

MWD Master Meters		
ID Number	Name	Meter Size
#1	Cowpen	6 Inch
#2	Town Mountain	8 Inch
#3	Hurricane Creek (Cedar Gap)	4 Inch
#4	Chloe Road	4 Inch
#5	Hoopwood Hollow	2 Inch
#6	Island Creek Mobile Home Park	2 Inch
#7	Coon Branch	2 Inch
#8	Island Creek	4 Inch
#9	South Mayo Trail (Indian Hills)	4 Inch
#10	Smiley Fork	4 inch

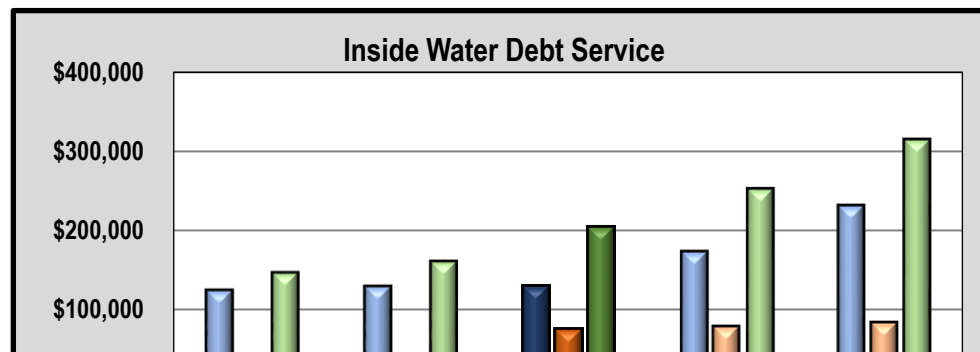
Inside Water Operating & Maintenance Expense - 2017

