

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--|---|------------|
| ELECTRONIC PROPOSED ACQUISITION BY |) | |
| BLUEGRASS WATER UTILITY OPERATING COMPANY, |) | |
| LLC AND THE TRANSFER OF OWNERSHIP AND |) | |
| CONTROL OF ASSETS BY P.R. WASTEWATER |) | |
| MANAGEMENT, INC., MARSHALL COUNTY |) | CASE NO. |
| ENVIRONMENTAL SERVICES, LLC, LH TREATMENT |) | 2019-00104 |
| COMPANY, LLC, KINGSWOOD DEVELOPMENT, INC., |) | |
| AIRVIEW UTILITIES, LLC, BROCKLYN UTILITIES, LLC, |) | |
| FOX RUN UTILITIES, LLC, AND LAKE COLUMBIA |) | |
| UTILITIES, INC. |) | |

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

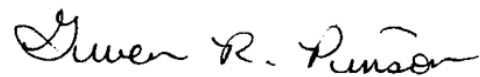
- The digital recording of the evidentiary hearing conducted on July 2, 2019 in this proceeding;
- Certification of the accuracy and correctness of the digital recording;
- All exhibits introduced at the evidentiary hearing conducted on July 2, 2019 in this proceeding;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital recording of the evidentiary hearing conducted on July 2, 2019.

A copy of this Notice, the certification of the digital record, hearing log, and exhibits have been electronically served upon all persons listed at the end of this Notice.

Parties desiring to view the digital video recording of the hearing may do so at:
<https://youtu.be/BYLAf7ODIUM>.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 18th day of July 2019.



Gwen R. Pinson
Executive Director
Public Service Commission of Kentucky

Kingswood Development, Inc.
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Bluegrass Water Utility Operation Company, LLC
500 Northwest Plaza Dr., Ste. 500
, MONTANA 63074

R Mitten
Bluegrass Water Utility Operation Company, LLC
500 Northwest Plaza Dr., Ste. 500
, MONTANA 63074

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1007 Doric Circle
Louisville, KY 40205

Airview Utilities, LLC
1706 Bardstown Road
Louisville, KY 40205

Fox Run Utilities, LLC
1706 Bardstown Road
Louisville, KY 40205

Brocklyn Utilities, LLC
1706 Bardstown Road
P. O. Box 91588
Louisville, KY 40205

Marshall County Environmental Services, LLC
522 US Hwy 68 West
Benton, KY 42025

LH Treatment Company, LLC
134 Prater Drive
Georgetown, KY 40324

COMMONWEALTH OF KENTUCKY
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In the Matter of:

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| ELECTRONIC PROPOSED ACQUISITION BY) | |
| BLUEGRASS WATER UTILITY OPERATING) | |
| COMPANY, LLC AND THE TRANSFER OF) | |
| OWNERSHIP AND CONTROL OF ASSETS) | |
| BY P.R. WASTEWATER MANAGEMENT,) | CASE NO. |
| INC., MARSHALL COUNTY) | 2019-00104 |
| ENVIRONMENTAL SERVICES, LLC, LH) | |
| TREATMENT COMPANY, LLC, KINGSWOOD) | |
| DEVELOPMENT, INC., AIRVIEW UTILITIES,) | |
| LLC, BROCKLYN UTILITIES, LLC, FOX RUN) | |
| UTILITIES, LLC, AND LAKE COLUMBIA) | |
| UTILITIES, INC.) | |

CERTIFICATE

I, Angela Fields, hereby certify that:

1. The attached flash drive contains a digital recording of the hearing conducted in the above-styled proceeding on July 2, 2019; (excluding any confidential segments, which were recorded on a separate flash drive and will be maintained in the non-public records of the Commission, along with the Confidential Exhibits and Hearing Log).
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the hearing of July 2, 2019; (excluding any confidential segments);
4. The "Exhibit List" attached to this Certificate correctly lists all exhibits introduced at the hearing of July 2, 2019 (excluding any confidential exhibits).

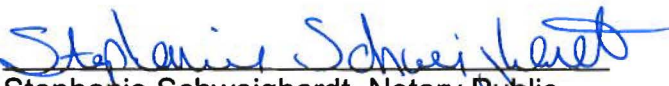
5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the hearing of July 2, 2019; (excluding any confidential segments) and the time at which each occurred.

