

GRAVES COUNTY WATER DISTRICT
P O BOX 329
MAYFIELD, KY 42066

July 24, 2012

Mr. Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602-0615

RECEIVED

JUL 30 2012
PUBLIC SERVICE
COMMISSION

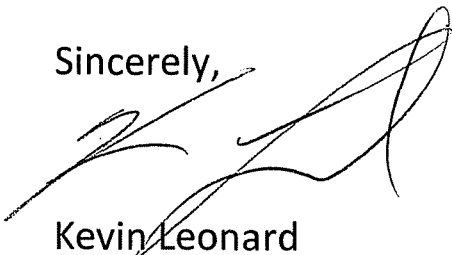
RE: Hickory/Graves Water Districts Merger

Dear Mr. Derouen:

Enclosed are three (3) original merger application forms along with supporting documents for your review and records. We have kept one copy for our use. Please forward these documents to the appropriate department.

We appreciate any help you are able to give us in getting this application approved as soon as possible.

Sincerely,



Kevin Leonard

KL/dm

Enc. (2)

RECEIVED

JUL 30 2012

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF HICKORY WATER)
DISTRICT AND GRAVES COUNTY WATER) CASE NO. _____
DISTRICT FOR APPROVAL OF PROPOSED)
MERGER)

APPLICATION

Pursuant to KRS 278.020(5) and (6) and to KRS 74.363, Hickory Water District ("Hickory District") and Graves County Water District ("Graves District") jointly apply for approval of their merger. In support of their application, they state:

1. Hickory District is a water district organized pursuant to KRS Chapter 74. It currently provides water service to approximately 1,376 customers in Graves County, Kentucky. Its mailing address is: Post Office Box 329, Mayfield, Kentucky 42066.
2. On September 11, 1964, Hickory District was established by order of the Graves County Judge Hickory Water District to provide water service to certain portions of Graves County. A copy of this Order is appended to this Application as Exhibit A.
3. A Board of Commissioners, composed of three members who are appointed by the Graves County Judge/Executive and approved by Graves County Fiscal Court, controls and manages Hickory District.
4. A description of Hickory District's water system and its property stated at original cost by accounts is contained in its 2011 Annual Report, a copy of which is Appended to this Application as Exhibit B.

5. As of December 31, 2011, Hickory District had total assets of \$2,441,871 and total liabilities of \$368,672. It has net utility plant of \$2,245,062.

6. As of December 31, 2011, Hickory District's sole long-term debt obligation is a 20-year loan owed to the Kentucky Infrastructure Authority. The unpaid principal on this loan is \$274,402. This loan has a maturity date of June 1, 2021.

7. As of December 31, 2011, Hickory District had no employees. Hickory District has contracted with the Electric Plant Board-City of Mayfield, also known as the Mayfield Electric and Water Systems ("MEWS"), to operate and manage Hickory District's facilities. A copy of the agreement between Hickory District and MEWS is appended to this Application as Exhibit C.

8. Graves District a water district organized pursuant to KRS Chapter 74. It currently provides water service to approximately 4,849 customers in Carlisle and Graves Counties, Kentucky and sewer service to approximately 209 customers in Graves County, Kentucky. Its mailing address is: Post Office Box 329, Mayfield, Kentucky 42066.

9. Graves District is the result of the merger of Consumers Water District, Fancy Farm Water District, Hardeman Water District, and South Graves Water District. The Public Service Commission approved the merger of these water districts on May 21, 2008 in Case No. 2007-00496, *Joint Application of Consumers Water District, Fancy Farm Water District, Hardeman Water District, and South Graves Water District for Approval of Merger and Formation of the Graves County Water District*.

10. A Board of Commissioners, composed of five members who are appointed by the Graves County Judge/Executive and approved by Graves County Fiscal Court, controls and manages Graves District.

11. A description of Graves District's water system and its property stated at original cost by accounts is contained in its 2011 Annual Report, a copy of which is attached to this Application as Exhibit D.

12. A description of Graves District's sewer system and its property stated at original cost by accounts is contained in its 2011 Annual Report, a copy of which is attached to this Application as Exhibit E.

13. As of December 31, 2011, Graves District's water operations had total assets of \$6,018,333 and total liabilities of \$1,199,343. It has net utility plant of \$5,572,747 for its water operations.

14. As of December 31, 2011, Graves District's sewer operations had total assets of \$650,936 and total liabilities of \$1,199,343. It has net utility plant of \$521,373 for its sewer operations.

15. As of December 31, 2011, Graves District's long-term debt obligations consisted of two loans from the Kentucky Infrastructure Authority. The unpaid principal on these loans is \$1,044,325. These loans mature in 2026.

16. As of December 31, 2011, Graves District had no employees. Graves District has contracted with the Electric Plant Board-City of Mayfield, also known as the Mayfield Electric and Water Systems ("MEWS"), to operate and manage Graves District's facilities. A copy of the agreement between Graves District and MEWS is appended to this Application as Exhibit F.

17. On June 22, 2010, Graves District's Board of Commissioners met and voted unanimously to merge with Hickory District after completion of an investigation of all pertinent records. A copy of the minutes of this meeting is appended to this Application as Exhibit G.

18. On June 28, 2010, Hickory District's Board of Commissioners met and voted to merge with Graves District. A copy of the minutes of this meeting is appended to this Application as Exhibit H.

19. On August 23, 2011, Hickory District's Board of Commissioners voted to merge with Graves District and to authorize its chairperson to execute all documents necessary to implement such merger. A copy of this resolution is appended to this Application as Exhibit H.

20. On August 23, 2011, Graves District's Board of Commissioners voted to merge with Hickory District and to authorize its chairperson to execute all documents necessary to implement such merger. A copy of this resolution is appended to this Application as Exhibit I.

21. On August 24, 2011, Graves District and Hickory District executed a "Water District Merger Agreement" that provided for their merger. A copy of this agreement is attached to this Application as Exhibit K.

22. The Water District Merger Agreement provides:

a. Graves District and Hickory District will merge upon approval of the Public Service Commission's approval of the proposed merger.

b. One year following the Public Service Commission's approval of the proposed merger, the merged district's board of commissioners will be composed of seven members with two members from Hickory District's present Board of Commissioners.

c. After the merger occurs, the merged district shall be known as the "Graves County Water District."

d. A separate sinking fund for the purpose of retiring Hickory District's bonded obligations that are secured by Hickory District's right to levy and assessment shall continue and shall be funded from funds collected from geographic areas that currently constituted Hickory District's territory under such obligations are retired.

e. Hickory District's present rates shall continue to be assessed to customers of the merged district that are located and served within geographic areas that currently constituted Hickory District. These rates and all other existing provisions of Hickory District's existing tariff shall become part of the merged water district's rate schedules and tariff and shall apply to the geographic areas that currently constituted Hickory District's territory.

23. Upon completion of the proposed merger, the merged water district will continue its contractual arrangements with MEWS for the operation and management of its assets and operations.

24. The proposed merger is expected to provide the following benefits:

a. The merged water district's larger size and greater buying power should result in a reduction in the cost of the purchase of goods and services;

b. Consolidation of existing systems will result in the elimination of redundant or duplicative functions;

c. The merged water district's larger customer base should make the merged district a more attractive borrower and thus enhance the availability of funds and reduce the cost of borrowing;

d. The merger should produce a more centralized and effective management that will better foster long-term planning and coordinate economic development within the merged water district's territory;

e. The merged water district will be better positioned to meet the increased cost of providing water and sewer service and to comply with expected changes in federal and state environmental laws.

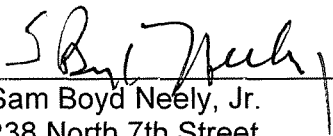
25. The proposed merger is consistent with the Commonwealth's policy as set forth in KRS 74.361(1).

26. The proposed merger is in the public interest.

27. Upon completion of the proposed merger, the merged water district will have the financial, managerial, and technical abilities to provide reasonable water and sewer service to the customers of Hickory District and Graves District.

WHEREFORE Hickory District and Graves District joint request that the Public Service Commission approve the proposed merger and enter all orders necessary to implement the proposed merger.

Respectfully submitted,



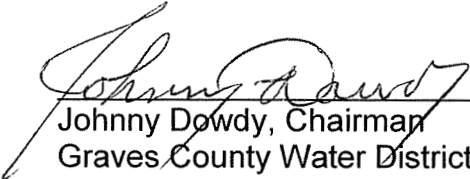
Sam Boyd Neely, Jr.
238 North 7th Street
P.O. Box 708
Mayfield, Kentucky 42066-0034

COUNSEL FOR HICKORY WATER
DISTRICT AND GRAVES COUNTY
WATER DISTRICT

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF GRAVES)

The undersigned, Johnny Dowdy, being duly sworn, deposes and states that he is the Chairman of the Graves County Water District, Applicant, in the above proceedings; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on this June 22, 2012.


Johnny Dowdy, Chairman
Graves County Water District

Subscribed and sworn to before me by Johnny Dowdy, Chairman of the Graves County Water District, on this June 22, 2012.

My commission expires: Jan 23, 2014.

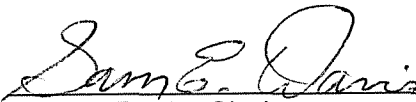



Notary Public State-At-Large

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF GRAVES)

The undersigned, Sam E. Davis, being duly sworn, deposes and states that he is the Chairman of the Hickory Water District, Applicant, in the above proceedings; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on this June 26, 2012.



Sam E. Davis, Chairman
Hickory Water District

Subscribed and sworn to before me by Sam E. Davis, Chairman of Hickory Water District, on this June 26, 2012.

My commission expires: Jan 23 2014





Notary Public State-At-Large

EXHIBIT A

NC. _____

PETITION OF WILSON NALL, ET AL.
FOR CREATION OF WATER DISTRICT

GRAVES COUNTY COURT
FILED
JUL 25 1965
PUBLIC SERVICE
COMMISSION

ORDER ESTABLISHING AND CREATING WATER DISTRICT
TO BE KNOWN AS
HICKORY WATER DISTRICT

WHEREAS, there has heretofore been filed a Petition by the above named Petitioner and other freeholders and residents of an area lying in Graves County, Kentucky, for the creation of a water district, and asking that same be known as HICKORY WATER DISTRICT, pursuant to Chapter 74 of the Kentucky Revised Statutes, and

WHEREAS, a Notice of the filing of such Petition was duly published in compliance with all legal requirements, as set out in Affidavit of Publication filed in this proceeding on September 1, 1964, and

WHEREAS, a period of thirty days has expired after the third publication of such Notice, during which time all residents of the proposed district have had an opportunity to file objections, and

WHEREAS, the Court within the ten day period following the expiration of said thirty day period, by order entered on September 1, 1964, set the case for hearing on the 11 day of September, 1964, at 10:00 AM., and

WHEREAS, notice of such hearing was duly published in compliance with all legal requirements, as set out in Affidavit of Publication attached to this Order and which is hereby approved, and

WHEREAS, the Court has found and does hereby find that the establishment of such district is reasonably necessary for the public health, convenience, fire protection, safety and comfort of the residents within the area described in the Petition as being the area sought to be established as said water district, and

WHEREAS, the Court has determined and does hereby determine, that such Petition was signed by at least seventy-five (75) resident freeholders of the proposed district, as required by law,

EXHIBIT #1

NOW, THEREFORE, it is hereby ordered that there be and there is hereby established a water district which shall be designated by the name of "Hickory Water District". It is further ordered that the boundaries of said district shall be and they are hereby designated to be as follows:

DESCRIPTION OF LAND COVERED BY PROPOSED WATER DISTRICT.

Beginning at a point in the center line of U. S. Highway No. 45 at the crossing of the Oaks Grove Creek, thence with a line running due West for a distance of 12,000 feet, more or less to a point. Thence in a Northwesterly direction parallel to and 5,000 feet West of Ky. Highway No. 408 for a distance of 24,000 feet more or less to the intersection of a County Road and Ky. Highway No. 440 at Sellers, Kentucky. Thence in a westerly direction along the center line of Ky. Highway No. 440 for a distance of 7,000 feet more or less to a point. Thence in a Northwesterly direction for a distance of 17,000 feet more or less to a point, said point being more fully described as being 2,300 feet North and 2,000 feet West of the intersection of Ky. Highway No. 408 and Ky. Highway No. 945. Thence in an easterly direction parallel to and 2,000 feet North of Ky. Highway No. 408 for a distance of 20,000 feet more or less to a point, said point being more fully described as being 2,000 feet West and 2,000 feet North of the intersection of Ky. Highway No. 408 and U. S. Highway No. 45. Thence in a Northerly direction parallel to and 1,000 feet East of U. S. Highway No. 45 for a distance of 31,000 feet more or less to a point in the center line of the Mayfield Creek. Thence in a Southerly direction along the meanders of Mayfield Creek for a distance of 71,000 feet more or less to the intersection of the Mayfield Creek and the Oaks Grove Creek. Thence in a Westarly direction along the meanders of the Oaks Grove Creek for a distance of 4,000 feet more or less to the point of beginning.

Entered this 11 day of September, 1964.

F. H. H. H.
SEP 11 1964

Allen W. Clark
Allen W. Clark,
County Judge of Graves County Court

NOTARY PUBLIC
GRAVES COUNTY, KY.

R. E. Hule
BY: *R. E. Hule* COUNTY CLERK

I, R. E. HULE, hereby certify that I am the duly qualified and acting County Clerk of Graves County, Kentucky, and that the foregoing is a true copy of an order of said Court entered on September 11, 1964.

Witness my signature and seal this July 21, 1964

(SEAL)

R. B. Hule
County Clerk
By E. Rowland

EXHIBIT B

23100 Hickory Water District 01/01/2011 - 12/31/2011

Title Page

	Name of Respondent	Addr Line 1	Addr Line 2	City	State	Zip
Water Districts/Associations						
Annual Report of						
Respondent	Hickory Water District	PO Box 239		Mayfield	KY	42066

23100 Hickory Water District 01/01/2011 - 12/31/2011

Principal Payment and Interest Information

	Amount	Yes/No	PSC Case No.
Amount of Principal Payment During Calendar Year	\$26,260.00		
Is Principal Current?		Y	
Is Interest Current?		Y	
Has all long-term debt been approved by the Public Service Commission?		Y	

23100 Hickory Water District 01/01/2011 - 12/31/2011

Services Performed by Independent CPA

	Yes/No	A/C/R
Are your financial statements examined by a Certified Public Accountant?		
Enter Y for Yes or N for No	Y	
If yes, which service is performed?		
Enter an X on each appropriate line		
Audit		
Compilation		X
Review		

23100 Hickory Water District 01/01/2011 - 12/31/2011

Additional Requested Information

	Name	Electronic Info
Name of Utility and Web Address	Hickory Water District	
Contact Name and Email Address	Sam Davis	

23100 Hickory Water District 01/01/2011 - 12/31/2011

Additional Information Required

Case Num	Date	Explain
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23100 Hickory Water District 01/01/2011 - 12/31/2011

Major Water Projects

Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service commission.

For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and will increase your current utilityplant by at least 20 percent.

Brief Project Description: (improvement, replacement,building construction, expansion. If expansion, provide the estimated number of new customers):

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (community, area or nearby roads)

23100 Hickory Water District 01/01/2011 - 12/31/2011

History-Legal Name (Ref Page: 4)

1. Exact name of utility making this report.

(Use the words "The", "Company" or "Incorporated" only when part of the corporate name.)