2017	Total					Administration					Water Treatment Plant					Distribution				
	Cost	Admin	WTP	Dist.		Cost	Fixed	Variable	Fixed	Variable	Cost	Fixed	Variable	Fixed	Variable	Cost	Fixed	Variable	Fixed	Variable
Gasoline..	176,401	0%	10%	90%	100%	0	100%	0%	0	0	17,640	50%	50%	8,820	8,820	158,761	20%	80%	31,752	127,009
Bank Charges	5,209	100%	0%	0%	100%	5,209	100%	0%	5,209	0	0	0%	100%	0	0	0	0%	100%	0	0
Prov. For Bad Debt	8,962	100%	0%	0%	100%	8,962	100%	0%	8,962	0	0	0%	100%	0	0	0	0%	100%	0	0
Dues..	850	100%	0%	0%	100%	850	100%	0%	850	0	0	100%	0%	0	0	0	0%	100%	0	0
Freight/Postage..	3,076	100%	0%	0%	100%	3,076	100%	0%	3,076	0	0	0%	100%	0	0	0	0%	100%	0	0
Ins Vehicle..	2,547	0%	10%	90%	100%	0	100%	0%	0	0	255	100%	0%	255	0	2,292	100%	0%	2,292	0
Ins General Liability	31,359	10%	30%	60%	100%	3,136	100%	0%	3,136	0	9,408	100%	0%	9,408	0	18,815	100%	0%	18,815	0
Ins Other..	0	10%	30%	60%	100%	0	100%	0%	0	0	0	100%	0%	0	0	0	100%	0%	0	0
Office Supplies..	711	100%	0%	0%	100%	711	100%	0%	711	0	0	0%	100%	0	0	0	0%	100%	0	0
Public Works Water	1,221,201	5%	40%	55%	100%	61,060	100%	0%	61,060	0	488,481	5%	95%	24,424	464,057	671,661	5%	95%	33,583	638,078
Prof Service Other	777	100%	0%	0%	100%	777	100%	0%	777	0	0	50%	50%	0	0	0	50%	50%	0	0
UT Monthly Billing	2,526	100%	0%	0%	100%	2,526	100%	0%	2,526	0	0	0%	100%	0	0	0	0%	100%	0	0
UMG...Services	184,254	0%	40%	60%	100%	0	100%	0%	0	0	73,702	5%	95%	3,685	70,017	110,553	5%	95%	5,528	105,025
Rent-Easements..	376	100%	0%	0%	100%	376	100%	0%	376	0	0	0%	100%	0	0	0	0%	100%	0	0
Purchase Software..	211	100%	0%	0%	100%	211	100%	0%	211	0	0	0%	100%	0	0	0	0%	100%	0	0
Repairs & Maint	43,155	0%	0%	100%	100%	0	100%	0%	0	0	0	0%	100%	0	0	43,155	5%	95%	2,158	40,997
Repair & Maint Plant	2,984	0%	100%	0%	100%	0	100%	0%	0	0	2,984	0%	100%	0	2,984	0	0%	100%	0	0
Tele/Public Works	7,769	100%	0%	0%	100%	7,769	100%	0%	7,769	0	0	100%	0%	0	0	0	0%	100%	0	0
Electric..	300,992	0%	65%	35%	100%	0	100%	0%	0	0	195,645	0%	100%	0	195,645	105,347	0%	100%	0	105,347
City Utilities..	5,300	0%	100%	0%	100%	0	100%	0%	0	0	5,300	100%	0%	5,300	0	0	0%	100%	0	0
Workers Comp..	178	100%	0%	0%	100%	178	100%	0%	178	0	0	0%	100%	0	0	0	0%	100%	0	0
Salaries & Wages..	26,009	100%	0%	0%	100%	26,009	100%	0%	26,009	0	0	0%	100%	0	0	0	0%	100%	0	0
Payroll Tax..	1,990	100%	0%	0%	100%	1,990	100%	0%	1,990	0	0	0%	100%	0	0	0	0%	100%	0	0
Employee Benefit Ins	8,413	100%	0%	0%	100%	8,413	100%	0%	8,413	0	0	0%	100%	0	0	0	0%	100%	0	0
Pension Matching..	0	100%	0%	0%	100%	0	100%	0%	0	0	0	0%	100%	0	0	0	0%	100%	0	0
Unemployment Tax	31	100%	0%	0%	100%	31	100%	0%	31	0	0	0%	100%	0	0	0	0%	100%	0	0
Total	2,035,282					131,285			131,285	0	793,414			51,892	741,522	1,110,583			94,128	1,016,455

Figure 4

Inside Water Debt Service											
Refinancing 2012C				2016 Loan				2018 Loan			
	Principal	Interest	Total		Principal	Interest	Total		Principal	Interest	Total
2015	125,000	21,888	146,888	2015				2015			
2016	130,000	19,963	149,963	2016		11,085	11,085	2016			
2017	130,000	18,363	148,363	2017		56,988	56,988	2017			
2018	135,000	14,713	149,713	2018	38,800	56,551	95,351	2018		7,444	7,444
2019	140,000	11,963	151,963	2019	39,600	55,670	95,270	2019	51,800	15,725	67,525

Total			
	Principal	Interest	Total
2015	125,000	21,888	146,888
2016	130,000	31,048	161,048
2017	130,000	75,351	205,351
2018	173,800	78,708	252,508
2019	231,400	83,357	314,757