6. All items listed above containing confidential materials will be maintained in the non-public records of the Commission.

Signed this 8 day of July 2019.



Angela Fields, Paralegal Consultant



Stephanie Schweighardt, Notary Public
State at Large
My commission expires: January 14, 2023
ID#: 614400



| Date: | Type: | Location: | Department: |
|----------|-------|----------------|-----------------------|
| 7/2/2019 | Other | Hearing Room 1 | Hearing Room 1 (HR 1) |

Witness: Allen Artis; Josiah Cox; Mike Duncan; Lawren Just; Phil Macias; Rick Pulliam; Larry Smither; Todd Thomas; Gail Williams
 Judge: Robert Cicero
 Clerk: Angela Fields

| Event Time | Log Event |
|------------|---|
| 8:49:27 AM | Session Started |
| 8:49:29 AM | Session Paused |
| 9:02:17 AM | Session Resumed |
| 9:02:25 AM | VC Cicero Note: Fields, Angela |
| | Preliminary remarks. |
| 9:03:33 AM | Atty Kunker Note: Fields, Angela |
| | Introduction of Joint Applicants counsel |
| 9:04:27 AM | Atty Pinney Note: Fields, Angela |
| | Staff introduction of counsel. |
| 9:04:44 AM | VC Cicero Note: Fields, Angela |
| | Outstanding motions? |
| 9:05:03 AM | VC Cicero Note: Fields, Angela |
| | No public comments |
| 9:05:48 AM | VC Cicero Note: Fields, Angela |
| | Remarks regarding confidentiality sessions |
| 9:06:12 AM | Atty Yunkter Note: Fields, Angela |
| | Called first witness RickPulliam |
| 9:06:48 AM | Atty Yunker direct RickPulliam Note: Fields, Angela |
| | Preliminary questions |
| 9:07:53 AM | Atty Yunker direct Rick Pulliam Note: Fields, Angela |
| | Approval of transaction |
| 9:08:15 AM | Atty Yunker direct Rick Pulliam Note: Fields, Angela |
| | Did you verify the info in the application |
| 9:08:47 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | AG exhibit 1 handed out. |
| 9:09:55 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | Pg 3. services perfored by indepentant cpa |
| 9:10:47 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | Pg 7 General information 2-3 1. Person to be contacted |
| 9:11:14 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | Rsp to data resquest, price may reflect investments |
| 9:12:09 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | Pg 4. Plant in service. total plant in service? |
| 9:12:44 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | do know of any investment |
| 9:13:31 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | Before or after the filing of the annual report? |
| 9:13:46 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela |
| | Balance sheet. Pg. 25 statement of income for the year. Operating expenses. |

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| 9:15:21 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela | Bluegrass is aware of that change? |
| 9:15:37 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela | Who did you speak to about that at Bluegrass |
| 9:17:20 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela | Biggest issue you are dealing with at this time? |
| 9:18:25 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela | Any concerns with the treatment system? |
| 9:18:58 AM | Atty Chandler cross Rick Pulliam Note: Fields, Angela | Are you within the Georgetown city limits? |
| 9:19:45 AM | AttyPinney cross Rick Pulliam Note: Fields, Angela | When LH treatment began providing service? |
| 9:20:34 AM | AttyPinney cross Rick Pulliam Note: Fields, Angela | When did longview begin providing service? |
| 9:20:57 AM | AttyPinney cross Rick Pulliam Note: Fields, Angela | Does the plant have a particular name? |
| 9:21:22 AM | AttyPinney cross Rick Pulliam Note: Fields, Angela | Prior to that do you know how many rate cases Longview had? |
| 9:22:35 AM | VC Cicero cross Rick Pulliam Note: Fields, Angela | Useful use of the plant? |
| 9:23:52 AM | VC Cicero cross Rick Pulliam Note: Fields, Angela | When you say a bank will not touch anyone under the jurisdiction of the PSC, what do you mean? |
| 9:24:34 AM | VC Cicero cross Rick Pulliam Note: Fields, Angela | Were you approached by the buyer? |
| 9:24:54 AM | VC Cicero cross Rick Pulliam Note: Fields, Angela | What would you say your expenditures |
| 9:25:40 AM | VC Cicero cross Rick Pulliam Note: Fields, Angela | Range on an average basis |
| 9:27:02 AM | VC Cicero cross Rick Pulliam Note: Fields, Angela | Witness excused. |
| 9:27:20 AM | Atty Chandler Note: Fields, Angela | Admitted AG Exhibit 1 |
| 9:27:53 AM | Atty Yunker direct Gail Williams Note: Fields, Angela | called witness Gail Williams - Kingswood |
| 9:28:43 AM | Atty Yunker direct Gail Williams Note: Fields, Angela | Preliminary questions |
| 9:29:23 AM | Atty Yunker direct Gail Williams Note: Fields, Angela | Are these people you have employed or contracted with? |
| 9:29:49 AM | Atty Yunker direct Gail Williams Note: Fields, Angela | Were you the person who provided a verification for the application filed |
| 9:30:20 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | AG handed out exhibit |
| 9:31:04 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | Does the cpa keep your books? |
| 9:31:22 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | CPA did the annual report for kingswood? |
| 9:31:41 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | Pg 6. General Information. |
| 9:32:11 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | Pg 14 and 15. Summary of Utility Plant |
| 9:33:03 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | The year end 2018. Any investment that would significantly deviate |