Hickory Water District

23100 Hickory Water District 01/01/2011 - 12/31/2011

History-Location (Ref Page: 4)

	Name	Address	City	State	Zip	Phone
Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.	principal office in KY	Hickory Water District PO Box 239	Mayfield	KY	42066	2702474661
Give name, title, address and TELEPHONE NUMBER of the officer to whom correspondence concerning this report should be addressed.	Sam E. Davis	115 Alvin Road	Boaz	KY	42027	2708564300
Location where books are located	Hickory Water District	PO Box 128	Hickory	KY		2702476481

23100 Hickory Water District 01/01/2011 - 12/31/2011

History-Date Organized (Ref Page: 4)

	Date
--	------

Date of Organization

09/14/1964

23100 Hickory Water District 01/01/2011 - 12/31/2011

History-Laws of Organization (Ref Page: 4)

List

If a consolidated or merger company, name all contingent and all merged companies. Give reference to charters or general laws governing each, and all amendments of same N/A

Date and Authority for each consolidation and each merger. N/A

23100 Hickory Water District 01/01/2011 - 12/31/2011

History-Departments (Ref Page: 4)

List	
State whether respondent is a water district or association	Water District
Name all operating departments other than water	N/A

23100 Hickory Water District 01/01/2011 - 12/31/2011

History - Counties (Ref Page: 5)

Graves

23100 Hickory Water District 01/01/2011 - 12/31/2011

History - Number of Employees (Ref Page: 5)

	Count
Number of Full-time employees	0
Number of Part-time employees	0

23100 Hickory Water District 01/01/2011 - 12/31/2011

Contacts (Ref Page: 6)

	Title	Last Name	First Name	Bus. Addr.	Salary	Term Expires
Person to send correspondence:	Chairman	Davis	Sam	115 Alvin Rd. Boaz, KY 42027		
Person who prepared this report	Romaine & Associates, PLLC	CPA		PO Box 488 Mayfield, KY 42066		
Officers and Managers						
	Chairman	Davis	Sam	115 Alvin Rd. Boaz, KY 42027	\$2,400.00	05/01/2013
	Secretary	Sears	Bill	5123 St Rt 329 Lowes, KY 42061	\$2,400.00	11/30/2013
	Treasurer	Leonard	Kevin	6356 St Rt 945 Melber, KY 42069	\$2,400.00	06/01/2013

23100 Hickory Water District 01/01/2011 - 12/31/2011

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
UTILITY PLANT		
Utility Plant (101-106)	\$4,785,190.00	\$4,864,921.00
Less: Accumulated Depreciation and Amortization (108-110)	\$2,502,972.00	\$2,619,859.00
Net Plant	\$2,282,218.00	\$2,245,062.00
Utility Plant Acquisition Adjustments (Net) (114-115)		
Other Utility Plant Adjustments (116)		
Total Net Utility Plant	\$2,282,218.00	\$2,245,062.00
OTHER PROPERTY AND INVESTMENTS		
Nonutility Property (121)		
Less: Accumulated Depreciation and Amortization (122)		
Net Nonutility Property		\$0.00
Investment in Associated Companies (123)		
Utility and Other Investments (124-125)		
Sinking Funds (126)		
Other Special Funds (127)		
Total Other Property and Investments		\$0.00
CURRENT AND ACCRUED ASSETS		
Cash (131)	\$49,423.00	\$41,264.00
Special Deposits (132)	\$115,803.00	\$116,899.00
Other Special Deposits (133)		
Working Funds (134)		
Temporary Cash Investments (135)		
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts (141-144)	\$39,428.00	\$37,081.00
Accounts Receivable from Associated Companies (145)		
Notes Receivable from Associated Companies (146)		
Materials and Supplies (151-153)		

23100 Hickory Water District 01/01/2011 - 12/31/2011
Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
Stores Expense (161)		
Prepayments (162)		
Accrued Interest and Dividends Receivable (171)		
Rents Receivable (172)		
Accrued Utility Revenues (173)		\$1,565.00
Misc. Current and Accrued Assets (174)	\$1,502.00	
Total Current and Accrued Assets	\$206,156.00	\$196,809.00
DEFERRED DEBITS		
Unamortized Debt Discount and Expense (181)		
Extraordinary Property Losses (182)		
Preliminary Survey and Investigation Charges (183)		
Clearing Accounts (184)		
Temporary Facilities (185)		
Misc. Deferred Debits (186)		
Research and Development Expenditure (187)		\$0.00
Total Deferred Debits		\$2,441,871.00
TOTAL ASSETS AND OTHER DEBITS	\$2,488,374.00	\$2,441,871.00

23100 Hickory Water District 01/01/2011 - 12/31/2011
Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
EQUITY CAPITAL		
Appropriated Retained Earnings (214)		
Retained Earnings From Income before contributions (215.1)	(\$332,081.00)	(\$387,245.00)
Donated Capital (215.2)	\$2,428,354.00	\$2,460,444.00
Total Equity Capital	\$2,096,273.00	\$2,073,199.00
LONG-TERM DEBT		
Bonds (221)		
Reaquired Bonds (222)		
Advances from Associated Companies (223)		
Other Long-Term Debt (224)	\$300,662.00	\$274,402.00
Total Long Term Debt	\$300,662.00	\$274,402.00
CURRENT AND ACCRUED LIABILITIES		
Accounts Payable (231)	\$18,635.00	\$20,421.00
Notes Payable (232)		
Accounts Payable to Associated Co. (233)		
Notes Payable to Associated Co (234)		\$12,990.00
Customer Deposits (235)	\$11,945.00	
Accrued Taxes (236)		
Accrued Interest (237)		
Matured Long-Term Debt (239)		
Matured Interest (240)		
Tax Collections Payable (241)		
Misc. Current and Accrued Liabilities (242)	\$5,478.00	\$5,478.00
Total Current and Accrued Liabilities	\$36,058.00	\$38,889.00
DEFFERRED CREDITS		
Unamortized Premium on Debt (251)		
Advances for Construction (252)	\$55,381.00	\$55,381.00

23100 Hickory Water District 01/01/2011 - 12/31/2011
 Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
Other Deferred Credits (253)		
Total Deferred Credits	\$55,381.00	\$55,381.00
OPERATING RESERVES		
Accumulated Provision For:		
Property Insurance (261)		
Injuries and Damages (262)		
Pensions and Benefits (263)		
Miscellaneous Operating Reserves (265)		
Total Operating Reserves		\$0.00
Total Equity Capital and Liabilities	\$2,488,374.00	\$2,441,871.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
UTILITY OPERATING INCOME		
Operating Revenues (400)	\$439,265.00	\$458,641.00
Operating Expenses (401)	\$429,174.00	\$391,931.00
Depreciation Expenses (403)	\$110,307.00	\$116,887.00
Amortization of Utility Plant Acquisition Adjustment (406)		
Amortization Expense (407)		
Taxes Other Than Income (408.10-408.13)		
Utility Operating Expenses	\$539,481.00	\$508,818.00
Utility Operating Income	(\$100,216.00)	(\$50,177.00)
Income From Utility Plant Leased to Others (413)		
Gains (Losses) from Disposition of Utility Property (414)		
Total Utility Operating Income	(\$100,216.00)	(\$50,177.00)
OTHER INCOME AND DEDUCTIONS		
Revenues From Merchandising, Jobbing and contract work (415)		
Costs and Expenses of Merchandising, Jobbing and Contract Work (416)		
Interest and Dividend Income (419)	\$4,089.00	\$1,095.00
Allowance for funds Used During Constructions (420)		
Nonutility Income (421)		
Miscellaneous Nonutility Expenses (426)		
Total Other Income and Deductions	\$4,089.00	\$1,095.00
TAXES APPLICABLE TO OTHER INCOME		
Taxes Other Than Income (408.20)		
Total Taxes Applic. to Other Income		
INTEREST EXPENSE		
Interest Expense (427)	\$7,711.00	\$6,082.00
Amortization of Debt Discount and Exp. (428)		

23100 Hickory Water District 01/01/2011 - 12/31/2011

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
Amortization of Premium on Debt (429)		
Total Interest Expense	\$7,711.00	\$6,082.00
EXTRAORDINARY ITEMS		
Extraordinary Income (433)		
Extraordinary Deductions (434)		
Total Extraordinary Items		\$0.00
NET INCOME BEFORE CONTRIBUTIONS	(\$103,838.00)	(\$55,164.00)

23100 Hickory Water District 01/01/2011 - 12/31/2011
Statement of Retained Earnings 2002 (Ref Page: 12)

Description	Total
Appropriated Retained earnings (214)	
(state balance and purpose of each appropriated amount at year end:)	
Total Appropriated Retained Earnings	
Retained Earnings From Income Before Contributions (215.1)	
Balance beginning of year	(\$332,081.00)
Balance transferred from Net Income Before Contributions (435)	(\$55,164.00)
Changes to account:	
Appropriations of Retained Earnings (436)	
Adjustments to Retained Earnings (439)	
(requires Commission approval prior to use):	
Credits	
Debits	
Balance End of Year	(\$387,245.00)

23100 Hickory Water District 01/01/2011 - 12/31/2011
Statement of Retained Earnings (cont. 215.2) (Ref Page: 12)

Description	Tapping Fees	Grants	Other	Total
Donated Capital (215.2)				
Balance Beginning of the Year	\$0.00	\$2,428,354.00	\$0.00	\$2,428,354.00
Credits				
Proceeds from capital contributions (432)	\$0.00	\$32,090.00	\$0.00	\$32,090.00
Other Credits (explain)				
Debits (explain - requires Commission Approval)				
Balance End of Year	\$0.00	\$2,460,444.00	\$0.00	\$2,460,444.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Net Utility Plant (Accts. 101-106) (Ref Page: 13)

	Total
Utility Plant in Service (101)	\$4,864,921.00
Utility Plant Leased to Others (102)	
Property Held for Future Use (103)	
Utility Plant Purchased or Sold (104)	
Construction Work in Progress (105)	
Completed Construction Not Classified (106)	
Total Utility Plant	\$4,864,921.00

23100 Hickory Water District 01/01/2011 - 12/31/2011
Accumulated Depreciation (Acct. 108) (Ref Page: 13)

Description	Total
Balance First of Year	\$2,502,972.00
Credit during year	
Accruals Charged to Account 108.1	\$116,887.00
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	
(specify)	
Salvage Value Recovered on Plant Retired	
Other Credits	
(specify)	
Total Credits	\$116,887.00
Debits during year:	
Book Cost of Plant Retired	
Cost of Removal	
Other Debits	
(specify)	
Total Debits	\$0.00
Balance at End of Year	\$2,619,859.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intngble. Plant (g)	Supply & Pump.	Water Treatmnt.	Trans. and Distr.	General Plant
Organization (301)									
Franchises (302)									
Land and Land Rights (303)	\$21,417.00	\$0.00	\$0.00	\$21,417.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Structures and Improvements (304)	\$114,960.00	\$0.00	\$0.00	\$114,960.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Collecting and Impounding Reservoirs (305)									
Lakes, Rivers and Other Intakes (306)									
Wells and Springs (307)	\$177,296.00	\$25,214.00	\$0.00	\$202,510.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Infiltration Galleries and Tunnels (308)									
Supply Mains (309)									
Power Generation Equipment (310)									
Pumping Equipment (311)	\$32,573.00	\$0.00	\$0.00	\$32,573.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Water Treatment Equipment (320)	\$43,906.00	\$0.00	\$0.00	\$43,906.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Distribution Reservoirs and Standpipes (330)	\$1,411,691.00	\$0.00	\$8,894.00	\$1,402,797.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transmission and Distribution Mains (331)	\$2,339,391.00	\$31,824.00	\$0.00	\$2,371,215.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intngble. Plant (g)	Supply & Pump.	Water Treatmnt.	Trans. and Distr.	General Plant
Services (333)	\$98,210.00	\$0.00	\$0.00	\$98,210.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Meters and Meter Installations (334)	\$434,751.00	\$25,663.00	\$0.00	\$460,414.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Hydrants (335)	\$74,190.00	\$0.00	\$0.00	\$74,190.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Backflow Prevention Devices (336)									
Other Plant and Misc. Equipment (339)	\$20,110.00	\$5,924.00	\$0.00	\$26,034.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Office Furniture and Equip. (340)	\$16,695.00	\$0.00	\$0.00	\$16,695.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation Equipment (341)									
Stores Equipment (342)									
Tools, Shop and Garage Equip (343)									
Laboratory Equipment (344)									
Power Operated Equipment (345)									
Communication Equipment (346)									
Miscellaneous Equipment (347)									
Other Tangible Plant (348)									
Total Water Plant	\$4,785,190.00	\$88,625.00	\$8,894.00	\$4,864,921.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg Yr(c)	Cr-Chg Dep Exp(d)	Other Credits (e)	Charges-Plant Ret(f)	Other Charges (g)	Balance End Yr (h)
Organization (301)						
Franchises (302)						
Land and Land Rights (303)						
Structures and Improvements (304)	\$87,083.00	\$2,723.00	\$0.00	\$0.00	\$0.00	\$89,806.00
Collecting and Impounding Reservoirs (305)						
Lake, River and Other Intakes (306)						
Wells and Springs (307)	\$158,851.00	\$4,107.00	\$2,208.00	\$0.00	\$0.00	\$165,166.00
Infiltration Galleries and Tunnells (308)						
Supply Mains (309)						
Power Generating Equipment (310)						
Pumping Equipment (311)	\$20,840.00	\$1,186.00	\$0.00	\$0.00	\$0.00	\$22,026.00
Water Treatment Equipment (320)	\$37,135.00	\$1,616.00	\$0.00	\$0.00	\$0.00	\$38,751.00
Distributions Reservoirs and Standpipes (330)	\$761,160.00	\$52,987.00	\$0.00	\$0.00	\$2,270.00	\$811,877.00
Transmission and Distribution Mains (331)	\$1,042,621.00	\$47,349.00	\$0.00	\$0.00	\$0.00	\$1,089,970.00
Services (333)	\$95,237.00	\$293.00	\$0.00	\$0.00	\$0.00	\$95,530.00
Meters and Meter Installations (334)	\$216,169.00	\$4,007.00	\$62.00	\$0.00	\$0.00	\$220,238.00
Hydrants (335)	\$66,566.00	\$280.00	\$0.00	\$0.00	\$0.00	\$66,846.00
Backflow Prevention Devices (336)						

23100 Hickory Water District 01/01/2011 - 12/31/2011

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg	Yr(c)	Cr-Chg Dep Exp(d)	Other Credits (e)	Charges-Plant Ret(f)	Other Charges (g)	Balance End Yr (h)
Other Plant and Miscellaneous Equipment (339)		\$5,559.00	\$1,174.00	\$0.00	\$0.00	\$0.00	\$6,733.00
Office Furniture and Equip. (340)		\$11,751.00	\$1,165.00	\$0.00	\$0.00	\$0.00	\$12,916.00
Transportation Equipment (341)							
Stores Equipment (342)							
Tools, Shop and Garage Equip (343)							
Laboratory Equipment (344)							
Power Operated Equipment (345)							
Communication Equipment (346)							
Miscellaneous Equipment (347)							
Other Tangible Plant (348)							
Totals		\$2,502,972.00	\$116,887.00	\$2,270.00	\$0.00	\$2,270.00	\$2,619,859.00

23100 Hickory Water District 01/01/2011 - 12/31/2011
Accumulated Amortization (Acct. 110) (Ref Page: 16)

Description	Total
Balance First of Year	
Credit during year	
Accruals Charged to Account 110.1	
Accruals Charged to Account 110.2	
Other Credits	
(specify)	
Total Credits	
Debits during year:	
Book Cost of Plant Retired	
Other Debits	
(specify)	
Total Debits	
Balance end of Year	

23100 Hickory Water District 01/01/2011 - 12/31/2011

Utility Plant Acquisition Adjustments (Accts. 114-115) (Ref Page: 16)

Description	Total
Acquisition Adjustments (114)	
(specify)	
Total Plant Acquisition Adjustments	
Accumulated Amortization (115)	
(specify)	
Total Accumulated Amortization	
Net Acquisition Adjustments	

23100 Hickory Water District 01/01/2011 - 12/31/2011

Investments and Special Funds (Ref Page: 17)

Description (a)	Face or Par Value (b)	Year End Book Cost
Investment in Associated Companies (123)		
Total Investment in Associated Companies		
Utility Investments (124)		
Total Utility Investments		
Other Investments (125)		
Total Other Investments		
Sinking Funds (126)		
Total Sinking Funds		
Other Special Funds (127)		
Total Other Special Funds		

23100 Hickory Water District 01/01/2011 - 12/31/2011

Accounts and Notes Receivable - Net (Accts 141-144) (Ref Page: 18)

