$ 2.09

**Water Association**

Jackson County WA	\$ 2.53
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**Water Commission**

Adair County/Columbia	\$ 2.10
Greater Fleming	\$ 1.86
Cave Run	\$ 2.55
Beech Fork	\$ 1.92
Logan-Todd	\$ 3.31

\$ 2.16

**Private**

Kentucky-American	\$ 2.85
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**Municipal**

Lawrenceburg	\$ 2.15
Glasgow	\$ 1.75
Pineville	\$ 1.92
Millersburg	\$ 2.25
Ashland	\$ 1.43
Danville	\$ 1.47
Augusta	\$ 1.50
Jackson	\$ 2.12
Morgantown	\$ 1.38
Princeton	\$ 2.21
Murray	\$ 1.66
Liberty	\$ 2.38
Hopkinsville	\$ 1.85
Winchester	\$ 2.15
Manchester	\$ 3.22
Burkesville	\$ 2.09
Owensboro	\$ 1.50
Irvine	\$ 1.91
Fredonsburg	\$ 2.48

Frankfort	\$	1.92
Lancaster	\$	1.88
Leitchfield	\$	1.44
Greensburg	\$	1.82
Evarts	\$	2.50
Cynthiana	\$	1.85
Henderson	\$	1.74
Madisonville	\$	3.27
Dawson Springs	\$	1.41
Louisville	\$	1.71
Wilmore	\$	4.27
Nicholasville	\$	2.14
Barbourville	\$	2.85
Louisa	\$	2.32
Beattyville	\$	3.00
Whitesburg	\$	2.90
Stanford	\$	2.04
Eddyville	\$	3.50
Paducah	\$	1.50
Calhoun	\$	1.90
Livermore	\$	2.16
Berea	\$	1.95
Richmond	\$	2.60
Salyersville	\$	2.50
Lebanon	\$	2.67
Maysville		
Brandenburg	\$	1.15
Harrodsburg	\$	1.32
Tompkinsville	\$	1.39
Mt. Sterling	\$	2.07
West Liberty	\$	2.55
Central City	\$	1.57
Bardstown	\$	1.70
Carlisle	\$	1.59
Falmouth	\$	1.98
Paris	\$	2.25
Burnside	\$	2.43
Somerset	\$	2.00
Mt. Vernon	\$	2.16
Morehead	\$	1.53
Jamestown	\$	1.30
Shelbyville	\$	1.61
Campbellsville	\$	1.97
Morganfield	\$	1.73
Bowling Green	\$	0.77
Monticello	\$	2.40
Corbin	\$	2.20
Williamburg	\$	2.20
Versailles	\$	2.20
Average	\$	2.00
Median	\$	2.01

\$ 2.00



USING HWEA COST AS PRESENTED

CURRENT COST OF CCWD SERVICE TO HWEA

CCWD purchased water in 100 cubic feet	622,594.91
CCWD purchased water converted to gallons	466,946,187

Annual Cost	Cost per 100 cubic feet	Cost per 1,000 gallons
\$ 244,601	\$0.393	\$0.524

PROPOSED COST OF CCWD SERVICE TO HWEA

As projected by HWEA

Annual	Revenue needed to cover expenses per 100 cubic feet	Cost per 1,000 gallons
\$ 333,376	\$ 0.536	\$ 0.67

Difference rounded (0.40 to 0.54)	(0.53 to 0.68)
0.14 cents	0.15 cents

Using an average current rate of \$1.39 (per 100 cubic feet) plus 0.14 increase (equals)  
\$1.53 per (100 cubic Feet) \$ 1.53  
Or

Using an average current rate of \$1.85 (per 1,000 gallons) plus 0.15 increase (equals)  
\$ 2.00 per (1,000 gallons) \$2.00

**Derrick Watson**

**From:** Derrick Watson [dwatson@hwea-ky.com]

**Sent:** Wednesday, September 02, 2009 10:40 AM

**To:** 'jamesowen@newwavecomm.net'

**Subject:** HWEA CY 2008-2009 Finished Water Delivered To Mains - 2,183,557,000 gals

Good morning James and trust all is well.