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| 9:33:33 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | any material changes? |
| 9:33:48 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | that is for the entire system, when system started to providing service? |
| 9:34:32 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | Does Kingswood have issues with customers not paying bills? |
| 9:34:52 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | 133 customers approximately with issues with only 2 customers? |
| 9:35:12 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | Does Kingswood have a similar agreement like LH Treatment? |
| 9:36:16 AM | Atty Chandler cross Gail Williams Note: Fields, Angela | Who is the current operator of Kingswood? |
| 9:36:59 AM | Atty Pinney cross Gail Williams Note: Fields, Angela | How long have you been with Kingswood? |
| 9:37:41 AM | Atty Pinney cross Gail Williams Note: Fields, Angela | Absence of transfer would Kingswood need to seek an increase? |
| 9:38:05 AM | Atty Pinney cross Gail Williams Note: Fields, Angela | Any idea what that increase would need to be? |
| 9:38:56 AM | Atty Pinney cross Gail Williams Note: Fields, Angela | Would plant have to expand? |
| 9:39:06 AM | Atty Pinney cross Gail Williams Note: Fields, Angela | Where is Kingswood located? |
| 9:39:24 AM | Atty Pinney cross Gail Williams Note: Fields, Angela | closest sewer treatment is? |
| 9:39:47 AM | VC Cicero cross Gail Williams Note: Fields, Angela | Did you seek a buyer or approached? |
| 9:40:29 AM | VC Cicero cross Gail Williams Note: Fields, Angela | No issues that you know of in terms of operations? |
| 9:40:52 AM | VC Cicero cross Gail Williams Note: Fields, Angela | A cpa does the books? Reason for not asking for a rate increase |
| 9:41:57 AM | Atty Chandler Note: Fields, Angela | Introduce AG Exhibit 2 |
| 9:42:20 AM | Atty Yunker Note: Fields, Angela | Complaint filed in Franklin Co. Circuit. No responses yet filed to the complaint. Do not represent Marshall Co. or Mr. Artis. |
| 9:44:56 AM | Atty Yunker Note: Fields, Angela | Proposes for this hearing only is that the applicants accept the allegations in the complaint as if they were hypothetically be accepted as true only for purposes of this proceeding. |
| 9:49:41 AM | Atty Chandler Note: Fields, Angela | Questions will not deviate from other questions to witnesses. Do not intend to get into the violations. State of the systems in general speak for themselves. Proceed without concerns. |
| 9:51:18 AM | Atty Pinney Note: Fields, Angela | No questions relating to the civil complaint |
| 9:51:40 AM | VC Cicero Note: Fields, Angela | Suprise or anticipated regarding the notices of violations? |
| 9:53:30 AM | VC Cicero Note: Fields, Angela | Looking at it from a theoretical standpoint |
| 9:54:48 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Called Allen Artis - Marshall Co. Enviro. |
| 9:55:35 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Identify those two systems? |