Description	Total
Accounts and Notes Receivable	
Customer Accounts Receivable (141)	\$37,081.00
Other Accounts Receivable (142)	
Total Other Accounts Receivable	\$0.00
Notes Receivable (144)	
Total Notes Receivable	\$0.00
Total Accounts and Notes Receivable	\$37,081.00
Accumulated Provision for Uncollectible Accounts (143)	
Balance First of Year	\$0.00
Add:	
Provision for uncollectibles for current year	
Collections of accountst previously written off	
Other	
(specify)	
Total Additions	\$0.00
Deduct accounts written off during year:	
Other	
(specify)	
Total Deductions	\$0.00
Balance end of Year	\$0.00
Total Accounts and Notes Receivable - Net	\$37,081.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Materials and Supplies (151-153) (Ref Page: 19)

	Total
Plant Materials and Supplies (151)	
Merchandise (152)	
Other Materials and Supplies (153)	
Total Materials and Supplies	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Prepayments (Acct. 162) (Ref Page: 19)

Description	Total
Prepaid Insurance	
Prepaid Rents	
Prepaid Interest	
Prepaid Taxes	
Other Prepayments	
(Specify)	
Total Prepayments	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Miscellaneous Deferred Debits (Acct. 186) (Ref Page: 20)

		Total
Miscellaneous Deferred Debits (186)		
Deferred Rate Case Expense (186.1)		
Other Deferred Debits (186.2)		
Regulatory Assets (186.3)		
Total Miscellaneous Deferred Debits		\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 and 251) (Ref Page: 20)

Description	Amt Written Off during year	Year End Balance
Unamortized Debt Discount and Expense (181)		
Total Unamortized Debt Discount and Expense		
Unamortized Premium on Debt (251)		
Total Unamortized Premium on Debt		

23100 Hickory Water District 01/01/2011 - 12/31/2011

Extraordinary Property Losses (Acct. 182) (Ref Page: 21)

	Description	Total
Extraordinary Property Losses (182)		
(Specify)		
Total Extraordinary Property Losses		

23100 Hickory Water District 01/01/2011 - 12/31/2011
Advances for Construction (Acct. 252) (Ref Page: 21)

	Total
Balance First of Year	\$55,381.00
Add credits during year	
Deduct charges during year	
Balance end of year	\$55,381.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Long Term Debt (Ref Page: 22)

Description of Obligation (a)	Issue Date (b)	Mature Date (c)	Interest Expense for Year Rate (d)	Interest Expense for Year Amount(e)	Principal per Balance Sheet Date (f)
KIA	06/01/2001	06-01-2021	1.8000	\$5,883.00	\$274,402.00
Total			1.8000	\$5,883.00	\$274,402.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Bonds - Account 221 (Ref Page: 23)

Par Value of Actual Issue (1)	Cash Realized on Actual Issue (2)	Par Val of Amt. Held by or for Respondent (3)	Actually Outstanding at Close of Year (4)	Interest During Year Accrued (5)	Interest During Year Actually Paid (6)
Total					

23100 Hickory Water District 01/01/2011 - 12/31/2011

Schedule of Bond Maturities (Ref Page: 23)

Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amt (10)	Amounts Paid (11)	Remaining Bonds Outstanding (12)
			0		

Total

(The total of Column 12 must agree with the total of col 4)

23100 Hickory Water District 01/01/2011 - 12/31/2011

Notes Payable (Accts 232 and 234) (Ref Page: 24)

Description	Nominal Date of Issue	Date of Maturity	Int. Rate	Int. Payment	Principal Amt Per Bal Sheet
Account 232 - Notes Payable				0	
Total Account 232				\$0.00	\$0.00
Account 234 - Notes Payable to Associated Companies				0	
Total Account 234				\$0.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Accounts Payable to Associated Companies (Acct. 233) (Ref Page: 24)

Description	Total
-------------	-------

Show Payable to Each Associated Company Separately

(Specify)

Total

23100 Hickory Water District 01/01/2011 - 12/31/2011

Taxes Accrued (Acct. 236) (Ref Page: 25)

	Total
Balance First of Year	\$0.00
Accruals Charged:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total taxes accrued	\$0.00
Taxes paid during year:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total Taxes Paid	\$0.00
Balance end of year	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Accrued Interest (Account 237) 2002 (Ref Page: 25)

Description of Debt (a)	Balance Beg of Year (b)	Interest Accrued(c)	Interest Paid (d)	Balance End of Year (e)
Long Term Debt:				
KIA Loan	0.0000	\$5,883.00	\$5,883.00	\$0.00
	0.0000	\$0.00	\$0.00	\$0.00
Notes Payable:				
Customer Deposits:				
	0.0000	\$199.00	\$199.00	\$0.00
Other				
Total Acct. No 237	0.0000	\$6,082.00	\$6,082.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Miscellaneous Current and Accrued Liabilities (Acct. 242) (Ref Page: 26)

Description	Balance End Year
Land Condemnation Escrow	\$5,478.00
Total Miscellaneous Current and Accrued Liabilities	\$5,478.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Regulatory Commission Expense(Acct 666 and 667) (Ref Page: 26)

Description of Case (Docket No.) (a)	Total Incurred During Year (b)	Amt Transferred to Acct 186.1 (c)	Expensed During Year Acct (d)	Expensed During Year Amount (e)
PSC Assessment	\$672.00	\$0.00		\$672.00
Total	\$672.00	\$0.00		\$672.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Operating Revenue (Ref Page: 27)

	Beginning Year Customers	Year End Customers	Amount
Operating Revenues			
Unmetered Water Revenue (460)			
Metered Water Revenue (461)			
Sales to Residential Customers (461.1)	1,160	1,175	\$316,761.00
Sales to Commercial Customers (461.2)	178	175	\$99,242.00
Sales to Industrial Customers (461.3)	26	26	\$21,210.00
Sales to Public Authorities (461.4)			
Sales to Multiple Family Dwellings (461.5)			
Sales through Bulk Loading Stations (461.6)			
Total Metered Sales	1,364	1,376	\$437,213.00
Fire Protection Revenue (462)			
Public Fire Protection (462.1)			
Private Fire Protection (462.2)			
Total Fire Protection Revenue	0	0	\$0.00
Other Sales to Public Authorities (464)			
Sales to Irrigation Customers (465)			
Sales for Resale (466)			
Interdepartmental Sales (467)			
Total Sales of Water	1,364	1,376	\$437,213.00
Other Water Revenues			
Guaranteed Revenues (469)			
Forfeited Discounts (470)			
Miscellaneous Service Revenues (471)			
Rents from Water Property (472)			
Interdepartments Rents (473)			\$21,428.00
Other Water Revenues (474)			\$21,428.00
Total Other Water Revenues			\$21,428.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Operating Revenue (Ref Page: 27)

	Beginning Year Customers	Year End Customers	Amount
Total Water Operating Revenues			\$458,641.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp-Op. (d)	Supply and Exp-Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt. Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Salaries and Wages-Employees (601)									
Salaries and Wages-Officers, Directors and Majority Stockholders (603)	\$7,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Employee Pensions and Benefits (604)									
Purchased Water (610)	\$19,894.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Purchased Power (615)	\$37,733.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fuel for Power Production (616)									
Chemicals (618)	\$46,892.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials and Supplies (620)	\$21,386.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Eng. (631)	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Acct. (632)	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Legal (633)	\$1,028.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Management Fees (634)	\$198,842.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp-Op. (d)	Supply and Exp-Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt. Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Contractual Serves - Water Testing (635)	\$5,816.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Other (636)	\$27,912.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rental of Bld./Real Property (641)									
Rental of Equipment (642)	\$8,550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation Expenses (650)									
Insurance - Vehicle (656)									
Insurance - General Liability (657)	\$6,072.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Insurance - Worker's Compensation (658)									
Insurance - Other (659)	\$651.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Advertising Expenses (660)									
Regulatory Commission Exp.									
- Amortization of Rate Case (666)									
-Other (667)	\$672.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp-Op. (d)	Supply and Exp-Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Water Resource Conservation Expense (668)									
Bad Debt (670)	\$2,015.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous Expenses (675)	\$3,968.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$391,931.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

23100 Hickory Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part one (Ref Page: 29)

	Water Purchased For Resale (Omit 000` s) (b)	Water Pumped from Wells (Omit 000` s) (c)	Total Water Pumped and Purchased (Omit 000` s) (d)	Water Sold To Customers (Omit 000` s) (e)
January	487	9,393	9,880	8,003
February	557	10,259	10,816	8,073
March	509	10,908	11,417	7,140
April	506	9,210	9,716	7,274
May	812	9,125	9,937	6,937
June	461	9,892	10,353	7,988
July	358	11,098	11,456	9,258
August	671	12,901	13,572	10,437
September	671	12,901	13,572	10,437
October	689	10,103	10,792	8,106
November	656	10,073	10,729	7,628
December	489	9,708	10,197	7,436
Total for the year	6,866	125,571	132,437	98,717

23100 Hickory Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part two (Ref Page: 29)

	Gallons	Date
Maximum Gallons pumped by all methods in any one day (Omit 000's)	874	02/08/2011
Minimum Gallons pumped by all methods in any one day (Omit 000's)	235	04/13/2011

23100 Hickory Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part three (Ref Page: 29)

List

If water is purchased indicate the following:

Vendor

Mayfield Electric & Water System

Point of Delivery

Graves County High School

23100 Hickory Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part four (Ref Page: 29)

Entity Receiving Water	Maximum Daily	Maximum Monthly
------------------------	---------------	-----------------

If water is sold to other water utilities for redistribution, identify all entities with whom the utility has a water sales contract and the maximum quantity the utility is under contract

to provide daily and monthly. If unlimited then list "unlimited" otherwise list in thousands of gallons.

N/A

23100 Hickory Water District 01/01/2011 - 12/31/2011

Sales For Resale (466) (Ref Page: 30)

Company	Gallons (Omit 000's)	Avg. Rate Per 1000 Gallons (Cents)	Amount
Total			

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Statistics (Ref Page: 30)

	Gallons (Omit 000's)	Percent
1. Water Produced, Purchased and Distributed		
2. Water Produced	125,571	
3. Water Purchased	6,866	
4. Total Produced and Purchased	132,437	
6. Water Sales:		
7. Residential	61,343	
8. Commercial	32,071	
9. Industrial	5,303	
10. Bulk Loading Stations		
11. Resale		
12. Other Sales		
13. Total Water Sales	98,717	
15. Other Water Used		
16. Utility/water treatment plant		
17. Wastewater plant		
18. System flushing	1,408	
19. Fire department	20	
20. Other	1,460	
21. Total Other Water Used	2,888	
23. Water Loss:		
24. Tank Overflows		
25. Line Breaks	3,565	
26. Line Leaks	27,317	
27. Other		
28. Total Line Loss	30,882	
Note: Line 13 + Line 21 + Line 28 must equal Line 4		
32. Water Loss Percentage		

23100 Hickory Water District 01/01/2011 - 12/31/2011

Water Statistics (Ref Page: 30)

	Gallons (Omit 000's)	Percent
--	----------------------	---------

33. Line 28 divided by Line 4

23.3183

23100 Hickory Water District 01/01/2011 - 12/31/2011

Plant Statistics (Ref Page: 31)

Give the following information	
Number of fire hydrants, by size	217 - 6"
Number of private fire hydrants, by size	None
If produced whether water supply is river, impounded streams, well, springs, artificial lake, or collector well	Well
If produced whether supply is by gravity, pumping or a combination	Pumping 1
Type, capacity, and elevation of reservoirs at overflow and ground level	1 - 500,000 gallon water 151' above ground level; 1 - 125,000 gallon water sphere 140' above ground level; 1 - 75,000 gallon water sphere 90' above ground level.
Miles of main by size and kind	33 miles - 8" main; 25 miles - 6" main; 2 miles - 2" main
Types of filters: gravity or pressure, number of units and total rated in capacity in gal. per min.	None
Type of disinfectant, number of units and capacity in pounds per 24 hours	2
Station Equipment. List each pump, giving type and capacity, HP of driving unit and character of driving unit (steam/electric/int. combustion) also whether pump is high/ low duty	Electric Pumps 2-30 hp
Quantity of fuel used: coal in lbs., gas in cu.ft., oil in gals., and electric in KWH	246,788 KWH
Give description and total cost of any sizable additions or retirements to plant and service outside the normal system of growth for the period covered by this report	None
Capacity of clear well	3 wells total of 1450 gallons per minute
Peak month, in gallons of water sold	August
Peak day, in gallons of water sold	08/03/11

23100 Hickory Water District 01/01/2011 - 12/31/2011

Plant Statistics - Part B (Ref Page: 31)

	Type
--	------

Choose one to indicate the type of Water Supply

Well

23100 Hickory Water District 01/01/2011 - 12/31/2011

Plant Statistics - Part C (Ref Page: 31)

	Type
--	------

Choose one to indicate the type of Water Supply Method

Pumping

23100 Hickory Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
NOTE: Any mention of page numbers or Line items refers to the annual report published and distributed for the 2002 report period.				
Identifications pages (ref 4-6) have been completed.				
Balance Sheet - Assets and Other Debts (ref. pg 7)				
Utility Plant (Accts 101-106) agrees with Sched: Net Utility Plants Accts 101-106 (ref pg 13) Line: Total Utility Plant	4864921.00	4864921.00	OK	
Accts 108-110 Acc. Depreciation and Amort. agrees with Sched: Analysis of Acc. Dep. and Amort. (ref pg 15) Line: Total 301-348 Col h	2619859.00	2619859.00	OK	
Accts 114-115 Utility Plant Acquisition Adjustments agrees with Sched: Utility Plant Acquisition Adjustments (ref pg 16) Line: Net Acquisition Adjustments (114-115)	0	0	OK	
Accts 123 Investment in Assoc. Companies agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total Investment in Associated Companies	0	0	OK	
Accts 124-125 Utility Investments agrees with Sched: Investments and Spec. Funds (ref pg 17) Sum of Lines: 124 Total Utility Investments and 125 Total Other Investments	0	0	OK	
Accts 126 Sinking Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: 126 Total Sinking Funds	0	0	OK	
Accts 127 Other Special Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total 127 Other Special Funds	0	0	OK	
Accts 141-144 Accounts and Notes Receivable agrees with Sched: Accts and Notes Receivable (ref pg 18) Line: Net Balance 141-144	37081.00	37081.00	OK	
Accts 151-153 Material and Supplies agrees with Sched: Material and Supplies (ref pg 19) Line: Total 151-153	0	0.0000	OK	

23100 Hickory Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 162 Prepayments agrees with Sched: Prepayments (ref pg 19) Line: Total 162	0	0.0000	OK	
Accts 181 Unamortized Debt Discount and Expense agrees with Sched: Unamortized Debt Discount and Exp. (ref pg 20) Line: Total 181	0	0	OK	
Accts 182 Extraordinary Prop. losses agrees with Sched: Extraordinary Property Losses (ref pg 21) Line: Total 182	0	0	OK	
Accts 186 Misc. Deferred Debits agrees with Sched: Misc. Deferred Debits (ref pg 20) Line: Total 186	0	0.0000	OK	
Balance Sheet - Equity Capitol and Liabilities (ref. pg 9)				
Accts 214 Appropriated Retained Earnings agrees with Sched: Statement of Retained Earnings (ref pg 12) Line: Total Appropriated Retained Earnings 214	0	0	OK	
Accts 215.1 Retained Earnings from Income before Contributions with Sched: Statement of Retained Earnings (ref pg 12) Line: Balance End of Year 215.1	-387245.00	-387245.00	OK	
Accts 215.2 Donated Capital with Sched: Statement of Retained Earnings (cont. 215.2) (ref pg 12) Line: Balance End of Year 215.2	2460444.00	2460444.00	OK	
Accts 221 Bonds agrees with Sched: Account 221 (ref pg 23) Line: Total Outstanding Bonds Col 4	0	0	OK	
Accts 221 Bonds agrees with Sched: Schedule of Bond Maturities (ref pg 23) Line: Total Remaining Bonds (Col 12)	0	0	OK	
Accts 224 Other Long Term Debt agrees with Sched: Long Term Debt (ref pg 22) Line: Total Acct 224 col f	274402.00	274402.00	OK	
Accts 232 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 232	0	0.0000	OK	