Per our meeting yesterday, you requested HWEA's total gallons (Finished Water) Delivered To Mains for CY 2008-2009 . Our records indicate that value is 2,183,557,000 gallons.

Please let me know if you need any additional information or if I may be of further assistance.

Thank you !!

Sincerely,

Derrick Watson  
HWEA Director of Operations  
T # 270-887-4129

10/13/2009

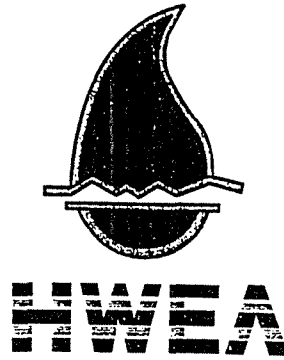
# Hopkinsville Water Environment Authority

401 East 9th Street • P.O. Box 628 • Hopkinsville, Kentucky 42241-0628

Phone (270) 887-4246

Fax (270) 887-4244

Len F. Hale  
General Manager



September 1, 2009

***HAND DELIVERED***

Mr. Ashbel Brunson, III, Chairman  
Christian County Water District  
PO Box 7  
Hopkinsville, KY 42241-0007

RE: Wholesale Rate Increase

Dear Chairman Brunson:

As you know, on August 20, 2009 the Hopkinsville City Council enacted Ordinance 15-2009. This Ordinance increases water rates for all HWEA customers: retail, commercial, industrial and wholesale. The new water rates will become effective for all HWEA customers, except Christian County Water District ("CCWD"), on September 1, 2009. The new rate for CCWD will become effective as soon as it is approved by the Kentucky Public Service Commission ("PSC").

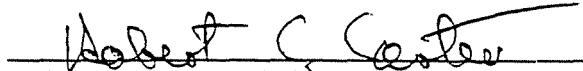
Enclosed are the following documents:

1. PSC Tariff Sheet showing the current rates, the proposed rates and the percentage increase; and
2. Notice that HWEA has filed the attached Tariff Sheet with the PSC and that CCWD has 30 days to file a written objection with the PSC or to request to intervene in this matter.

The rate increase is a result of increased operating expenses and additional debt service expenses associated with recent improvements to HWEA's water system. The proposed CCWD wholesale rate represents a 37% increase for all usage blocks. All water used by CCWD over 6,000 cubic feet will be billed at a rate of \$1.88 per 100 cubic feet. This is an increase of \$0.51 per 100 cubic feet. In contrast, large industrial retail customers of HWEA will experience a much larger increase -- approximately 92% (from \$1.54 to \$2.95 per 100 cubic feet). This is an increase of \$1.41 per 100 cubic feet for all water usage over 6,000 cubic feet.

HWEA has made every effort to explain to CCWD, to the Hopkinsville City Council and to the public that the rate increase is necessary to enable HWEA to provide its customers, including CCWD, with safe, dependable and adequate water service. HWEA regrets that, to date, it has been unsuccessful in convincing CCWD that the proposed wholesale rates are fair, just and reasonable rates. Therefore, HWEA has no option except to seek PSC approval of the proposed wholesale rates for CCWD.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert C. Carter", is written over a horizontal line.

Robert C. Carter, Chairman  
Hopkinsville Water Environment Authority

FOR Hopkinsville, KY  
Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_

1<sup>st</sup> Revised \_\_\_\_\_ SHEET NO. 1

**Hopkinsville Water Environment Authority**  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

Original \_\_\_\_\_ SHEET NO. 1

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RATES & CHARGES

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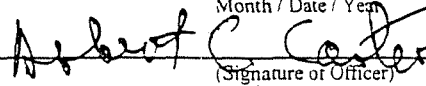
**Monthly Wholesale Water Rate**

	Rate per 100 cubic feet	Equivalent Rate per 1,000 Gallons
First 3,000 cubic feet	\$ 2.96	\$ 3.96
Next 3,000 cubic feet	\$ 2.59	\$ 3.47
Over 6,000 cubic feet	\$ 1.88	\$ 2.52