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| 9:55:52 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Please state your business address. |
| 9:56:10 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Position or role with Marshall Co. |
| 9:56:31 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Does Marshall Co. joined with other applicates for approval to transfer assets to Bluegrass Water? |
| 9:57:07 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Aware of a complaint filed with Franklin Circuit Court? |
| 9:57:29 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | for purposes of this proceeding are you |
| 9:57:51 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Are you waiving any constitutional rights |
| 9:58:12 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Handed out application in this case |
| 9:58:42 AM | Atty Yunker direct Allen Artis Note: Fields, Angela | Response to application (a)(ii) MCCA will not oppose. |
| 10:00:38 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Handed out AG Exhibit 3 and admitted |
| 10:01:46 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Annual report 2016. Pg 9, general information 6. |
| 10:02:26 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Calvert City? |
| 10:02:41 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Provide the addresses to the cities for the record. |
| 10:03:11 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Pg. 1 and 6 general information. Still able to answer questions to this report? |
| 10:04:16 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Would have voted as the sole member of the LLC? Provide that info? |
| 10:05:19 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Is this the most recent annual report? |
| 10:05:45 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Summary of Utility Plant pg 4. |
| 10:06:11 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | 2 1/2 years since then. Any significant investments that would change that value? |
| 10:06:46 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Locations are not of the line? |
| 10:07:03 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Do either of the systems have problems with customers paying bills? |
| 10:07:42 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | How much does Paducah charge for that service? |
| 10:08:17 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Have you had issues with nonpayment? |
| 10:08:53 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Customers are aware that their water can be shut off? |
| 10:09:25 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Operationally, what is the greatest issue? |
| 10:09:47 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | What is the issue with the collection system? |
| 10:10:08 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Clay system? |

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| 10:10:21 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | What are the issues for an above ground system? |
| 10:11:03 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Golden Acres System, what issues do you have. |
| 10:12:02 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | took over in 2013? Golden Acres? |
| 10:12:22 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | The local ad agency office run Golden Acers? |
| 10:13:23 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Pg. 25 Statement of Income for the Year. |
| 10:14:36 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | What is the net income of either system separately or combined? |
| 10:15:34 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Are the expenses covered? |
| 10:16:06 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | What was the repair you mentioned? |
| 10:16:28 AM | VC Cicero cross Allen Artis Note: Fields, Angela | Why was it not capitalized? |
| 10:17:03 AM | VC Cicero cross Allen Artis Note: Fields, Angela | Why isn't there a 2016-2017 report? |
| 10:18:01 AM | VC Cicero cross Allen Artis Note: Fields, Angela | Not a justification for not filing. At some point you will have to go to that from here forward you will have to have a bookeeper establish from this point forward... |
| 10:20:13 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Aware as a geneal matter for previous transfers that the Utility to be releaveed they have to file their last annual report? |
| 10:21:34 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Are these the only two systems that you own? |
| 10:21:51 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | How many customers? |
| 10:22:23 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | For Great Oaks, how would you describe the major problems. |
| 10:23:27 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | Do the problems impact the customers? |
| 10:24:06 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | Rate for Great Oaks |
| 10:24:30 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | Would have to have a rate increase for Great Oaks? |
| 10:25:01 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | That increase does not include expenses? |
| 10:25:18 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | Be able to pick a point in time to collect information to do an annual report? |
| 10:26:23 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | Describe the area between the lines? |
| 10:26:54 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | In the area between, is there any development going on? |
| 10:27:31 AM | Atty Pinney cross Allen Artis Note: Fields, Angela | Nothing close to Golden Acres? |
| 10:28:04 AM | VC Cicero cross Allen Artis Note: Fields, Angela | Any idea how much it would cost to bring the plant up to |
| 10:28:25 AM | VC Cicero cross Allen Artis Note: Fields, Angela | PHDR - How much spent on engineering study, and provide a copy. |