23100 Hickory Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 233 Accounts Payable to Associated Co. agrees with Sched: Accounts Payable to Assoc. Companies (Accts 233) (ref pg 24) Line: Total Acct 233		0	0	OK
Accts 234 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 234		0	0.0000	OK
Accts 236 Taxes Accrued Balance First of Year agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Beginning Balance	0.0000		0	OK
Accts 236 Taxes Accrued agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Ending Balance		0	0.0000	OK
Accts 237 Accrued Interest Balance from Prev Year agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance Beginning of Year -Col b	0.0000		0	OK
Accts 237 Accrued Interest agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance End of Year -Col e		0	0.0000	OK
Accts 242 Misc. Current and Accrued Liabilities agrees with Sched: Misc current and Accrued Liabilities (Accts 242) (ref pg 26) Line: Total Miscellaneous and Current Accrued Liabilities	5478.00		5478.00	OK
Accts 251 Unamortized Premium on Debt agrees with Sched: Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 - 251) (ref pg 20) Line: Total 251		0	0	OK
Accts 252 Advances for Contruction agrees with Sched: Advances for Contstruction (Accts 252) (ref pg 21) Line: Total 252	55381.00		55381.00	OK
Total Equity Capital and Liabilities agrees with Balance Sheet - Assets and Other Debits: Total Assets and Other Debits Comparitive Operating Statement (ref pg 10)	2441871.00		2441871.00	OK

23100 Hickory Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 400 Operating Revenues agrees with Sched: Water Operating Revenue (Accts 400) (ref pg 27) Line: Total Water Operating Revenues - Col e	458641.00	458641.00	OK	
Accts 401 Operating Expenses agrees with Sched: Water Utility Expense Accounts (ref pg 28) Line: Total Accts (601-675) - Col c	391931.00	391931.00	OK	
Accts 408.1 Taxes Other than Income agrees with Schedule Taxes Accrued (Acct 236) (ref pg 26) Sum of Accts 408.10 - 408.13	0	0	OK	
Sum of Accts 408.1 and 408.2 agrees with Sched: Taxes Accrued (Acct 236) (ref pg 25) Line: Total taxes Accrued	0	0.0000	OK	
Accts 427 Interest Expense agrees with Sched: Accrued Interest (Acct 237) (ref pg 25) Line: Total Acct No 237 Col c - Interest Accrued	6082.00	6082.00	OK	
Net Income agrees with Sched: Retained Earnings (Acct 237) (ref pg 12) Line: Balance Transferred from Income (Acct 435)	-55164.00	-55164.00	OK	
Miscellaenous				
Schedule Net Utility Plant Accts 101 - 106 (ref pg 13) Utility Plant (101) agrees with Sched: Water Utility Plant Accounts (ref pg 14) Line: Total Water Plant Col f - Current Year	4864921.00	4864921.00	OK	
The analysis of water utility plant accounts Cols c through k has been completed (Ref pg 14)				
The analysis of accumulated depreciation and amortization by primary account has been completed. (Ref pg 14)				
Sched: Misc. Defferred Debits (Acct 186) Deferred Rate Case (Acct 186.1) agrees with Sched: Amort. of Rate Case (Acct 665 and 667) (ref pg 26) Line: Total Col c - Amt Transferred to 186.1	0	0.0000	OK	
Schedule of Long Term Debt has been completed (ref pg 22)				

23100 Hickory Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Schedule of Bond Maturities has been completed (ref pg 23)				
Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Operating Revenue (Ref pg 29)				
The analysis of water opertating revenue Cols c,d and e have been completed. (Ref pg 28)				
The analysis of water utility expense accounts Cols c through k have been completed. (Ref pg 28)				
Schedule of Pumping and Purchased Water Statistics has been completed (Ref pg 29)				
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Total (d) agrees with Sched Water Statistics (ref pg 30) Line 4. Total Produced and Purchased Col Gallons	132437	132437	OK	
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Water Sold(e) agrees with Sched Water Statistics (ref pg 30) Line Total Water Sales Col Gallons	98717	98717	OK	
Sched Sales for Resale (ref pg 30) 466 Total Gal agrees with Sched Water Statistics (ref pg 30) Total Water Sales	0	0	OK	
Oath Page Has been Completed				

EXHIBIT C

EXHIBIT D

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Title Page

	Name of Respondent	Addr Line 1	Addr Line 2	City	State	Zip
Water Districts/Associations						
Annual Report of						
Respondent	Graves County Water District	P.O. Box 329		Mayfield	KY	42066

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Principal Payment and Interest Information

Amount	Yes/No	PSC Case No.
Amount of Principal Payment During Calendar Year	\$67,970.00	
Is Principal Current?	Y	
Is Interest Current?	Y	
Has all long-term debt been approved by the Public Service Commission?	Y	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Services Performed by Independent CPA

	Yes/No	A/C/R
Are your financial statements examined by a Certified Public Accountant?		
Enter Y for Yes or N for No	Y	
If yes, which service is performed?		
Enter an X on each appropriate line		
Audit		X
Compilation		
Review		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Additional Requested Information

	Name	Electronic Info
Name of Utility and Web Address	Graves County Water District	
Contact Name and Email Address	Johnny Dowdy	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Additional Information Required

Case Num	Date	Explain
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7001200 Graves County Water District 01/01/2011 - 12/31/2011

Major Water Projects

Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service commission.

For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and will increase your current utilityplant by at least 20 percent.

Brief Project Description: (improvement, replacement, building construction, expansion. If expansion, provide the estimated number of new customers):

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (community, area or nearby roads)

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History-Legal Name (Ref Page: 4)

1. Exact name of utility making this report.

(Use the words "The", "Company" or "Incorporated" only when part of the corporate name.)

Graves County Water District

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History-Location (Ref Page: 4)

	Name	Address	City	State	Zip	Phone
Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.	Graves County Water District	P.O. Box 329	Mayfield	KY	42066	2702474661
Give name, title, address and TELEPHONE NUMBER of the officer to whom correspondence concerning this report should be addressed.	Johnny Dowdy, Chairman	P.O. Box 329	Mayfield	KY	42066	2702474661
Location where books are located	Graves County Water District	P.O. Box 329	Mayfield	KY		2702474661

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History-Date Organized (Ref Page: 4)

	Date
--	------

Date of Organization

09/01/2008

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History-Laws of Organization (Ref Page: 4)

List

If a consolidated or merger company, name all contingent and all merged companies. Give reference to charters or general laws governing each, and all amendments of same

Graves County Water District was formed by the consolidation of Consumers Water District, Fancy Farm Water District, South Graves Water District, and Hardeman Water District. The consolidation took place September 1, 2008.

Date and Authority for each consolidation and each merger.

September 1, 2008

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History-Departments (Ref Page: 4)

List	
State whether respondent is a water district or association	Water District
Name all operating departments other than water	Sewer

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History - Counties (Ref Page: 5)

Carlisle, Graves

7001200 Graves County Water District 01/01/2011 - 12/31/2011

History - Number of Employees (Ref Page: 5)

	Count
Number of Full-time employees	0
Number of Part-time employees	0

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Contacts (Ref Page: 6)

	Title	Last Name	First Name	Bus. Addr.	Salary	Term Expires
Person to send correspondence:	Chairman	Dowdy	Johnny	P.O. Box 329, Mayfield, KY 42066		
Person who prepared this report	Romaine&Associates, PLLC			P.O. Box 488, Mayfield, KY 42066		
Officers and Managers						
	Chairman	Dowdy	Johnny	P.O. Box 329, Mayfield, KY 42066	\$3,150.00	
	Commissioner	Hayden	Todd	P.O. Box 329, Mayfield, KY 42066	\$3,150.00	
	Commissioner	Mason	Gene	P.O. Box 329, Mayfield, KY 42066	\$3,150.00	
	Commissioner	Morrow	Joey	P.O. Box 329, Mayfield, KY 42066	\$3,150.00	
	Commissioner	Carr	Howell	P.O. Box 329, Mayfield, KY 42066	\$3,150.00	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
UTILITY PLANT		\$6,381,172.00
Utility Plant (101-106)	\$5,567,981.00	\$808,425.00
Less: Accumulated Depreciation and Amortization (108-110)	\$540,930.00	\$5,572,747.00
Net Plant	\$5,027,051.00	
Utility Plant Acquisition Adjustments (Net) (114-115)		
Other Utility Plant Adjustments (116)		\$5,572,747.00
Total Net Utility Plant	\$5,027,051.00	
OTHER PROPERTY AND INVESTMENTS		
Nonutility Property (121)		
Less: Accumulated Depreciation and Amortization (122)		\$0.00
Net Nonutility Property	\$0.00	
Investment in Associated Companies (123)		
Utility and Other Investments (124-125)		
Sinking Funds (126)		
Other Special Funds (127)		\$0.00
Total Other Property and Investments	\$0.00	
CURRENT AND ACCRUED ASSETS		\$322,792.00
Cash (131)	\$418,825.00	
Special Deposits (132)		
Other Special Deposits (133)		\$37,685.00
Working Funds (134)	\$37,685.00	
Temporary Cash Investments (135)		\$78,806.00
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts (141-144)	\$83,046.00	
Accounts Receivable from Associated Companies (145)		
Notes Receivable from Associated Companies (146)		
Materials and Supplies (151-153)		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
Stores Expense (161)		
Prepayments (162)	\$6,349.00	\$6,303.00
Accrued Interest and Dividends Receivable (171)		
Rents Receivable (172)		
Accrued Utility Revenues (173)		
Misc. Current and Accrued Assets (174)	\$0.00	\$0.00
Total Current and Accrued Assets	\$545,905.00	\$445,586.00
DEFERRED DEBITS		
Unamortized Debt Discount and Expense (181)		
Extraordinary Property Losses (182)		
Preliminary Survey and Investigation Charges (183)		
Clearing Accounts (184)		
Temporary Facilities (185)		
Misc. Deferred Debits (186)	\$0.00	\$0.00
Research and Development Expenditure (187)		
Total Deffered Debits	\$0.00	\$0.00
TOTAL ASSETS AND OTHER DEBITS	\$5,572,956.00	\$6,018,333.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
EQUITY CAPITAL		
Appropriated Retained Earnings (214)		
Retained Earnings From income before contributions (215.1)	(\$325,635.00)	(\$616,876.00)
Donated Capital (215.2)	\$4,669,161.00	\$5,435,866.00
Total Equity Capital	\$4,343,526.00	\$4,818,990.00
LONG-TERM DEBT		
Bonds (221)		
Reaquired Bonds (222)		
Advances from Associated Companies (223)		
Other Long-Term Debt (224)	\$1,112,295.00	\$1,044,325.00
Total Long Term Debt	\$1,112,295.00	\$1,044,325.00
CURRENT AND ACCRUED LIABILITIES		
Accounts Payable (231)	\$36,542.00	\$72,092.00
Notes Payable (232)		
Accounts Payable to Associated Co. (233)		
Notes Payable to Associated Co (234)		
Customer Deposits (235)	\$80,593.00	\$82,926.00
Accrued Taxes (236)		
Accrued Interest (237)		
Matured Long-Term Debt (239)		
Matured Interest (240)		
Tax Collections Payable (241)		
Misc. Current and Accrued Liabilities (242)		
Total Current and Accrued Liabilities	\$117,135.00	\$155,018.00
DEFFERRED CREDITS		
Unamortized Premium on Debt (251)		
Advances for Construction (252)		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
Other Deferred Credits (253)		
Total Deferred Credits	\$0.00	\$0.00
OPERATING RESERVES		
Accumulated Provision For:		
Property Insurance (261)		
Injuries and Damages (262)		
Pensions and Benefits (263)		
Miscellaneous Operating Reserves (265)		
Total Operating Reserves	\$0.00	\$0.00
Total Equity Capital and Liabilities	\$5,572,956.00	\$6,018,333.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
UTILITY OPERATING INCOME		
Operating Revenues (400)	\$950,183.00	\$939,593.00
Operating Expenses (401)	\$860,792.00	\$962,544.00
Depreciation Expenses (403)	\$244,839.00	\$267,495.00
Amortization of Utility Plant Acquisition Adjustment (406)		
Amortization Expense (407)		
Taxes Other Than Income (408.10-408.13)		
Utility Operating Expenses	\$1,105,631.00	\$1,230,039.00
Utility Operating Income	(\$155,488.00)	(\$290,446.00)
Income From Utility Plant Leased to Others (413)		
Gains (Losses) from Disposition of Utility Property (414)		
Total Utility Operating Income	(\$155,488.00)	(\$290,446.00)
OTHER INCOME AND DEDUCTIONS		
Revenues From Merchandising, Jobbing and contract work (415)		
Costs and Expenses of Merchandising, Jobbing and Contract Work (416)		
Interest and Dividend Income (419)	\$6,899.00	\$5,057.00
Allowance for funds Used During Constructions (420)		
Nonutility Income (421)	\$0.00	\$137.00
Miscellaneous Nonutility Expenses (426)		\$0.00
Total Other Income and Deductions	\$6,899.00	\$5,194.00
TAXES APPLICABLE TO OTHER INCOME		
Taxes Other Than Income (408.20)		
Total Taxes Applic. to Other Income		
INTEREST EXPENSE		
Interest Expense (427)	\$5,142.00	\$5,989.00
Amortization of Debt Discount and Exp. (428)		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
Amortization of Premium on Debt (429)		
Total Interest Expense	\$5,142.00	\$5,989.00
EXTRAORDINARY ITEMS		
Extraordinary Income (433)		
Extraordinary Deductions (434)		
Total Extraordinary Items	\$0.00	\$0.00
NET INCOME BEFORE CONTRIBUTIONS	(\$153,691.00)	(\$291,241.00)

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Statement of Retained Earnings 2002 (Ref Page: 12)

Description	Total
Appropriated Retained earnings (214)	
(state balance and purpose of each appropriated amount at year end:)	
Total Appropriated Retained Earnings	\$0.00
Retained Earnings From Income Before Contributions (215.1)	
Balance beginning of year	(\$325,635.00)
Balance transferred from Net Income Before Contributions (435)	(\$291,241.00)
Changes to account:	
Appropriations of Retained Earnings (436)	
Adjustments to Retained Earnings (439)	
(requires Commission approval prior to use):	
Credits	
Debits	
Balance End of Year	(\$616,876.00)

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Statement of Retained Earnings (cont. 215.2) (Ref Page: 12)

Description	Tapping Fees	Grants	Other	Total
Donated Capital (215.2)				
Balance Beginning of the Year	\$0.00	\$0.00	\$0.00	\$4,669,161.00
Credits				
Proceeds from capital contributions (432)	\$0.00	\$766,705.00	\$0.00	\$766,705.00
Other Credits (explain)				
Debits (explain - requires Commission Approval)				
Balance End of Year	\$0.00	\$766,705.00	\$0.00	\$5,435,866.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Net Utility Plant (Accts. 101-106) (Ref Page: 13)

	Total
Utility Plant in Service (101)	\$6,381,172.00
Utility Plant Leased to Others (102)	
Property Held for Future Use (103)	
Utility Plant Purchased or Sold (104)	
Construction Work in Progress (105)	
Completed Construction Not Classified (106)	
Total Utility Plant	\$6,381,172.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Accumulated Depreciation (Acct. 108) (Ref Page: 13)