---

DATE OF ISSUE September 1, 2009  
Month / Date / Year

DATE EFFECTIVE October 5, 2009  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. N/A DATED N/A

## NOTICE

Notice is hereby given that on or about September 3, 2009, Hopkinsville Water Environment Authority ("HWEA") will file a proposed rate schedule with the Public Service Commission ("PSC") which will increase by thirty-seven percent (37%) the rates it currently charges to Christian County Water District ("CCWD") for wholesale water service. HWEA proposes to charge the proposed rates for wholesale water service effective on and after October 5, 2009. The current rates, proposed rates and the percentage increase for each usage block are as follows:

### RATES PER 100 CUBIC FEET

Usage	Current Rates	Proposed Rates	% Increase
First 3,000 cubic feet	\$ 2.16	\$ 2.96	37%
Next 3,000 cubic feet	\$ 1.89	\$ 2.59	37%
Over 6,000 cubic feet	\$ 1.37	\$ 1.88	37%

### EQUIVALENT RATES PER 1,000 GALLONS

Usage	Current Rates	Proposed Rates	% Increase
First 3,000 cubic feet	\$ 2.89	\$ 3.96	37%
Next 3,000 cubic feet	\$ 2.53	\$ 3.47	37%
Over 6,000 cubic feet	\$ 1.83	\$ 2.52	37%

The rates contained in this Notice are the rates proposed by HWEA. However, the PSC may order rates to be charged that differ from the proposed rates contained in this Notice.

## NOTICE OF RIGHT TO INTERVENE

CCWD and any corporation, association, or person with a substantial interest in this matter may, within thirty (30) days after receipt of this Notice, file a written request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown. Any motion by CCWD or any other person desiring to intervene shall be submitted to the Public Service Commission, 211 Sower Blvd., PO Box 615, Frankfort, Kentucky 40602; Attn: Jeff Derouen, Executive Director (telephone 502-564-3940), and shall set forth the grounds for the request, including the status and interest of the party intervening.

Any person may examine and obtain copies of HWEA's application and other filings at HWEA's office located at 401 E. Ninth Street, Hopkinsville, Kentucky (contact Derrick W. Watson at 270-887-4237) or at the PSC's offices at 211 Sower Boulevard, Frankfort, Kentucky (telephone 502-564-3940). The proposed rate schedule may also be viewed at the Public Service Commission's website at <http://psc.kv.gov/trf/trfmain.aspx>.

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY  
PO BOX 628  
401 E. NINTH STREET  
HOPKINSVILLE, KENTUCKY 42241  
ATTN: DERRICK W. WATSON  
TEL: 270-887-4237

28. Provide all contracts for water service between HWEA and Christian County Water District that have not been filed with the Commission.

**RESPONSE:**

Attached are two (2) agreements between HWEA and CCWD which have not been filed with the Commission.

June 19, 1996: Contract Modification Agreement

December 8, 2005: Settlement Agreement 2-2005

**WITNESS:** Derrick W. Watson



**ATTACHMENT 28**

**AGREEMENTS BETWEEN**

**HWEA AND CCWD**

## CONTRACT MODIFICATION AGREEMENT

**THIS AGREEMENT** is made and entered into by and between the City of Hopkinsville, Sewerage and Water Works Commission d/b/a Hopkinsville Water Environment Authority (hereinafter HWEA) and the Christian County Water District (hereinafter County) and is dated as of the 19th day of JUNE, 1996.

WHEREAS the County has requested reconsideration of rates charged for the sale of treated water by the HWEA to the County and the County has requested that the formula for determining water rates as presented in the 1973 Water Service Contract be revised; and

WHEREAS the County has a certain service territory set out in an Order of Christian Fiscal Court dated November 13, 1967, said service territory consisting of land located outside of the water service boundaries of the cities of Hopkinsville, Crofton, Pembroke, and Oak Grove; and

WHEREAS HWEA has requested that the County cede territory along US Highway 41-A south from the present HWEA boundary and all future non-residential customers;