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| 10:28:49 AM | VC Cicero cross Allen Artis Note: Fields, Angela | Seek a buyer or approached? |
| 10:29:47 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Sewer Plant Statistics, Physical Data. Approx. pg. 34. What system does that apply. |
| 10:31:07 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Both use the same treatment process? |
| 10:31:28 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Both exceeding capacity? |
| 10:31:51 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Next pg. total gallons received each year? Just for Golden Acres? |
| 10:32:40 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Did the max GDP maximum for Golden Acres? |
| 10:33:09 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | What is the amount for Golden Acres? |
| 10:33:50 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Number of loads accurate? |
| 10:34:05 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Sewer Plant statistics. Seems to be for one of the two systems? Seems low for even one of the systems? |
| 10:34:28 AM | Atty Chandler cross Allen Artis Note: Fields, Angela | Apt. Condo, is that about right? |
| 10:35:01 AM | Atty Pinney Note: Fields, Angela | PHDR for AG - provide paper when the two member LLC became one member legally. And engineering study and invoice |
| 10:36:06 AM | VC Cicero Note: Fields, Angela | Good idea to file those reports. |
| 10:36:42 AM | Atty Chandler Note: Fields, Angela | PHDR, PSC staff 1, asked that chart be be updated. Stats about staff. PSC 1, abc and g. Chart. |
| 10:37:46 AM | VC Cicero Note: Fields, Angela | Break |
| 10:38:05 AM | Private Mode Activated | |
| 10:38:05 AM | Private Recording Activated | |
| 10:38:07 AM | Session Paused | |
| 10:56:04 AM | Session Resumed | |
| 10:56:07 AM | Atty Chandler Note: Fields, Angela | Moved to intro AG Exhibit 3 |
| 10:56:39 AM | Atty Eckert direct Lawren Just Note: Fields, Angela | Called Lawren Just - PR Wastewater |
| 10:57:32 AM | Atty Eckert direct Lawren Just Note: Fields, Angela | What are your job duties? |
| 10:57:45 AM | Atty Eckert direct Lawren Just Note: Fields, Angela | Seeking PSC approval |
| 10:58:08 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Handed out exhibit |
| 10:58:54 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | 2018 Annual Report. Pg. 3. CPA examined documents correct? |
| 10:59:33 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Independant CPA does the books? |
| 10:59:59 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | When does the CPA get involved? |
| 11:00:21 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Been involved since 1990 |

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| 11:00:47 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | PR served the clubhouse and residential development? |
| 11:01:10 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Annual Report, pg. 15. Summary of Utility Plant. |
| 11:02:00 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Do you know of any significate investments? |
| 11:02:40 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | PR have an issue with customers paying in a timely manner? |
| 11:04:03 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Agreement with N. Shelby to do the billing? |
| 11:04:22 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Now it is a flat fee? |
| 11:05:13 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Notes payable, pg. 6. only notes outstanding? |
| 11:05:54 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Is the develope company an affiliate? |
| 11:06:31 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Sewer Plant Statistics. Amount for total gallons per day. Not separatly metered? |
| 11:07:30 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Do you have any amounts for 2018? |
| 11:08:14 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Do you know the total for the year? |
| 11:08:15 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | PHDR - Total during the year. Total gallons received on a maximum day. |
| 11:08:57 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Sludge hauling? |
| 11:09:10 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | PR collection system is plastic? No clay? |
| 11:09:30 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | What are the issues with the systems? |
| 11:10:10 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | What about issues with the treatment system |
| 11:10:59 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Replacing or fixing? |
| 11:11:22 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Would you capitalize that or expense it? |
| 11:12:02 AM | Atty Pinney cross Lawren Just Note: Fields, Angela | Where are you located? |
| 11:12:39 AM | Atty Pinney cross Lawren Just Note: Fields, Angela | How close are you to MSD lines? |
| 11:14:10 AM | Atty Pinney cross Lawren Just Note: Fields, Angela | Aiken Road? |
| 11:15:32 AM | Atty Pinney cross Lawren Just Note: Fields, Angela | MSD go with it? |
| 11:15:53 AM | Atty Pinney cross Lawren Just Note: Fields, Angela | PR just wrapped up a rate case? |
| 11:16:17 AM | Atty Pinney cross Lawren Just Note: Fields, Angela | Attained a line of credit. When to you plan to pay it off? |
| 11:16:51 AM | VC Cicero cross Lawren Just Note: Fields, Angela | Are you actively engaged in making the decions? |
| 11:18:08 AM | VC Cicerocross Lawren Just Note: Fields, Angela | How did you become involved in the business? |