Description	Total
Balance First of Year	\$540,930.00
Credit during year	
Accruals Charged to Account 108.1	\$267,495.00
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	
(specify)	
Salvage Value Recovered on Plant Retired	
Other Credits	
(specify)	
Total Credits	\$267,495.00
Debits during year:	
Book Cost of Plant Retired	
Cost of Removal	
Other Debits	
(specify)	
Total Debits	\$0.00
Balance at End of Year	\$808,425.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intngble. Plant (g)	Supply & Pump.	Water Treatmnt.	Trans. and Distr.	General Plant
Organization (301)									
Franchises (302)									
Land and Land Rights (303)	\$25,015.00	\$0.00	\$0.00	\$25,015.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Structures and Improvements (304)	\$146,582.00	\$659.00	\$0.00	\$147,241.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Collecting and Impounding Reservoirs (305)									
Lakes, Rivers and Other Intakes (306)									
Wells and Springs (307)	\$1,400,000.00	\$0.00	\$0.00	\$1,400,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Infiltration Galleries and Tunnels (308)									
Supply Mains (309)									
Power Generation Equipment (310)									
Pumping Equipment (311)	\$915,047.00	\$2,410.00	\$0.00	\$917,457.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Water Treatment Equipment (320)	\$188,425.00	\$0.00	\$0.00	\$188,425.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Distribution Reservoirs and Standpipes (330)									
Transmission and Distribution Mains (331)	\$2,414,274.00	\$652,708.00	\$0.00	\$3,066,982.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intngble. Plant (g)	Supply & Pump.	Water Treatmnt.	Trans. and Distr.	General Plant
Services (333)									
Meters and Meter Installations (334)	\$471,321.00	\$157,414.00	\$0.00	\$628,735.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Hydrants (335)									
Backflow Prevention Devices (336)									
Other Plant and Misc. Equipment (339)									
Office Furniture and Equip. (340)									
Transportation Equipment (341)									
Stores Equipment (342)									
Tools, Shop and Garage Equip (343)									
Laboratory Equipment (344)									
Power Operated Equipment (345)	\$7,172.00	\$0.00	\$0.00	\$7,172.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Communication Equipment (346)									
Miscellaneous Equipment (347)	\$145.00	\$0.00	\$0.00	\$145.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Tangible Plant (348)									
Total Water Plant	\$5,567,981.00	\$813,191.00	\$0.00	\$6,381,172.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg Yr(c)	Cr-Chg Dep Exp(d)	Other Credits (e)	Charges-Plant Ret(f)	Other Charges (g)	Balance End Yr (h)
Organization (301)						
Franchises (302)						
Land and Land Rights (303)						
Structures and Improvements (304)	\$58,514.00	\$4,923.00	\$0.00	\$0.00	\$0.00	\$63,437.00
Collecting and Impounding Reservoirs (305)	\$2,731.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,731.00
Lake, River and Other Intakes (306)						
Wells and Springs (307)	\$37,004.00	\$35,000.00	\$0.00	\$0.00	\$0.00	\$72,004.00
Infiltration Galleries and Tunnels (308)						
Supply Mains (309)						
Power Generating Equipment (310)						
Pumping Equipment (311)	\$60,433.00	\$46,564.00	\$0.00	\$0.00	\$0.00	\$106,997.00
Water Treatment Equipment (320)	\$83,183.00	\$18,843.00	\$0.00	\$0.00	\$0.00	\$102,026.00
Distributions Reservoirs and Standpipes (330)						
Transmission and Distribution Mains (331)	\$251,543.00	\$131,384.00	\$0.00	\$0.00	\$0.00	\$382,927.00
Services (333)	\$2,336.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,336.00
Meters and Meter Installations (334)	\$45,186.00	\$30,781.00	\$0.00	\$0.00	\$0.00	\$75,967.00
Hydrants (335)						
Backflow Prevention Devices (336)						

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg Yr(c)	Cr-Chg Dep Exp(d)	Other Credits (e)	Charges-Plant Ret(f)	Other Charges (g)	Balance End Yr (h)
Other Plant and Miscellaneous Equipment (339)						
Office Furniture and Equip. (340)						
Transportation Equipment (341)						
Stores Equipment (342)						
Tools, Shop and Garage Equip (343)						
Laboratory Equipment (344)						
Power Operated Equipment (345)						
Communication Equipment (346)						
Miscellaneous Equipment (347)						
Other Tangible Plant (348)						
Totals	\$540,930.00	\$267,495.00	\$0.00	\$0.00	\$0.00	\$808,425.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Accumulated Amortization (Acct. 110) (Ref Page: 16)

Description	Total
Balance First of Year	
Credit during year	
Accruals Charged to Account 110.1	
Accruals Charged to Account 110.2	
Other Credits	
(specify)	
Total Credits	
Debits during year:	
Book Cost of Plant Retired	
Other Debits	
(specify)	
Total Debits	
Balance end of Year	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Utility Plant Acquisition Adjustments (Accts. 114-115) (Ref Page: 16)

Description	Total
Acquisition Adjustments (114)	
(specify)	
Total Plant Acquisition Adjustments	
Accumulated Amortization (115)	
(specify)	
Total Accumulated Amortization	
Net Acquisition Adjustments	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Investments and Special Funds (Ref Page: 17)

Description (a)	Face or Par Value (b)	Year End Book Cost
Investment in Associated Companies (123)		
Total Investment in Associated Companies		
Utility Investments (124)		
Total Utility Investments		
Other Investments (125)		
Total Other Investments		
Sinking Funds (126)		
Total Sinking Funds		
Other Special Funds (127)		
Total Other Special Funds		

7001200 Graves County Water District 01/01/2011 - 12/31/2011
Accounts and Notes Receivable - Net (Accts 141-144) (Ref Page: 18)

Description	Total
Accounts and Notes Receivable	
Customer Accounts Receivable (141)	\$78,806.00
Other Accounts Receivable (142)	
Total Other Accounts Receivable	\$0.00
Notes Receivable (144)	
Total Notes Receivable	\$0.00
Total Accounts and Notes Receivable	\$78,806.00
Accumulated Provision for Uncollectible Accounts (143)	
Balance First of Year	\$0.00
Add:	
Provision for uncollectibles for current year	
Collections of accountst previously written off	
Other	
(specify)	
Total Additions	\$0.00
Deduct accounts written off during year:	
Other	
(specify)	
Total Deductions	\$0.00
Balance end of Year	\$0.00
Total Accounts and Notes Receivable - Net	\$78,806.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Materials and Supplies (151-153) (Ref Page: 19)

	Total
Plant Materials and Supplies (151)	
Merchandise (152)	
Other Materials and Supplies (153)	
Total Materials and Supplies	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Prepayments (Acct. 162) (Ref Page: 19)

Description	Total
Prepaid Insurance	\$6,303.00
Prepaid Rents	
Prepaid Interest	
Prepaid Taxes	
Other Prepayments	
(Specify)	
Total Prepayments	\$6,303.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Miscellaneous Deferred Debits (Acct. 186) (Ref Page: 20)

		Total
Miscellaneous Deferred Debits (186)		
Deferred Rate Case Expense (186.1)		
Other Deferred Debits (186.2)		
Regulatory Assets (186.3)		
Total Miscellaneous Deferred Debits		\$0.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 and 251) (Ref Page: 20)

Description	Amt Written Off during year	Year End Balance
Unamortized Debt Discount and Expense (181)		
Total Unamortized Debt Discount and Expense		
Unamortized Premium on Debt (251)		
Total Unamortized Premium on Debt		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Extraordinary Property Losses (Acct. 182) (Ref Page: 21)

Description	Total
Extraordinary Property Losses (182)	
(Specify)	
Total Extraordinary Property Losses	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Advances for Construction (Acct. 252) (Ref Page: 21)

	Total
Balance First of Year	
Add credits during year	
Deduct charges during year	
Balance end of year	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Long Term Debt (Ref Page: 22)

Description of Obligation (a)	Issue Date (b)	Mature Date (c)	Interest Expense for Year Rate (d)	Interest Expense for Year Amount(e)	Principal per Balance Sheet Date (f)
KIA	09/01/2008	2026	0.4800	\$1,925.00	\$292,104.00
KIA	09/01/2008	2026	0.4000	\$4,064.00	\$752,221.00
Total			0.0000	\$5,989.00	\$1,044,325.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Bonds - Account 221 (Ref Page: 23)

Par Value of Actual Issue (1)	Cash Realized on Actual Issue (2)	Par Val of Amt. Held by or for Respondent (3)	Actually Outstanding at Close of Year (4)	Interest During Year Accrued (5)	Interest During Year Actually Paid (6)
Total					

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Schedule of Bond Maturities (Ref Page: 23)

Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amt (10)	Amounts Paid (11)	Remaining Bonds Outstanding (12)
------------------	-------------------	-------------------	--------------------	-------------------	----------------------------------

0

Total

(The total of Column 12 must agree with the total of col 4)

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Notes Payable (Accts 232 and 234) (Ref Page: 24)

Description	Nominal Date of Issue	Date of Maturity	Int. Rate	Int. Payment	Principal Amt Per Bal Sheet
Account 232 - Notes Payable					0
Total Account 232					
Account 234 - Notes Payable to Associated Companies					0
Total Account 234					

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Accounts Payable to Associated Companies (Acct. 233) (Ref Page: 24)

	Description	Total
Show Payable to Each Associated Company Separately		
(Specify)		
Total		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Taxes Accrued (Acct. 236) (Ref Page: 25)

	Total
Balance First of Year	
Accruals Charged:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total taxes accrued	
Taxes paid during year:	
Utility regulatory assessment fees (408.10)	
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	
Other taxes and licenses (408.13)	
Taxes other than income, other income and deductions (408.20)	
Total Taxes Paid	
Balance end of year	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Accrued Interest (Account 237) 2002 (Ref Page: 25)

Description of Debt (a)	Balance Beg of Year (b)	Interest Accrued(c)	Interest Paid (d)	Balance End of Year (e)
Long Term Debt:				
KIA	0.0000	\$1,925.00	\$1,925.00	\$0.00
KIA	0.0000	\$4,064.00	\$4,064.00	\$0.00
	0.0000	\$0.00	\$0.00	\$0.00
Notes Payable:				
Customer Deposits:				
	0.0000	\$0.00	\$0.00	\$0.00
Other				
	0.0000	\$0.00	\$0.00	\$0.00
Total Acct. No 237	0.0000	\$5,989.00	\$5,989.00	\$0.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Miscellaneous Current and Accrued Liabilities (Acct. 242) (Ref Page: 26)

Description	Balance End Year
Total Miscellaneous Current and Accrued Liabilities	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Regulatory Commission Expense(Acct 666 and 667) (Ref Page: 26)

Description of Case (Docket No.) (a)	Total Incurred During Year (b)	Amt Transferred to Acct 186.1 (c)	Expensed During Year Acct (d)	Expensed During Year Amount (e)
	\$1,413.00	\$0.00		\$1,413.00
Total	\$1,413.00	\$0.00		\$1,413.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Operating Revenue (Ref Page: 27)

	Beginning Year Customers	Year End Customers	Amount
Operating Revenues			
Unmetered Water Revenue (460)			
Metered Water Revenue (461)			
Sales to Residential Customers (461.1)	4,213	4,536	\$814,709.00
Sales to Commercial Customers (461.2)	311	311	\$53,257.00
Sales to Industrial Customers (461.3)			
Sales to Public Authorities (461.4)			
Sales to Multiple Family Dwellings (461.5)			
Sales through Bulk Loading Stations (461.6)			
Total Metered Sales	4,524	4,847	\$867,966.00
Fire Protection Revenue (462)			
Public Fire Protection (462.1)	1	1	\$0.00
Private Fire Protection (462.2)			
Total Fire Protection Revenue	1	1	\$0.00
Other Sales to Public Authorities (464)			
Sales to Irrigation Customers (465)			
Sales for Resale (466)	1	1	\$17,587.00
Interdepartmental Sales (467)			
Total Sales of Water	4,526	4,849	\$885,553.00
Other Water Revenues			
Guaranteed Revenues (469)			
Forfeited Discounts (470)			
Miscellaneous Service Revenues (471)			\$52,240.00
Rents from Water Property (472)			\$1,800.00
Interdepartments Rents (473)			
Other Water Revenues (474)			
Total Other Water Revenues			\$54,040.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Operating Revenue (Ref Page: 27)

	Beginning Year Customers	Year End Customers	Amount
Total Water Operating Revenues			\$939,593.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp-Op. (d)	Supply and Exp-Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt. Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Salaries and Wages-Employees (601)									
Salaries and Wages-Officers, Directors and Majority Stockholders (603)	\$15,750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,750.00
Employee Pensions and Benefits (604)									
Purchased Water (610)	\$146,765.00	\$0.00	\$0.00	\$0.00	\$0.00	\$146,765.00	\$0.00	\$0.00	\$0.00
Purchased Power (615)	\$72,375.00	\$72,375.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fuel for Power Production (616)									
Chemicals (618)	\$60,644.00	\$0.00	\$0.00	\$60,644.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials and Supplies (620)	\$41,846.00	\$0.00	\$0.00	\$41,846.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contractual Services - Eng. (631)									
Contractual Services - Acct. (632)	\$2,400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,400.00
Contractual Services - Legal (633)	\$900.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$900.00
Contractual Services - Management Fees (634)	\$537,970.00	\$0.00	\$0.00	\$0.00	\$0.00	\$537,970.00	\$0.00	\$0.00	\$0.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp-Op. (d)	Supply and Exp-Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
Contractual Serves - Water Testing (635)									
Contractual Services - Other (636)	\$38,862.00	\$0.00	\$0.00	\$0.00	\$0.00	\$38,862.00	\$0.00	\$0.00	\$0.00
Rental of Bld./Real Property (641)									
Rental of Equipment (642)	\$24,905.00	\$0.00	\$0.00	\$0.00	\$24,905.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation Expenses (650)									
Insurance - Vehicle (656)									
Insurance - General Liability (657)	\$10,516.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,516.00
Insurance - Worker's Compensation (658)									
Insurance - Other (659)									
Advertising Expenses (660)	\$1,822.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,822.00
Regulatory Commission Exp.									
- Amortization of Rate Case (666)									
-Other (667)	\$1,413.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,413.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Utility Expense Accounts (Ref Page: 28)

	Current Year (c)	Supply and Exp-Op. (d)	Supply and Exp-Maint. (e)	Water Treatmnt. Exp-Op. (f)	Water Treatmnt Exp-Maint. (g)	Trans and Dist. Exp- Op (h)	Trans and Dist. Exp- Maint. (I)	Customer Accts Exp. (j)	Admin and Gen Exp.
Water Resource Conservation Expense (668)									
Bad Debt (670)	\$2,483.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,483.00	\$0.00
Miscellaneous Expenses (675)	\$3,893.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,893.00
Total	\$962,544.00	\$72,375.00	\$0.00	\$102,490.00	\$24,905.00	\$723,597.00	\$0.00	\$2,483.00	\$36,694.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part one (Ref Page: 29)

	Water Purchased For Resale (Omit 000` s) (b)	Water Pumped from Wells (Omit 000` s) (c)	Total Water Pumped and Purchased (Omit 000` s) (d)	Water Sold To Customers (Omit 000` s) (e)
January	8,057	10,913	18,970	14,135
February	7,541	12,609	20,150	16,456
March	6,163	9,252	15,415	11,038
April	8,221	10,519	18,740	13,210
May	7,992	10,400	18,392	13,396
June	10,269	12,027	22,296	17,042
July	10,368	11,997	22,365	17,033
August	11,045	13,447	24,492	19,010
September	10,890	13,157	24,047	16,764
October	9,309	11,867	21,176	14,917
November	9,264	11,648	20,912	14,903
December	9,458	11,648	21,106	14,505
Total for the year	108,577	139,484	248,061	182,409

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part two (Ref Page: 29)

	Gallons	Date
Maximum Gallons pumped by all methods in any one day (Omit 000`s)	993	08/10/2011
Minimum Gallons pumped by all methods in any one day (Omit 000`s)	501	05/27/2011

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part three (Ref Page: 29)

List

If water is purchased indicate the following:

Vendor

Mayfield Electric & Water System

Point of Delivery

Sedalia Y

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Pumping and Water Statistics - part four (Ref Page: 29)

Entity Receiving Water	Maximum Daily	Maximum Monthly
------------------------	---------------	-----------------

If water is sold to other water utilities for redistribution, identify all entities with whom the utility has a water sales contract and the maximum quantity the utility is under contract

to provide daily and monthly. If unlimited then list "unlimited" otherwise list in thousands of gallons.