	Date of Purchase	Cost	Useful Life	2017		Book Value
				Current yr Deprec	Accu Deprec.	
Equipment						
Transfer Switch	9/4/2012	6,150	5	1,230	5,945	205
Turbidimeter Meter	6/18/2012	4,612	5	922	4,612	0
Schredder	1/23/2013	1,805	5	361	1,595	210
Mower	12/15/2015	10,200	5	2,040	3,230	6,970
Mixers	9/19/2016	27,735	10	2,080	2,080	25,655
4" Valve	4/28/2017	5,830	5	194	194	5,636
2-16" Valve Inserts	5/19/2017	66,500	5	1,108	1,108	65,392
Telemetry	2/7/2017	24,168	5	2,014	2,014	22,154
Telemetry & Valve	2/7/2017	57,048	5	4,754	4,754	52,294
Master Meter	5/12/2017	60,000	20	500	500	59,500
Master Meter	5/12/2017	60,000	20	500	500	59,500
				15,703		
Water Lines						
Fairview Line	6/30/1983	22,700	40	568	19,295	3,405
Riverfill Line	8/3/1983	138,561	40	3,464	117,488	21,073
Chloe Creek Line	3/15/1984	92,167	40	2,304	76,806	15,361
North Bridge Line	5/23/1984	38,852	40	971	32,134	6,718
Road Fork Line	3/27/1985	30,038	40	751	24,218	5,820
Road Fork Line	7/1/1987	32,615	40	815	24,461	8,154
Hibbard Street	4/30/1986	31,422	40	786	24,483	6,939
City / Chloe	6/1/1988	30,340	40	759	22,060	8,280
US 23	1/15/1997	73,646	40	921	73,646	0
Chloe Creek Line	7/1/1987	10,033	40	251	7,525	2,508
N / S Interchange	3/10/1977	90,147	40	1,502	90,147	0
Keel Addition	6/30/1978	13,680	40	342	13,338	342
Williams Hollow	6/30/1978	29,022	40	726	28,296	726
Bowles Addition	6/30/1978	6,340	40	159	6,182	159
Mays Hollow	6/30/1978	24,681	40	617	24,064	617
Coal Hollow	6/30/1978	8,001	40	200	7,801	200
Trailer Park Line	6/30/1978	197,503	40	4,938	191,331	6,172
Island & Cedar Creek	5/30/1979	183,257	40	4,581	174,476	8,781
Pauley Bridge	6/30/1980	78,800	40	1,970	72,890	5,910
Public Works	6/30/1979	127,424	40	3,186	121,053	6,371
Julis Avenue	6/30/1980	16,015	40	400	14,814	1,201
Smith Hill	5/12/1988	6,423	40	161	4,683	1,740
Airport Road	2/18/1980	12,595	40	315	11,755	840
8" Under Codell	6/30/1981	54,880	40	1,372	49,392	5,488
Rasnick Subdivision	6/30/1981	96,280	40	2,407	86,652	9,628
Keiser Heights	6/30/1981	34,579	40	864	31,121	3,458
Island & Cedar Creek	9/30/1980	373,957	40	9,349	343,573	30,384
Quail Ridge	6/30/1981	130,677	40	3,267	117,609	13,068
Myers Towers	6/30/1981	3,800	40	95	3,420	380
Peterfork - Walters Road	6/30/1981	43,412	40	1,085	39,071	4,341
PNB	6/30/1981	6,000	40	150	5,400	600
8" Down 1384	6/30/1982	32,094	40	802	28,082	4,012
Keel Addition	6/30/1982	6,098	40	152	5,336	762
Lorraine Street	6/30/1982	2,227	40	56	1,949	278
Phase III	6/30/1982	3,564	40	89	3,119	445
College Street	6/30/1982	49,250	40	1,231	43,094	6,156
Happy Hollow System	6/30/1982	28,000	40	700	24,500	3,500