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| 11:18:48 AM | VC Cicerocross Lawren Just Note: Fields, Angela | Losing steadily? |
| 11:21:03 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Another operator that works on the system |
| 11:22:11 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | One of the three partime employees |
| 11:23:08 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Development, is it complete? |
| 11:23:34 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Additional customers can be added but there is no build-out? |
| 11:24:34 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | How many additional customers do you plan to add to the system? |
| 11:25:21 AM | Atty Chandler cross Lawren Just Note: Fields, Angela | Enter AG Exhibit 4 |
| 11:25:51 AM | Atty Eckert direct Larry Smither Note: Fields, Angela | Preliminary questions. |
| 11:26:39 AM | Atty Eckert direct Larry Smither Note: Fields, Angela | What utilities are you here for? |
| 11:27:05 AM | Atty Eckert direct Larry Smither Note: Fields, Angela | Are you a sole member? |
| 11:27:31 AM | Atty Eckert direct Larry Smither Note: Fields, Angela | here to seek approval from the PSC to transfer assets? |
| 11:28:03 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | You heard the other testimony? |
| 11:28:46 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | What are the biggest concerns facing the system? |
| 11:29:34 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | There are no concerns with the treatment plant? |
| 11:31:10 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Handed out AG Exhibit 5 |
| 11:31:39 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Address earlier |
| 11:32:06 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | What is the answer provided? |
| 11:32:25 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | The cpa prepares the annual report |
| 11:32:44 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Does it compile the annual report? |
| 11:33:00 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | General Information 2-3. Person to be contacted? |
| 11:33:36 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Brockly incop. in 2004 |
| 11:33:50 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Brocklyn same as age as the entity Brocklyn LLC? |
| 11:34:18 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | You operate the system, correct? |
| 11:34:43 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | How often are you onsite for Brocklyn |
| 11:35:05 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Mr. Turner is there as required by regulation? |
| 11:35:24 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Terms of the contract with Turner? |

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| 11:35:46 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Summary of Utility Plant pg. 4. Plant in service classified. Aware of any significant investments that would affect these numbers? |
| 11:37:26 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Pg 27, Sewer Operations and Maintenance Expenses. |
| 11:38:36 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Do you know which account includes Mr. Turner's contract? |
| 11:39:11 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | You and Mr. takes salary per year for 2018? |
| 11:40:40 AM | VC Cicero cross Larry Smither Note: Fields, Angela | Prepared by your CPA, who obtained info from the bookkeeper. Must be a disconnect. |
| 11:41:29 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | If the difference is the amount you pay an operator goes away? |
| 11:42:30 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Do you have the knowledge to tell me if this amount is accurate? |
| 11:42:57 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | You do not receive \$6,200 as a fee? |
| 11:43:33 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Are you included as a partime employee for Brocklyn? |
| 11:44:38 AM | VC Cicero cross Larry Smither Note: Fields, Angela | Does that stipulate what the services are that are to be preformed? |
| 11:45:03 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Pg 27, reference pg. 9. Sewer and Operations expense. |
| 11:46:07 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | PHDR Is there any way you can provide after the hearing the amount in 2018 paid to Turner for operations and Covered Bridge for maintenance? |
| 11:47:01 AM | VC Cicero cross Larry Smithers Note: Fields, Angela | PHDR - Identify by line who is earning what? What does the \$16,000 represent? |
| 11:47:45 AM | Atty Yunker Note: Fields, Angela | Clarification for PHDR? |
| 11:49:52 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Does Brocklyn have a concern with customers pay bills timely? |
| 11:50:32 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | What is the biggest issue for Brocklyn? |
| 11:51:31 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Cleaning out the lagoon, what does that consist of? |
| 11:52:04 AM | Atty Chandler cross Larry Smither Note: Fields, Angela | Moved to enter AG exhibit 5 |
| 11:52:45 AM | Atty Pinney cross Larry Smithers Note: Fields, Angela | When did you and your partners aquire the system? |
| 11:53:28 AM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Active sewer system around? |
| 11:53:49 AM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Since you aquired the system have you had a rate case? |
| 11:54:52 AM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Fair to say the rates are not covering the expenses at this time? |
| 11:55:31 AM | VC Cicero cross Larry Smithers Note: Fields, Angela | PHDR. Swore the report is accurate. I would like the numbers validated. |