Milburn

unlimited

unlimited

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Sales For Resale (466) (Ref Page: 30)

	Company	Gallons (Omit 000's)	Avg. Rate Per 1000 Gallons (Cents)	Amount
	Milburn	79,941	\$0.22	\$17,587.00
Total		79,941		\$17,587.00

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Statistics (Ref Page: 30)

	Gallons (Omit 000's)	Percent
1. Water Produced, Purchased and Distributed		
2. Water Produced	139,484	
3. Water Purchased	108,577	
4. Total Produced and Purchased	248,061	
6. Water Sales:		
7. Residential	91,237	
8. Commercial	10,780	
9. Industrial		
10. Bulk Loading Stations		
11. Resale	79,941	
12. Other Sales	451	
13. Total Water Sales	182,409	
15. Other Water Used		
16. Utility/water treatment plant		
17. Wastewater plant	3,527	
18. System flushing	5,433	
19. Fire department	20	
20. Other	1,790	
21. Total Other Water Used	10,770	
23. Water Loss:		
24. Tank Overflows		
25. Line Breaks	1,137	
26. Line Leaks	53,742	
27. Other		
28. Total Line Loss	54,879	
Note: Line 13 + Line 21 + Line 28 must equal Line 4		
32. Water Loss Percentage		

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Water Statistics (Ref Page: 30)

Gallons (Omit 000's)

Percent

33. Line 28 divided by Line 4

22.1232

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Plant Statistics (Ref Page: 31)

Give the following information	
Number of fire hydrants, by size	139-4" FLUSH HYDRANTS
Number of private fire hydrants, by size	27
If produced whether water supply is river, impounded streams, well, springs, artificial lake, or collector well	WELL
If produced whether supply is by gravity, pumping or a combination	PUMPING TO TANK GRAVITY FEED
Type, capacity, and elevation of reservoirs at overflow and ground level	50,000 GALLON; 100,000 GALLON; 80,000 GALLON; 300,000 GALLON; 125,000 GALLON; 100,000 GALLON; 250,000 GALLON
Miles of main by size and kind	221
Types of filters: gravity or pressure, number of units and total rated in capacity in gal. per min.	NONE
Type of disinfectant, number of units and capacity in pounds per 24 hours	CHLORINATOR PUMP
Station Equipment. List each pump, giving type and capacity, HP of driving unit and character of driving unit (steam/electric/int. combustion) also whether pump is high/ low duty	AT LEAST 8 PUMPS, ALL ELECTRIC
Quantity of fuel used: coal in lbs., gas in cu.ft., oil in gals., and electric in KWH	
Give description and total cost of any sizable additions or retirements to plant and service outside the normal system of growth for the period covered by this report	
Capacity of clear well	NOT AVAILABLE
Peak month, in gallons of water sold	JULY
Peak day, in gallons of water sold	8/10/11

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Plant Statistics - Part B (Ref Page: 31)

	Type
--	------

Choose one to indicate the type of Water Supply

Combination

7001200 Graves County Water District 01/01/2011 - 12/31/2011

Plant Statistics - Part C (Ref Page: 31)

	Type
--	------

Choose one to indicate the type of Water Supply Method

Combination

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CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
NOTE: Any mention of page numbers or Line items refers to the annual report published and distributed for the 2002 report period.				
Identifications pages (ref 4-6) have been completed.				
Balance Sheet - Assets and Other Debts (ref. pg 7)				
Utility Plant (Accts 101-106) agrees with Sched: Net Utility Plants Accts 101-106 (ref pg 13) Line: Total Utility Plant	6381172.00	6381172.00	OK	
Accts 108-110 Acc. Depreciation and Amort. agrees with Sched: Analysis of Acc. Dep. and Amort. (ref pg 15) Line: Total 301-348 Col h	808425.00	808425.00	OK	
Accts 114-115 Utility Plant Acquisition Adjustments agrees with Sched: Utility Plant Acquisition Adjustments (ref pg 16) Line: Net Acquisition Adjustments (114-115)	0	0	OK	
Accts 123 Investment in Assoc. Companies agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total Investment in Associated Companies	0	0	OK	
Accts 124-125 Utility Investments agrees with Sched: Investments and Spec. Funds (ref pg 17) Sum of Lines: 124 Total Utility Investments and 125 Total Other Investments	0	0	OK	
Accts 126 Sinking Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: 126 Total Sinking Funds	0	0	OK	
Accts 127 Other Special Funds agrees with Sched: Investments and Spec. Funds (ref pg 17) Line: Total 127 Other Special Funds	0	0	OK	
Accts 141-144 Accounts and Notes Receivable agrees with Sched: Accts and Notes Receivable (ref pg 18) Line: Net Balance 141-144	78806.00	78806.00	OK	
Accts 151-153 Material and Supplies agrees with Sched: Material and Supplies (ref pg 19) Line: Total 151-153	0	0	OK	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 162 Prepayments agrees with Sched: Prepayments (ref pg 19) Line: Total 162	6303.00	6303.00	OK	
Accts 181 Unamortized Debt Discount and Expense agrees with Sched: Unamortized Debt Discount and Exp. (ref pg 20) Line: Total 181	0	0	OK	
Accts 182 Extraordinary Prop. losses agrees with Sched: Extraordinary Property Losses (ref pg 21) Line: Total 182	0	0	OK	
Accts 186 Misc. Deferred Debits agrees with Sched: Misc. Deferred Debits (ref pg 20) Line: Total 186	0.0000	0.0000	OK	
Balance Sheet - Equity Capitol and Liabilities (ref. pg 9)				
Accts 214 Appropriated Retained Earnings agrees with Sched: Statement of Retained Earnings (ref pg 12) Line: Total Appropriated Retained Earnings 214	0	0.0000	OK	
Accts 215.1 Retained Earnings from Income before Contributions with Sched: Statement of Retained Earnings (ref pg 12) Line: Balance End of Year 215.1	-616876.00	-616876.00	OK	
Accts 215.2 Donated Capital with Sched: Statement of Retained Earnings (cont. 215.2) (ref pg 12) Line: Balance End of Year 215.2	5435866.00	5435866.00	OK	
Accts 221 Bonds agrees with Sched: Account 221 (ref pg 23) Line: Total Outstanding Bonds Col 4	0	0	OK	
Accts 221 Bonds agrees with Sched: Schedule of Bond Maturities (ref pg 23) Line: Total Remaining Bonds (Col 12)	0	0	OK	
Accts 224 Other Long Term Debt agrees with Sched: Long Term Debt (ref pg 22) Line: Total Acct 224 col f	1044325.00	1044325.00	OK	
Accts 232 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 232	0	0	OK	

7001200 Graves County Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 233 Accounts Payable to Associated Co. agrees with Sched: Accounts Payable to Assoc. Companies (Accts 233) (ref pg 24) Line: Total Acct 233		0	0	OK
Accts 234 Notes Payable agrees with Sched: Notes Payable (Accts 232 and 234) (ref pg 24) Line: Total Acct 234		0	0	OK
Accts 236 Taxes Accrued Balance First of Year agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Beginning Balance		0	0	OK
Accts 236 Taxes Accrued agrees with Sched: Taxes Accrued (Accts 236) (ref pg 25) Line: Ending Balance		0	0	OK
Accts 237 Accrued Interest Balance from Prev Year agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance Beginning of Year -Col b	0.0000		0	OK
Accts 237 Accrued Interest agrees with Sched: Accrued Interest (Accts 237) (ref pg 25) Line: Total 237 Balance End of Year -Col e		0	0.0000	OK
Accts 242 Misc. Current and Accrued Liabilities agrees with Sched: Misc current and Accrued Liabilities (Accts 242) (ref pg 26) Line: Total Miscellaneous and Current Accrued Liabilities		0	0	OK
Accts 251 Unamortized Premium on Debt agrees with Sched: Unamorted Debt Discount and Expense and Premium on Debt (Accts 181 - 251) (ref pg 20) Line: Total 251		0	0	OK
Accts 252 Advances for Contruction agrees with Sched: Advances for Contstruction (Accts 252) (ref pg 21) Line: Total 252		0	0	OK
Total Equity Capital and Liabilities agrees with Balance Sheet - Assets and Other Debits: Total Assets and Other Debits	6018333.00	6018333.00		OK
Comparitive Operating Statement (ref pg 10)				

7001200 Graves County Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Accts 400 Operating Revenues agrees with Sched: Water Operating Revenue (Accts 400) (ref pg 27) Line: Total Water Operating Revenues - Col e	939593.00	939593.00	OK	
Accts 401 Operating Expenses agrees with Sched: Water Utility Expense Accounts (ref pg 28) Line: Total Accts (601-675) - Col c	962544.00	962544.00	OK	
Accts 408.1 Taxes Other than Income agrees with Schedule Taxes Accrued (Acct 236) (ref pg 26) Sum of Accts 408.10 - 408.13	0	0	OK	
Sum of Accts 408.1 and 408.2 agrees with Sched: Taxes Accrued (Acct 236) (ref pg 25) Line: Total taxes Accrued	0	0	OK	
Accts 427 Interest Expense agrees with Sched: Accrued Interest (Acct 237) (ref pg 25) Line: Total Acct No 237 Col c - Interest Accrued	5989.00	5989.00	OK	
Net Income agrees with Sched: Retained Earnings (Acct 237) (ref pg 12) Line: Balance Transferred from Income (Acct 435)	-291241.00	-291241.00	OK	
Miscellaenous				
Schedule Net Utility Plant Accts 101 - 106 (ref pg 13) Utility Plant (101) agrees with Sched: Water Utility Plant Accounts (ref pg 14) Line: Total Water Plant Col f - Current Year	6381172.00	6381172.00	OK	
The analysis of water utility plant accounts Cols c though k has been completed (Ref pg 14)				
The analysis of accumulated depreciation and amortization by primary account has been completed. (Ref pg 14)				
Sched: Misc. Deffered Debits (Acct 186) Deferred Rate Case (Acct 186.1) agrees with Sched: Amort. of Rate Case (Acct 665 and 667) (ref pg 26) Line: Total Col c - Amt Transferred to 186.1	0	0.0000	OK	
Schedule of Long Term Debt has been completed (ref pg 22)				

7001200 Graves County Water District 01/01/2011 - 12/31/2011

CheckList (2002)

Item	Value 1	Value 2	Agree	Explain
Schedule of Bond Maturities has been completed (ref pg 23)				
Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Operating Revenue (Ref pg 29)				
The analysis of water opertating revenue Cols c,d and e have been completed. (Ref pg 28)				
The analysis of water utility expense accounts Cols c through k have been completed. (Ref pg 28)				
Schedule of Pumping and Purchased Water Statistics has been completed (Ref pg 29)				
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Total (d) agrees with Sched Water Statistics (ref pg 30) Line 4. Total Produced and Purchased Col Gallons	248061	248061	OK	
Sched Pumping and Water Statistics - part one (ref pg 29) Line Total for the year - Col Water Sold(e) agrees with Sched Water Statistics (ref pg 30) Line Total Water Sales Col Gallons	182409	182409	OK	
Sched Sales for Resale (ref pg 30) 466 Total Gal agrees with Sched Water Statistics (ref pg 30) Total Water Sales	79941	79941	OK	
Oath Page Has been Completed				

EXHIBIT E

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Title Page

	Name of Respondent	Addr Line 1	Addr Line 2	City	State	Zip
Sewer Utilities						
Annual Report of						
Respondent	Graves County Water District	P.O. Box 329		Mayfield	KY	42066

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Principal Payment and Interest Information

	Amount	Yes/No
Amount of Principal Payment During Calendar Year	\$0.00	
Is Principal Current?	Y	
Is Interest Current?	Y	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Services Performed by Independent CPA

	Yes/No	A/C/R
Are your financial statements examined by a Certified Public Accountant?		
Enter Y for Yes or N for No	Y	
If yes, which service is performed?		
Enter an X on each appropriate line		
Audit		X
Compilation		
Review		

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Additional Information Required

Case Num	Date	Explain
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General Information 1. (Ref Page: 1)

Exact name of utility making this report.

(Use the words "The", "Company" or "Incorporated" only when part of the corporate name.)

Graves County Water District

9003200 Graves County Water District 01/01/2011 - 12/31/2011

General Information 2 - 3 (Ref Page: 1)

Name	Address	City	State	Phone	
Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.					
principal office in KY	Graves County Water District	P.O. Box 329	Mayfield	KY	2702474661
Name, title, address and telephone number with area code of the person to be contacted concerning this report					
	Johnny Dowdy	P.O. Baox 329	Mayfield	KY	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. N/A

9003200 Graves County Water District 01/01/2011 - 12/31/2011

General Information 5. (Ref Page: 1)

	Date
--	------

Date sewer utility began operations

09/01/2008

9003200 Graves County Water District 01/01/2011 - 12/31/2011

General Information 6. (Ref Page: 1)

City or Town	Community or Subdivision	County
Fancy Farm		Graves

9003200 Graves County Water District 01/01/2011 - 12/31/2011

General Information 7. (Ref Page: 1)

	Count
Number of Full-time employees	0
Number of Part-time employees	0

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Principal Officers (Ref Page: 1)

Title	Last Name	First Name	Bus. Address	Salary or Fee
Chairman	Dowdy	Johnny	P.O. Box 329 Mayfield, KY 42066	\$450.00
Commissioner	Mason	Gene	P.O. Box 329 Mayfield, KY 42066	\$450.00
Commissioner	Hayden	Todd	P.O. Box 329 Mayfield, KY 42066	\$450.00
Commissioner	Morrow	Joey	P.O. Box 329 Mayfield, KY 42066	\$450.00
Commissioner	Carr	Howell	P.O. Box 329 Mayfield, KY 42066	\$450.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Assets and Other Debts (Ref Page: 2)

	Balance First of Yr	Balance End of Yr
UTILITY PLANT		
Utility Plant (101-109)	\$623,993.00	\$648,406.00
less: Accum. Prov. for Depr., Depletion and Amortization (110)	\$92,188.00	\$127,033.00
Net Utility Plant	\$531,805.00	\$521,373.00
OTHER PROPERTY AND INVESTMENTS		
Non-Utility Property (121)		
less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122)		\$0.00
Net non-Utility Property	\$0.00	\$0.00
Other Investments (124)		
Special Funds (125)		\$0.00
Total Other Property and Investments	\$0.00	\$0.00
CURRENT AND ACCRUED ASSETS		
Cash and Working Funds (131)	\$81,044.00	\$119,497.00
Temporary Cash Investments (132)		
Notes Receivable (141)		\$8,550.00
Customer Accounts Receivable (142)	\$8,761.00	
Other Accounts Receivable (143)		
Accum. Prov. For Uncollectible Accts - CR (144)		
Notes Receivable from Assoc. Companies (145)		
Accounts Receivable from Assoc Companies (146)		
Materials and Supplies (150)		\$1,516.00
Prepayments (166)	\$1,527.00	
Other Current and Accrued Assets (170)		\$129,563.00
Total Current and Accrued Assets	\$91,332.00	
DEFERRED DEBITS		
Unamortized Debt Expense (181)		

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Assets and Other Debts (Ref Page: 2)

	Balance First of Yr	Balance End of Yr
Extraordinary Property Losses (182)		
Other Deferred Debits (183)		
Total Deferred Debits		\$0.00
TOTAL ASSETS AND OTHER DEBITS	\$623,137.00	\$650,936.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Liabilities and Other Credits (Ref Page: 3)

	Balance First of Yr.	Balance End of Yr.
EQUITY CAPITAL		
Common Capital Stock (201)		
Preferred Capital Stock (204)		
Other Paid-In Capital (207)		
Discount on Capital Stock (213)		
Capital Stock Expense (214)		
Appropriated Retained Earnings (215)		
Unappropriated Retained Earnings (216)	(\$31,379.00)	(\$11,000.00)
Non-Corporate Proprietorship (218)		
Total Equity Capital	(\$31,379.00)	(\$11,000.00)
LONG-TERM DEBT		
Bonds (221)		
Advances From Associated Companies (223)		
Other Long-Term Debt (224)		
Total Long-Term Debt	\$0.00	\$0.00
CURRENT AND ACCRUED LIABILITIES		
Notes Payable (231)		
Accounts Payable (232)	\$3,213.00	\$4,118.00
Notes Payable to Associated Companies (233)		
Accounts Payable to Associated Companies (234)		
Customer Deposits (235)		
Taxes Accrued (236)		
Interest Accrued (237)		
Other Current and Accrued Liabilities (238)		
Total Current and Accrued Liabilities	\$3,213.00	\$4,118.00
DEFERRED CREDITS		
Advances for Construction (252)		