### IT IS THEREFORE AGREED AS FOLLOWS:

1. **WATER RATE ADJUSTMENT:** The HWEA has agreed to adjust the current water rate to the County and to amend the contract conditions for determining future rate increases as follows:

a. Beginning in July 1, 1996 and continuing until June 30, 2001, the water rate from HWEA to the County will be \$1.44 per 1000 gallons for the first 10,000,000 gallons per month. All water purchased by the County in excess of 10,000,000 gallons per month will be billed at a rate of \$1.5425 per 1000 gallons. The contract conditions requiring a rate evaluation and adjustment every three years is hereby rescinded.

b. Beginning July 1, 2001, the new rates charged by HWEA to the County for the purchase of treated water will be based upon an index of 1.3 times the applicable City rates. The rates will only change as the City rates change.

2. **MASTER METER INSTALLATION:** The HWEA shall relocate the existing master meter at KY 1613 to another appropriate location to be determined by the County at no charge. Furthermore, two other master meters will be installed at no cost to the County by the HWEA within a reasonable period.

3. **SERVICE TERRITORY BOUNDARY ADJUSTMENT:** The service territory of HWEA and the County shall be adjusted to include the following changes:


a. The HWEA service boundary for US 41A shall include all customers located within 1000 feet of the center line of each outside lane (closest to US 41A R/W) on both sides of the said highway running from the present southern most boundary of the HWEA service territory to the north side of Interstate 24. Any development which fronts US Highway 41A and is entirely or partially within the 1000 foot service areas will be entirely served by HWEA. All existing customers of the County located within the 1000 foot service area along US Highway 41A will be relinquished to the HWEA on or before July 1, 1996, except for Pleasant View Acres and the Harry Berry Trailer Park. The existing 8" PVC water main along US Highway 41A from KY 1613 to Locust Grove Road will be transferred to the HWEA to facilitate serving South Christian and the I-24 area. If any residential customer outside the 1000 foot corridor or residential development starts outside the 1000 foot corridor desire water that the Christian County Water District cannot serve, HWEA may serve upon the request for permission from the Christian County Water District. Permission will not be unreasonably withheld for HWEA to serve.

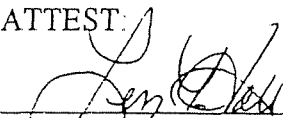
b. The County will transfer to the HWEA all existing and future non-residential territory and non-residential customers in its service area upon the written request by the HWEA. The transferred territory would not include existing and future residential customers located in the County territory, although the customers could be served from HWEA installed facilities. This arrangement will remain in effect until the County can provide sewer service.

c. The HWEA will permanently transfer territory north and west of Hopkinsville to the County along the route of the Northwest By Pass. The boundary will be adjusted to follow the outside right-of-way of the Northwest By Pass.


4. **AGREEMENT BINDING:** This agreement shall be binding upon the successors and assigns of both parties.

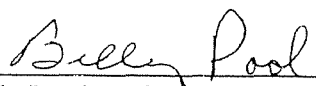
**CITY OF HOPKINSVILLE, SEWERAGE  
AND WATER WORKS COMMISSION d/b/a  
HOPKINSVILLE WATER ENVIRONMENT  
AUTHORITY**

BY:   
Wendell Lynch, Chairman

ATTEST:  
  
Len F. Hale, General Manager

**CHRISTIAN COUNTY WATER DISTRICT**

BY:   
William Lile, Chairman

ATTEST:  
  
Billy Poole, Manager

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSSION OF KENTUCKY

In the Matter of:

INVESTIGATION OF THE HOPKINSVILLE	)	
WATER ENVIRONMENT AUTHORITY'S	)	CASE NO.
WHOLESALE RATE TO CHRISTIAN COUNTY	)	2005-00174
WATER DISTRICT	)	

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**SETTLEMENT AGREEMENT 2-2005**

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THIS SETTLEMENT AGREEMENT ("Agreement") is made and entered into as of the 8<sup>th</sup> day of December, 2005, by and between the Hopkinsville Water Environment Authority ("HWEA") and the Christian County Water District ("CCWD"), both of whom are collectively referred as the "Parties",