	Date of Purchase	Cost	Useful Life	2017		
				Current yr Deprec	Accu Deprec.	Book Value
Keel Addition	6/30/1982	38,500	40	963	33,688	4,812
Road Fork Hydrants	6/30/1982	16,500	40	413	14,438	2,062
Relocation Ferguson Creek	6/48/1987	90,737	40	2,268	68,053	22,684
Chaney Water System	7/1/1989	290,000	40	7,250	203,000	87,000
Utility Improvements	6/30/1992	23,680	40	592	14,800	8,880
Tater Hollow	6/30/1993	9,972	40	249	5,983	3,989
South Mayo	12/31/1993	1,205,116	40	30,128	708,006	497,110
Wal Mart	12/31/1997	114,263	40	2,857	55,703	58,560
Peach Orchard	8/31/1998	125,103	40	3,128	58,903	66,200
South Mayo	12/31/2000	74,593	40	1,865	30,770	43,823
South Mayo Trail	8/25/2008	33,400	40	835	7,376	26,024
Walters Road	7/28/2011	12,000	20	600	3,550	8,450
Airport Road	8/29/2012	5,000	20	250	1,208	3,792
South Mayo - Replacement	11/13/2015	363,339	40	9,083	15,139	348,200
ByPass Road	8/26/2016	178,942	30	4,971	4,971	173,971
				117,756	(1)	
Pump Stations & Tanks						
Peach Orchard Tanks	7/1/1987	17,833	40	446	13,375	4,458
Harold's Branch Tank	6/1/1988	26,681	40	667	19,399	7,282
Toler Gap Tank	6/1/1978	10,000	40	250	9,771	229
Bob Billips Tank	6/1/1980	53,542	40	1,339	49,638	3,904
Chloe Gap Tank	6/1/1988	113,226	40	2,831	82,325	30,901
Raw Water Intake	2/26/1986	28,194	40	705	22,085	6,109
Road Fork A Tank	6/10/1986	56,796	40	1,420	44,135	12,661
Road Fork B Tank	6/30/1986	192,867	40	4,822	149,472	43,395
Foxcroft Tank	6/1/1988	43,168	40	1,079	31,387	11,781
Poorfarm PSTAT	2/16/1994	102,011	40	2,550	59,506	42,505
Cedar Creek Tank	9/27/1998	174,608	40	4,365	81,848	92,760
Keyser Heights Tank	2/25/1999	252,643	40	6,316	115,795	136,848
Metal Roof - PW	6/1/2003	40,500	40	1,013	14,259	26,241
Hydromatic Pump & Rail	6/15/2012	6,459	5	1,185	6,459	0
Upgrade Uptown PS	4/30/2013	197,815	40	4,945	20,606	177,209
Marion's Branch Tank	12/12/2016	873,352	40	12,736	12,736	860,616
Smiley Fork PS	5/12/2017	515,000	40	2,146	2,146	512,854
				48,814		
Tanks				36,975		
ps				11,839		
Vehicles						
Kubota Excavator	10/17/2013	49,991	5	9,998	36,660	13,331
2015 Chevy Silverdo	2/23/2015	30,322	5	6,064	14,150	16,172
2016 Chevy Colorado 4x4	11/16/2015	31,638	5	6,328	10,019	21,619
				22,390		
Water Plant						
Raw Water Intake Fac	9/30/1979	1,254,345	40	31,359	1,183,788	70,557
Water Treatment Plant	7/1/1989	5,704,000	50	114,080	3,194,240	2,509,760
Raw Water Intake Plant	7/1/2001	2,263,001	40	56,575	905,200	1,357,801
Goulds Raw Water Pump	11/30/2012	17,002	5	3,400	15,585	1,417
Spectrophotometer	11/7/2012	2,899	5	580	2,706	193
Screen Segment	6/19/2013	9,006	10	901	3,602	5,404
Turbidimeter	5/21/2014	8,471	5	1,694	5,224	3,247
Floculator Shafts	9/4/2015	33,728	40	843	1,546	32,182
Blower & Valve	4/10/2017	2,587	5	129	129	2,458

Date of Purchase	Cost	Useful Life	2017		
			Current yr Deprec	Accu Deprec.	Book Value
			209,561		
			414,224		

Inside Water Revenue Requirement - 2017					
	Cost		Fixed		Variable
<u>Operation & Maintenance</u>					
Administration	\$131,285	100%	\$131,285	0%	\$0
Water Treatment Plant	\$793,414	7%	\$51,892	93%	\$741,522
Distribution System	\$1,110,583	8%	\$94,128	92%	\$1,016,455
Total Operation & Maintenance	\$2,035,282		\$277,305		\$1,757,978
Debt Service	\$205,351	0%	\$0	100%	\$205,351
Debt Service Coverage (20%)	\$41,070	0%	\$0	100%	\$41,070
<u>Depreciation</u>					
Water Treatment Plant	\$209,561	0%	\$0	100%	\$209,561
Water Lines	\$155,850	0%	\$0	100%	\$155,850
Booster Stations	\$11,839	0%	\$0	100%	\$11,839
Tanks	\$36,975	0%	\$0	100%	\$36,975
Total Depreciation	\$414,224				\$414,224
Other Income	(\$252,335)	100%	(\$252,335)	0%	\$0
Revenue Requirement	\$2,443,592		\$24,970		\$2,418,623