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Balance Sheet - Liabilities and Other Credits (Ref Page: 3)

	Balance First of Yr.	Balance End of Yr.
Other Deferred Credits (253)		
Accum. Deferred Investment Tax Credits (255)		
Total Deferred Credits	\$0.00	\$0.00
Operating Reserves (261-265)		
Contributions in Aid of Construction (271)	\$651,303.00	\$657,818.00
ACUMULATED DEFERRED INCOME TAXES		
Accum. Def. Income Taxes-Accel. Amort (281)		
Accum. Def. INcome Taxes-Lib. Depr. (282)		
Accum. Def. Income Taxes-Other (283)		
Total Accum. Deferred Income Taxes	\$0.00	\$0.00
TOTAL LIABILITIES AND OTHER CREDITS	\$623,137.00	\$650,936.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Summary of Utility Plant (Ref Page: 4)

	Amount
UTILITY PLANT	
In Service:	
Plant in Service Classified (from pg 5 line 40) (101)	\$648,406.00
Completed Construction Not Classified (102)	
Utility Plant in Process of Reclassification (103)	
Utility Plant Purchased or Sold (106)	
Total In Service	\$648,406.00
Utility Plant Leased to Others (104)	
Property Held for Future Use (105)	
Construction Work in Progress (107)	
Utility Plant Acquisition Adjustments (108)	
Other Utility Plant Adjustments (109)	
Total Utility Plant (to pg 2 line 4)	\$648,406.00
Less:	
Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110)	\$127,033.00
Net Utility Plant (to pg 2 line 7)	\$521,373.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Accum. Prov. for Depreciation and Amortization of Utility Plant (Ref Page: 4)

Item	Amount
Balance Beginning of Year	\$92,188.00
Accruals for Year:	
Depreciation	\$34,845.00
Amortization	
Other Accounts (detail)	
Total Accruals for Year	\$34,845.00
Credit Adjustments (describe)	
Total Credits for Year	\$0.00
Net Charges for Plant Retired:	
Book Cost of Plant Retired (same as pg 5 line 40)	
Add: Cost of Removal	
Less: Salvage	
Net Charges for Plant Retired	\$0.00
Debit Adjustments (describe)	
Total Debit Adjustments for Year	\$0.00
Balance End of Year	\$127,033.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Utility Plant In Service (Ref Page: 5)

	Depr Rate	Balance Beg of Year	Additions	Retirements	ReClass (Debit-Credit)	Balance End of Year
INTANGIBLE PLANT						
Organization (301)						
Franchises and Consents (302)						
Misc. Intangible Plant (303)						
Total Intangible Plant			\$0.00	\$0.00	\$0.00	\$0.00
LAND AND STRUCTURES						
Land and Land Rights (310)		\$11,319.00	\$0.00	\$0.00	\$0.00	\$11,319.00
Structures and Improvements (311)		\$230,357.00	\$24,413.00	\$0.00	\$0.00	\$254,770.00
Total Land and Structures		\$241,676.00	\$24,413.00	\$0.00	\$0.00	\$266,089.00
COLLECTION PLANT						
Collection Sewers - Force (352.1)		\$98,632.00	\$0.00	\$0.00	\$0.00	\$98,632.00
Collection Sewers - Gravity (352.2)						
Other Collection Plant Facilities (353)						
Services to Customers (354)						
Flow Measuring Devices (355)						
Total Collection Plant		\$98,632.00	\$0.00	\$0.00	\$0.00	\$98,632.00
PUMPING PLANT						
Receiving Wells and Pump Pits (362)		\$144,228.00	\$0.00	\$0.00	\$0.00	\$144,228.00
Pumping Equipment - Electric (363A)		\$11,620.00	\$0.00	\$0.00	\$0.00	\$11,620.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Utility Plant In Service (Ref Page: 5)

	Depr Rate	Balance Beg of Year	Additions	Retirements	ReClass (Debit-Credit)	Balance End of Year
Pumping Equipment-Diesel (363B)						
Pumping Equipment - Other (363C)						
Total Pumping Plant (364)		\$155,848.00	\$0.00	\$0.00	\$0.00	\$155,848.00
TREATMENT AND DISPOSAL PLANT						
Oxidation Lagoon (372)		\$105,651.00	\$0.00	\$0.00	\$0.00	\$105,651.00
Treatment and Disposal Equipment (373)						
Plant Sewers (374)		\$22,186.00	\$0.00	\$0.00	\$0.00	\$22,186.00
Outfall Sewer Lines (375)						
Other Treatment and Disposal Plant Equip. (376)						
Total Treatment and Disposal Plant (371)		\$127,837.00	\$0.00	\$0.00	\$0.00	\$127,837.00
GENERAL PLANT (372)						
Office Furniture and Equipment (391)						
Transportation Equipment (392)						
Stores Equipment (393A)						
Tools, Shop and Garage Equipment (393B)						
Laboratory Equipment (393C)						
Power Operated Equipment (393D)						
Communication Equipment (393E)						

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Utility Plant In Service (Ref Page: 5)

	Depr Rate	Balance Beg of Year	Additions	Retirements	ReClass (Debit-Credit)	Balance End of Year
Other Tangible Property (393F)						
Total General Plant			\$0.00	\$0.00	\$0.00	\$0.00
TOTAL SEWER PLANT IN SERVICE		\$623,993.00	\$24,413.00	\$0.00	\$0.00	\$648,406.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Capital Stock (Ref Page: 6)

Class and Series (a)	No. of Shares Auth. (b)	Par Val per Share of Par	Stated Val Per Share of	Outstanding Shares (e)	Outstanding Amount (f)
	0	\$0.00	0.0000	0	\$0.00
Total	0	\$0.00	0.0000	0	\$0.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Long-Term Debt (Ref Page: 6)

Class and Series	Orig. Issue Amt	Date of Issue (b)	Date of Maturity (c)	Outstanding Balance	Interest Rate (e)	Interest Amt (f)
List each Original Issue Amount Class and Series of Obligation						
				0		
Total	\$0.00			\$0.00	0.0000	\$0.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Notes Payable (Ref Page: 6)

Name of Payee (a)	Date Of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)
(Include Notes Payable to Associated Companies Under This Heading)			0	
Total			0.0000	\$0.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Interest Accrued (Ref Page: 6)

Description of Obligation (a)	Int. Accr. Balance First of Yr	Int. Accr. During Yr (c)	Int. Paid During Yr (d)	Int. Accr. Balance End of Yr
Total				

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Other Current and Accrued Liabilities (Ref Page: 7)

Description	Amount
Total (must agree with pg 3 Acct 238)	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Statement of Retained Earnings For the Year (Ref Page: 7)

Item (a)	This Year (b)	Last Year (c)
UNAPPROPRIATED RETAINED EARNINGS (216)		
Balance Beginning of Year	(\$31,379.00)	\$0.00
Balance Transferred From Income (435)	\$20,379.00	(\$31,379.00)
Appropriations of Retained Earnings (436)		
Dividends Declared-Preferred Stock (437)		
Dividends Declared-Common Stock (438)		
Adjustments to Retained Earnings (439)		
Balance End of Year	(\$11,000.00)	(\$31,379.00)

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Statement of Income for the Year (Ref Page: 8)

Description	Number Customers (b)	Amount (c)
OPERATING REVENUES		
Fiat Rate Revenues-General Customers:		
Residential Revenues (521.1)	189	\$94,028.00
Commercial Revenues (521.2)	19	\$9,545.00
Industrial Revenues (521.3)	1	\$502.00
Revenues From Public Authorities (521.4)		
Total (521)	209	\$104,075.00
Measured Revenues - General Customers: (483)		
Residential Revenues (522.1)		
Commercial Revenues (522.2)		
Industrial Revenues (522.3)		
Revenues From Public Authorities (522.4)		
Total (522)	0	\$0.00
Revenues From Public Authorities (523)		
Revenues From Other Systems (524)		
Miscellaneous Sewage Revenues (526)		
Total Sewage Service Revenues (521-526)	209	\$104,075.00
OTHER OPERATING REVENUES		
Customers Forfeited Discounts (532)		
Miscellaneous Operating Revenues (536)		
Total Other Operating Revenues		\$0.00
Total Operating Revenues		\$104,075.00
OPERATING EXPENSES		
Total Sewer Operation and Maint. Expenses (from pg 9)		\$66,797.00
Depreciation Expense (403)		\$34,845.00
Amortization Expense (from pg 10) (404-407)		

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Statement of Income for the Year (Ref Page: 8)

Description	Number Customers (b)	Amount (c)
Taxes Other Than Income taxes (from pg 10) (408.1)		
Total Income Taxes-Utility Operations (from pg 10)		
Total Sewage Operating Expenses		\$101,642.00
Net Operating Income		\$2,433.00
OTHER INCOME		
Income from NonUtility Operations (417)		
Interest and dividend Income (419)		\$1,686.00
Miscellaneous Nonoperating Income (421)		\$16,260.00
Other Accounts (Specify Acct. No & Title)		
Total Other Income		\$17,946.00
OTHER DEDUCTIONS		
Interest on Long-Term Debt (427)		
Amortization of Debt Discount and Expense (428)		
Interest on Debt to Associated Companies (430)		
Other Interest Expense (431)		
Taxes Other than Income Taxes 408.2 (from pg 10)		
Total Income Taxes-Nonutility Operations (from pg 10)		
Other Accounts (Specify Acct. No. and Title)		
Total Other Deductions		\$0.00
Net Income		\$20,379.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Operation and Maintenance Expenses (Ref Page: 9)

	Amount (b)
OPERATION EXPENSES	
Supervision and Engineering (700) :	
Owner/Manager-Management Fee (700-A)	
Other Expenses (700-B)	
Labor and Expenses (701):	
Collection System-Labor, Materials and Expenses (701-A)	
Pumping System-Labor, Materials and Expenses (701-B)	
Treatment System (701-C) :	
Sludge Hauling	
Utility Service - Water Cost	
Other-Labor, Materials and Expense	\$3,243.00
Rents (702)	\$600.00
Fuel and Power Purchased for Pumping and Treatment (703)	\$11,893.00
Chemicals (704)	\$1,005.00
Miscellaneous Supplies and Expenses (705):	
Collection System (705-A)	
Pumping System (705-B)	
Treatment an Disposal (705-C)	
Total Operation Expenses	\$16,741.00
MAINTENANCE EXPENSES	
Supervision and Engineering (710) :	
Routine Maintenance Service Fee (710-A)	
Internal Supervision and Engineering (710-B)	
Maintenance of Structures and Improvements (711)	
Maintenance of Collection Sewer system (712)	
Maintenance of Pumping System (713)	
Maintenance of Treatment and Disposal Plant (714)	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Operation and Maintenance Expenses (Ref Page: 9)

	Amount (b)
Maintenance of Other Plant Facilities (715)	
Total Maintenance Expenses	\$0.00
CUSTOMER ACCOUNTS EXPENSES	
Supervision (901)	
Meter Reading Expenses and Flat Rate Inspections (902)	
Customer Records and Collection Expenses (903):	
Agency Collection Fee (903-A)	
Internal Labor, Materials and Expenses (903-B)	
Uncollectible Accounts (904)	\$339.00
Miscellaneous Customer Accounts Expenses (905)	
Total Customer Accounts Expenses	\$339.00
ADMINISTRATIVE AND GENERAL EXPENSES	
Administrative and General Salaries (920)	\$2,250.00
Office Supplies and Other Expenses (921)	
Outside Services Employed (923)	\$45,282.00
Insurance Expenses (924)	\$1,473.00
Employee Pensions and Benefits (926)	
Regulatory Commission Expense (928)	\$202.00
Transportation Expenses (929)	
Miscellaneous General Expenses (930)	\$510.00
Rents (931)	
Maintenance of General Plant (932)	
Total Administrative and General Expenses	\$49,717.00
TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8)	\$66,797.00

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Taxes Other Than Income Taxes (Ref Page: 10)

Item (a)	Amount (b)
Payroll Taxes	
Property Taxes	
Utility Regulatory Commission Assessment	
Other (specify)	
Total (Same as Page 8 line 27 plus 44)	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Operating and Non-Operating Income Taxes (Ref Page: 10)

	Amount (b)
Income Taxes-Federal (409.1)	
Income Taxes - State (409.1)	
Income Taxes - Other (409.1)	
Provisions for Deferred Income Taxes (410.1)	
Income Taxes Deferred in Prior Years - Credit (411.1)	
Investment Tax Credits - Net (412.0)	
Total Income Taxes - Util. Operating Income (to pg 8 line 28)	
Income Taxes - Federal (409.2)	
Income Taxes - State (409.2)	
Income Taxes - Other (409.2)	
Provisions for Deferred Income (410.2)	
Income Taxes Deferred in Prior Years - Credit (411.2)	
Investment Tax Credits - Net (412.4)	
Total Inc. Taxes - Nonutil. Op. Income (to pg 8 line 45)	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Amortization Expense (Ref Page: 10)

	Amount (b)
Amortization of Limited - Term Utility Plant (404)	
Amortization of Other Utility Plant (405)	
Amortization of Utility Plant Acquisition Adjustments (406)	
Amortization of Property Losses (407)	
Amortization of Rate Case Expense	
Total Amortization Expense (to pg 8 line 26)	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Plant Valuation 1 - 3 (Ref Page: 11)

Description	Percentage
What method of valuation was used with reference to Sewer Utility Plant in Service Appearing on page two line four: Original Cost, Estimated Cost, Original Cost Study?	Original Cost
What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots?	0.0000
If less than one-hundred percent of the utility plant was recovered, please designate what portion (collection lines, treatment plant, etc.) of the plant that represents non-contributed plant	N/A

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Plant Valuation 4. (Ref Page: 11)

Last Name	First Name	Date
-----------	------------	------

By whom were the books of account audited?
What was the date of the last audit?

Romaine & Associates, PLL

12/31/2011

If unaudited in the past twelve months, when and
by whom is the next audit anticipated?