**WITNESSETH:**

WHEREAS, on June 28, 1973, the City of Hopkinsville, acting by and through its duly authorized agency, the Hopkinsville Sewerage and Water Works Commission (now known as Hopkinsville Water Environment Authority or HWEA), entered into a Water Purchase Contract ("Contract") with the CCWD;

WHEREAS, there have been multiple amendments, extensions and addendums to the Contract during the past 30 years;

WHEREAS, HWEA has provided wholesale water service to the CCWD for the past 32 years pursuant to the terms of the Contract, as amended and extended;

WHEREAS, in an Ordinance enacted by the Christian County Fiscal Court on September 10, 1974 established water service boundaries for the Christian County Water District, the Hopkinsville Sewerage and Water Works Commission, the City of Oak Grove, the City of Crofton, the City of Pembroke, and the Ft. Campbell Military Reservation;

WHEREAS, there have been multiple territory transfer agreements between the CCWD and HWEA over the last 30 years in order to provide more complete water and sewerage service to the residents of Christian County; and

WHEREAS, the CCWD is in favor of and encourages residential, commercial, and industrial growth within and around the City of Hopkinsville.

NOW THEREFORE, HWEA and the CCWD agree as follows:

1. The CCWD, upon written request from HWEA, will transfer territory that is contiguous to the Hopkinsville City Limits or HWEA water service boundary subject to the approval of the Christian County Judge Executive pursuant to the provisions of KRS 74.110. The terms of the transfer will include reimbursement to the CCWD for capital costs less depreciation for any existing CCWD infrastructure in the subject territory or the amount of the remaining debt, whichever is greater. HWEA will also pay to the CCWD 5% of gross water revenues generated annually from the subject territory, less taxes and fees. HWEA will make annual payments to the CCWD by May 31<sup>st</sup>. Records of water revenues from each affected territory will be available for inspection by the CCWD, upon request.

2. If CCWD infrastructure in the territory to be transferred has existing indebtedness associated with it and if applicable, HWEA must receive written consent from the lending agency providing approval for the transfer of the territory.

3. Upon transfer of the territory, HWEA will provide water service to the customers existing at the time of the transfer within 2 years of the date of the transfer and provide wastewater service within 5 years of the date of the transfer. If however the territory is outside the HWEA 201 Facilities Plan Boundary, HWEA must obtain approval from the City of Hopkinsville and the Christian County Fiscal Court to expand the 201 Boundary accordingly. Prior to providing service to the customers within the transferred territory, HWEA must obtain executed consent to annexation documents from the property owners.

4. Each Party pledges to use its best efforts to help expedite the approval of the Agreement by the Commission.

IN WITNESS WHEREOF, each of the Parties, by its duly authorized Chairman and attorney, has executed this Agreement as of the date first above written.

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY

BY: Robert C. Carter  
ROBERT C. CARTER, CHAIRMAN

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY

BY: Andrew C. Self  
ANDREW C. SELF, ATTORNEY

BY: L.P.N. McTyeire, III  
HOLLAND McTYEIRE, III, ATTORNEY

CHRISTIAN COUNTY WATER DISTRICT

BY: Ashbel Brunson III SH  
ASHBEL BRUNSON, CHAIRMAN

CHRISTIAN COUNTY WATER DISTRICT  
Have Seen and Approved as to Form and Legality

BY: J. Michael Foster  
J. MICHAEL FOSTER, CHRISTIAN CO. ATTORNEY

29.

- a. State the annual effect of the proposed rate adjustment on HWEA's revenues from wholesale water service to each of its wholesale water service customers.
- b. Show all calculations made and state all assumptions used to derive the RESPONSE to Item 29(a).

**RESPONSE:**

HWEA's sole wholesale water service customer is CCWD. The proposed wholesale rate increase of 37% should produce 37% additional annual revenue (\$293,253) from CCWD if CCWD purchases the same volume of water from HWEA as it did during the test year.

$$\$792,577 \times 0.37 = \$293,253 \text{ (Source: Attachment 18b)}$$

**WITNESS:** Derrick W. Watson