Operation and Maintenance

Percentages of Cost Allocation - 2017 for Variable Distribution Costs									
	Water Treatment Plant	Booster Stations	Line Maint.	Tanks	Service Calls	Meters	Leak Detection	Testing	Total
Water Treatment Plant	100%								
Distribution System		20%	40%	5%	15%	5%	10%	5%	100%
Cost Allocation - 2017 for Variable Distribution Costs									
	Water Treatment Plant	Booster Stations	Line Maint.	Tanks	Service Calls	Meters	Leak Detection	Testing	Total
Water Treatment Plant	\$741,522								\$741,522
Distribution System		\$203,291	\$406,582	\$50,823	\$152,468	\$50,823	\$101,646	\$50,823	#####
Total	\$741,522	\$203,291	\$406,582	\$50,823	\$152,468	\$50,823	\$101,646	\$50,823	#####

Depreciation

Figure 6

Cost Distribution 2017 for Variable Costs

	Water Treatment	Booster Stations	Line Main.	Tanks	Service Calls	Meters	Leak Detection	Testing	Deprec. WTP	Deprec. Lines	Deprec. Pump Sta	Deprec. Tanks	Debt	DSC	Total
Annual Cost	\$741,522	\$203,291	\$406,582	\$50,823	\$152,468	\$50,823	\$101,646	\$50,823	\$209,561	\$155,850	\$11,839	\$36,975	\$205,351	\$41,070	\$2,418,623

Percent Distribution for Variable Costs

Account	Water Treatment	Booster Stations	Line Main.	Tanks	Service Calls	Meters	Leak Detection	Testing	WTP	Deprec. Lines	Deprec. Pump Sta	Deprec. Tanks	Debt	DSC	
MWD	50%	50%	48%	50%	0%	7%	48%	0%	50%	48%	50%	50%	50%	50%	

Cost Distribution for Variable Costs

Account	Water Treatment	Booster Stations	Line Main.	Tanks	Service Calls	Meters	Leak Detection	Testing	WTP	Deprec. Lines	Deprec. Pump Sta	Deprec. Tanks	Debt	DSC	Total
MWD	\$369,485	\$101,296	\$193,127	\$25,324	\$0	\$3,799	\$48,282	\$0	\$104,420	\$74,808	\$5,919	\$18,487	\$102,322	\$20,464	\$1,067,733

Unit Cost Per 1,000 Gallons

MWD	\$0.80	\$0.22	\$0.42	\$0.05	\$0.00	\$0.01	\$0.10	\$0.00	\$0.23	\$0.16	\$0.01	\$0.04	\$0.22	\$0.04	\$2.30
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MWD Cost Summary				
	Total Variable	MWD Variable	MWD Percent Variable	MWD Cost per 1,000 Gallons
Administration	\$0	\$0	0%	\$0.00
Water Treatment Plant	\$741,522	\$369,485	50%	\$0.80
Distribution System	\$1,016,455	\$371,827	37%	\$0.80
Depreciation	\$414,224	\$203,635	49%	\$0.44
Debt Service	\$205,351	\$102,322	50%	\$0.22
Debt Service Coverage (20%)	\$41,070	\$20,464	50%	\$0.04
Other Income	\$0	\$0	0%	\$0.00
Total Revenue Requirement	\$2,418,623	\$1,067,733	44%	\$2.30

Rate Determination for Variable Costs						
Account	Revenue Paid	Current Rate Per 1,000 Gal.	Revenue Required	Required Rate Per 1,000 Gal.	Revenue Deficient	Increase Needed Per 1,000 Gal.
MWD	\$729,785	1.58	\$1,067,733	\$2.30	\$337,948	\$0.72