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Physical Data of Sewer Plant (Ref Page: 11)

Date of Construction of original Plant	05/01/1982
Type of treatment process	Aerated Lagoons 7 Floatation Units
Date and additional GPD Capacity of subsequent additions to plant	None
Population for which plant is designed including population equivalent of industrial waste load	140,000 gallons/day 610 people

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Treatment Plant Operating Statistics (Ref Page: 11)

	Total	Cost
Total gallons received during the year	9,372,000	
Total gallons received on maximum day	147,000	
Maximum G.P.D. Capacity of the sewage treatment plant	140,000	
Routine maintenance service fee		
Cost per month		
Contract Expires		
Sludge hauling		
Cost per load		
Average number of gallons per load		
Number of loads this year		

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Customer Statistics End of Year (Ref Page: 12)

Type	Num of Customers	Bi-Month or Month Billing	Number of bills
Residential			
Single Family	189	Monthly	189
Apartments/Condominiums			
Commercial	19	Monthly	19
Industrial	1	Monthly	1
Other			
Total	209		209

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Industrial Customers Served (Ref Page: 12)

Name	Type of Industry	Gallons	Pretreatment of Wastes
	School	0	

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Sewer Plant Statistics - Pumping Stations (Ref Page: 12)

Location	Size of Motor	Type of Motor	Gals per Day
Treatment Plant	5HP	Electric	250
111 Street	10HP	Electric	200
N 339 Highway	3HP	Electric	110
Elder Lane	3HP	Electric	75
S 339 Highway	2HP	Electric	40
E 80 Hghway	2HP	Electric	40

9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Mains (Feet) (Ref Page: 12)

Kind of Pipe	Diameter	Num of Feet	additions	removed	Feet End of Year
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9003200 Graves County Water District 01/01/2011 - 12/31/2011

Sewer Plant Statistics - Service Laterals and Stubs (Ref Page: 12)

	Count
Number of service laterals owned by the utility at end of year	100
Number of stubs as of end of year	216
Number of service laterals owned by others	0

9003200 Graves County Water District 01/01/2011 - 12/31/2011

CheckList

Item	Value 1	Value 2	Agree	Explain
Balance Sheet (ref pg 2) Line Utility Plant (101-109) agrees with Sched Summary of Utility Plant (ref. pg 4) Total Utility Plant	648406.00	648406.00	OK	
Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant	127033.00	127033.00	OK	
Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant	521373.00	521373.00	OK	
Summary of Utility Plant (ref pg 4) Plant in Service Classified (Acct 101) agrees with Sched Sewer Plant in Service (ref pg 5) Total Sewer Plant in Service	648406.00	648406.00	OK	
Accum. Prov for Deprec. and Amort (Ref pg 4) Balance End of Year agrees with Sched Summary of Utility Plant (ref pg 4) Accumulated Prov. for Depr. and Amort.	127033.00	127033.00	OK	
Balance Sheet (ref pg 3) Sum of Common Capital Stock (201) and Preferred Capital Stock (204) agrees with Schedule Capital Stock (ref pg 6)	0	0.0000	OK	
Balance Sheeet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year	-11000.00	-11000.00	OK	
Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d	0.0000	0.0000	OK	
Balance Sheet (ref pg 3) The sum of Notes Payable (231) and (233) agrees with Sched Notes Payable (ref pg 6) Total Col e	0	0.0000	OK	
Balance Sheet (ref pg 3) Interest Accrued (237) agrees with Sched Interest Accrued (ref pg 6) Total Col e	0	0	OK	
Balance Sheet (ref pg 3) Current and Accrued Liabilities (238) agrees with Sched Other Current and Accrued Liabilities (ref pg 7) Total	0	0	OK	

9003200 Graves County Water District 01/01/2011 - 12/31/2011

CheckList

Item	Value 1	Value 2	Agree	Explain
Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits	650936.00	650936.00	OK	
Accum Prov. for Depreciation and Amortization (ref. pg 4) Depreciation agrees with Sched Statement of Income for the Year (ref pg 8) Depreciation Expense (403)	34845.00	34845.00	OK	
Sched Long Term Debt (ref pg 6) Total Interest Amount agrees with Sched Statement of Income (ref pg 8) Interest on Long Term Debt (427)	0.0000	0	OK	
Interest Accrued (ref pg 6) Total Interest Accrued agrees with Sched Statement of Income (ref pg 8) Other Interest Expense (431)	0	0	OK	
Statement of Income for the Year (ref pg 8) Total Sewer Operation and Maint. Expenses agrees with Sched Sewer Operation and Maintenance Expenses (ref pg 9) Total Sewer Operation and Maint. Exp	66797.00	66797.00	OK	
Statement of Income for the Year (ref pg 8) Total Income taxes - Utility Operations agrees with Sched Operating and Non-Operating Income Taxes (ref pg 10) Total Income Taxes - Util Operating Income	0	0	OK	
Statement of Income for the Year (ref pg 8) Amortization Expense agrees with Sched Amortization Expense (ref pg 10) Total Amortization Expense	0	0	OK	
Statement of Income for the Year (ref pg 8) The sum of lines Taxes Other than Income Taxes 408.1 and 408.2 agrees with Taxes Other Than Income (ref pg 10)	0	0	OK	
Statement of Income for the Year (ref pg 8) Total Income Taxes - Nonutility Operations agrees with Sched Operating and Non-Operating Income Taxes Total Inc. Taxes - Nonutil. Op Income	0	0	OK	
Schedule Sewer Plant Statistics (ref pg 11 and 12) have been completed				

EXHIBIT F

CONTRACT AGREEMENT FOR OPERATIONS, MAINTENANCE AND MANAGEMENT SERVICES

THIS CONTRACT AGREEMENT is entered into on the 16th day of September 2008 with an effective commencement date of September 16th 2008 by and between

The **GRAVES COUNTY WATER DISTRICT** with its principal address at P.O. Box 329, Mayfield, Kentucky 42000 (hereinafter "District")

AND

The **MAYFIELD ELECTRIC AND WATER SYSTEMS**, an instrumentality of the City of Mayfield, Kentucky, with its principal address at P.O. Box 347, Mayfield, Kentucky 42000, hereinafter "MEWS";

The District and MEWS may be referred to in this Agreement individually as "Party" or collectively as the "Parties."

WHEREAS, the District owns a water treatment plant, Waste water treatment plant, distribution system and related facilities (the "Systems") that are more particularly described in Section 1, below; and

WHEREAS, the District desires to employ the services of MEWS in the operation, maintenance and management of its Systems, and MEWS is willing and capable to perform such services in consideration of the compensation provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the District and MEWS agree as follows:

SECTION 1. DEFINITIONS

The following definitions shall apply to the terms used in this Agreement:

1. "**Capital Expenditures**" means those expenditures for: (1) the purchase of new equipment or System parts that cost more than Two Thousand Dollars (\$2,000); or (2) major repairs which significantly extend equipment or System service life and which costs more than Two Thousand Dollars (\$2,000); or (3) other planned, non-routine and budgeted facility improvements to the Systems.

2. **"Cost"** means all direct cost and indirect cost determined on an accrual basis in accordance with generally accepted accounting principles which benefit the Systems, including, but not limited to, expenditures for Systems management and labor, employee benefits, chemicals, power, outside contract labor and services, lab supplies, repairs, repair parts, maintenance parts, safety supplies, gasoline, oil, equipment rental, legal and professional services, quality assurance, travel, office supplies, other supplies, uniforms, telephone, postage, utilities, tools, memberships and training supplies.
3. **"Management Report"** means a cumulative report of the Systems activities to be provided by MEWS in accordance with the District policies and procedures which includes a technical, financial, and managerial report on all the Systems activities. The form of report is contained in Appendix D.
4. **"Service Fee"** means that sum invoiced monthly for MEWS services. A copy of the fee formula for the first year of this Agreement is obtained in Appendix C.
5. **"System"** means all equipment, tools, properties, easements and facilities now existing within the jurisdiction or control of or being used by the District to provide water service. More specifically, "system" means the District's raw water wells and related pumping equipment, water treatment plant, water storage tanks, pump stations, distribution mains and related appurtenances, and customer meters.
6. **"Repairs"** means those non-routine/repetitive activities required for operational continuity, safety, and performance generally due to failure or to avert a failure of the equipment, mains, appurtenances or facilities or some component thereof.
7. **"Unforeseen Circumstances"** shall mean any event or condition which has an effect on the rights or obligations of the Parties under this Agreement or upon the System, which is beyond the reasonable control of the Party relying thereon, and constitutes a justification for a delay in, or non-performance of, action required by this Agreement, including, but not limited to, an act of God (landslide, lightning, earthquake, tornado, fire, explosion, flood, failure to possess sufficient property rights, acts of the public enemy, war, blockade, sabotage, insurrection, riot or civil disturbance), or preliminary or final order of any local, province, administrative agency or governmental body of competent jurisdiction, or any change in law, regulation, rule, requirement, interpretation or

statute adopted, promulgated, issued or otherwise specifically modified or changed by any local, state or other governmental body, (iv) loss of, or inability to obtain service from a third entity necessary to furnish electric power for the operation and maintenance of the System, or (v) the failure of the District to make any Capital Expenditure previously identified as necessary for the System to attain applicable performance standards.

SECTION 2. GENERAL PROVISIONS

- 2.1 All land, buildings, facilities, easements, licenses, rights-of-way, equipment and appurtenances presently owned or hereafter acquired by the District shall remain the exclusive property of the District. Unless specifically provided for otherwise in this Agreement.
- 2.2 This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Kentucky and any action arising under this agreement or as a result of performance hereunder shall be in the venue of the appropriate court in Graves County, Kentucky.
- 2.3 This Agreement shall be binding upon the successors and assigns of each of the Parties, but neither Party shall assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
- 2.4 All notices shall be in writing and transmitted to the Party's address stated above. All notices shall be deemed effectively given:
 - 2.4.1 if delivered personally, or by courier mail service (e.g. United Parcel Service, Airborne Express, etc.) upon delivery;
 - 2.4.2 if mailed by certified or registered U.S. mail, return receipt requested or upon deposit in the United States mail, postage prepaid;
 - 2.4.3 in any other manner, with written acknowledgment of such receipt of notice.
- 2.5 This Agreement, including appendices, is the entire Agreement between the Parties. This Agreement may be modified only by subsequent written amendments signed by both Parties.
- 2.6 Wherever used, the terms "District" and "MEWS" shall include the respective officers, agents, directors, elected or appointed officials and employees and where appropriate, subcontractors of, or anyone acting on their behalf.

- 2.7 If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- 2.8 It is understood and agreed by the Parties that the relationship of MEWS to the District is that of independent contractor to owner. The services provided for under this Agreement are of a professional nature and shall be performed in accordance with good and accepted industry practices typical for professional contract operators similarly situated in the Commonwealth of Kentucky and which are providing such services during the time period generally co-terminus with the dates of the term of this Agreement.
- 2.9 The District and MEWS are the only parties to this Agreement. No third party rights or benefits are intended to or shall arise by reason of this Agreement.
- 2.10 If any litigation is necessary to enforce the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees which are directly attributed to such litigation in addition to any other relief to which it may be entitled.
- 2.11 The District and MEWS respectively represent that each has the authority to enter into this Agreement and each represents that it has complied with all governmental action necessary to bind it to the terms hereof.

SECTION 3 SCOPE OF SERVICES TO BE PROVIDED BY MEWS

- 3.1 Effective September 15th 2008, MEWS shall initiate service under this Agreement and shall deploy staff who are qualified and are capable of and have met appropriate licensing and certification requirements of the Commonwealth of Kentucky to operate, maintain and manage the System.
- 3.2 MEWS shall operate, maintain and manage the System such that District customers receive service 24-hours per day, 7 day per week. It is understood that routine service activities and office access is provided during the normal business day 7:00 a.m. through 4:30 p.m. Monday – Friday except holidays. Operational services shall be performed by certified personnel and may be provided either by onsite presence or by remote monitoring as permitted.

- 3.3 MEWS shall be responsible for all aspects of the day-to-day operations, maintenance and management of the water treatment plant, waste water plant, water distribution system, customer service, billing, collection, accounting and reporting in compliance with regulatory requirements and District policy. A definition of these activities is set out in Appendix A. Included in its management responsibilities, MEWS shall provide a comprehensive monthly Management Report to the District substantially in the same form as that contained in Appendix E, and prepare a listing of payable invoices, a check register and draft checks for signature by the District at its monthly meetings.
- 3.4 MEWS shall manage, operate and maintain the District's System within the existing design capacity and permit limitations of the System so that water produced and delivered to customers meets the requirements specified in Appendix B.
- 3.5 Within sixty (60) days after MEWS begins service under this Agreement, it shall provide the District with a physical inventory of the District's equipment and tools in use at the time of initiation of service under this Agreement, and shall make recommendations to the District regarding capital needs, if any, required by the District to rehabilitate, expand or modify the System's facilities or equipment to comply with governmental regulations or to improve operability to best achieve compliance with, but not limited to the Safe Drinking Water Act and the Clean Water Act.
- 3.6 MEWS shall be responsible for maintaining all manufacturers warranties on new equipment purchased by the District and shall assist the District in enforcing existing equipment warranties and guarantees.
- 3.7 Within six (6) months after MEWS begins service under this Agreement, MEWS shall provide the District with documentation that preventive maintenance is being performed on the District owned equipment in accordance with manufacturer's recommendations at intervals, and in sufficient detail, as may be reasonably determined by MEWS.
- 3.8 MEWS shall utilize its existing computerized programs relating to financial accounting and reporting on the System.

- 3.9 MEWS shall perform all routine maintenance and repair activities including modification of any process and/or any component of the System to achieve the objectives of this Agreement. However, any routine maintenance and repair activity or process or component modification which requires labor, parts, materials or services costing in excess of \$2,000 shall require prior authorization by the District.
- 3.10 In any emergency affecting the safety of persons or property, including an Unforeseeable Circumstance, MEWS may act without prior written authorization to prevent threatened damage, injury or loss. MEWS shall make reasonable effort to communicate regarding the emergency, to the District as soon as possible. MEWS shall be compensated by the District for any such emergency work notwithstanding the lack of a written authorization. Such compensation shall include MEWS's demerized costs for labor and service required for response to the emergency.
- 3.11 As required by law, permit or regulation, MEWS shall prepare, sign and submit System performance reports to appropriate state authorities, maintaining a complete file copy accessible to the District.
- 3.12 MEWS shall provide or coordinate the provision of labor to perform raw and treated water sampling for submission to an independent laboratory for analysis, as required (the Safe Drinking Water Act and/or any other applicable federal, state or local laws or regulations), the cost of which shall be borne by the District.
- 3.13 MEWS will maintain a log of customer inquiries, complaints and any and all regulatory agency notices or correspondence, and provide copies of same to the District at the monthly meeting of the District's board of commissioners.
- 3.14 MEWS may provide additional services beyond the scope of this Agreement at the District's request, subject to mutually agreeable terms and conditions and encapsulated in written amendments to this Agreement.

SECTION 4 DISTRICT'S REPRESENTATIONS AND DUTIES

- 4.1 The District shall continue, without restriction, as owner of the System, and shall control all assets and be responsible for all liabilities of same.

- 4.1 The District shall pay to MGVs the agreed upon service fee as outlined in MGVs's response to the District's RFP. A copy of such response is included in the Appendix C to the Agreement. Such agreement shall be upon presentation of invoice at the District monthly meeting.
- 4.2 The District shall provide MGVs with exclusive access to and use of all of the program tool, equipment or other components of the System as to cost to MGVs.
- 4.4 The District shall request that by the presence of authorized members of the Board of Commissioners at its monthly meetings and at other times as required by law or regulation. The District delegates to MGVs the authorization to represent the District only to the extent as expressed in this Agreement.
- 4.5 The District shall conduct monthly business meetings pursuant to the agenda format contained in Appendix D of the Agreement. The minutes of District meetings shall be taken and maintained by the District. Monthly reports shall be reviewed and approved at the next subsequent meeting of the District.
- 4.6 The District shall provide funding for all necessary capital expenditures as cash funds, which include, but are not limited to, proceeds from the sale of bonds and other financing arrangements. Funding for such funding shall be given in three stages. Expenditures recommended by MGVs and approved by the District shall be necessary to address system operational concerns relating to the system, the environment, safety, and other functioning of system components. Any loss damage or injury resulting from the District's failure to incur capital expenditures and/or funds for maintenance and repair materials and services which reasonably required by MGVs shall be the sole responsibility of the District.
- 4.7 The District shall, with its System, retain all rights and interests in the System, including all patents and other intellectual property rights, and shall be deemed to own all rights in the System. The District shall retain all rights in the System, including all patents and other intellectual property rights, and shall be deemed to own all rights in the System.
- 4.8 The District shall provide funding for all necessary capital expenditures as cash funds, which include, but are not limited to, proceeds from the sale of bonds and other financing arrangements. Funding for such funding shall be given in three stages. Expenditures recommended by MGVs and approved by the District shall be necessary to address system operational concerns relating to the system, the environment, safety, and other functioning of system components. Any loss damage or injury resulting from the District's failure to incur capital expenditures and/or funds for maintenance and repair materials and services which reasonably required by MGVs shall be the sole responsibility of the District.
- 4.9 The District shall provide funding for all necessary capital expenditures as cash funds, which include, but are not limited to, proceeds from the sale of bonds and other financing arrangements. Funding for such funding shall be given in three stages. Expenditures recommended by MGVs and approved by the District shall be necessary to address system operational concerns relating to the system, the environment, safety, and other functioning of system components. Any loss damage or injury resulting from the District's failure to incur capital expenditures and/or funds for maintenance and repair materials and services which reasonably required by MGVs shall be the sole responsibility of the District.
- 4.10 The District shall provide funding for all necessary capital expenditures as cash funds, which include, but are not limited to, proceeds from the sale of bonds and other financing arrangements. Funding for such funding shall be given in three stages. Expenditures recommended by MGVs and approved by the District shall be necessary to address system operational concerns relating to the system, the environment, safety, and other functioning of system components. Any loss damage or injury resulting from the District's failure to incur capital expenditures and/or funds for maintenance and repair materials and services which reasonably required by MGVs shall be the sole responsibility of the District.