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| 11:56:39 AM | VC Cicero cross Larry Smithers Note: Fields, Angela | \$610 of plant value. Given the age, why no additional investments? End of its useful life. Give us an update. |
| 11:58:07 AM | VC Cicero cross Larry Smithers Note: Fields, Angela | What is the interior pipes made of? |
| 11:59:05 AM | VC Cicero cross Larry Smithers Note: Fields, Angela | Is the plant operational and able to be passed on? |
| 11:59:34 AM | VC Cicero cross Larry Smithers Note: Fields, Angela | If not approached you would have continued on? |
| 12:00:05 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | No capital investments in the near future? |
| 12:00:34 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Purchased Brocklyn in mid-2000s. 35 years old? |
| 12:01:21 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Invested significant capital in Brocklyn |
| 12:01:50 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Interest in the other sewer utilities other that the ones discussed today? |
| 12:02:24 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Handed out Exhibit 6 (Fox Run Annual Report) |
| 12:03:30 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Pg 3. Service Report. Agree the financial statement were prepared by a CPA. |
| 12:04:29 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | They CPA did not perform an audit? |
| 12:04:56 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Pg 6. General Info - Person to Contact? |
| 12:05:24 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Would you agree that the under |
| 12:05:49 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Is Fox Run 12 years old? |
| 12:06:11 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Not when the sewer utility began to operate? |
| 12:06:26 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Appoximately 40 years old? |
| 12:06:46 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Fox Run is in Shelby Co? |
| 12:07:07 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Who is the cerified operator for Fox Run? |
| 12:07:36 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Is the setup similar to Brocklyn for the operator? |
| 12:09:03 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Principle Officers. reference pg 1. Who are the principle officers of Fox Run? |
| 12:10:12 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Salary or fee for members? |
| 12:10:32 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Pg 4, Summary of Untility, how long fully depreciated? |
| 12:11:15 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Do either utilities have debt? Brocklyn and FoxRun |
| 12:11:39 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Sewer and Operations reference pg. 9. |
| 12:13:08 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Fox Run is paying Mr Gray to operated the system? |

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| 12:13:48 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Any labor expenses other than the collection labor expenses. |
| 12:14:33 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Total that Fox Run appears to be charging for contract for Mr. Gray is \$ |
| 12:16:01 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | In data request, tank damage at Fox Run been repaired? |
| 12:16:53 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | AG request #12. |
| 12:17:28 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | 2nd pg, Mr. Thomas give narrative about Fox Run. Are you aware of the damage of the tank that is referred to? |
| 12:18:41 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Do you know what it would cost to repair that tank? |
| 12:19:16 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Why has Fox Run not made that investment? |
| 12:19:49 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Lift station is a significant component to the treatment plant? |
| 12:20:20 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Full replacement would cost \$25,000? |
| 12:20:49 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Were you going out getting bids were you doing it on behalf of Fox Run or covered bridge? |
| 12:21:46 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Issue with customers paying your bills in the Fox Run System? |
| 12:22:11 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Do you contract with a 3rd party? |
| 12:22:53 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | How is sewage getting into the tank? |
| 12:23:51 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Other than the lift station, what is the biggest issue for Fox Run? |
| 12:24:22 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Have you invested any significant capital in Fox Run? |
| 12:25:14 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | How is the book value zero on the blower? |
| 12:25:52 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Does zero dollar book value, if closing was next week? |
| 12:26:20 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Introduce AG Exhibit 6 |
| 12:26:36 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Previous name of the utility? |
| 12:27:03 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | 1998 Annual Report of Downstream. Net value as zero? |
| 12:27:38 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | The utility does not have the money to replace the broken pump? |
| 12:28:29 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Do they forego those repairs or replacements? |
| 12:29:07 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Since you acquired Fox Run has you sought a rate increase? |
| 12:29:33 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Believe current rates are sufficient? |
| 12:30:08 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Purchase price of Downstream? |

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| 12:30:54 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Why did you buy all these sewer utilities over time? |
| 12:33:10 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | If approved you are out of the ownership business? |
| 12:33:50 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Seek a buyer or approached for Fox Run? |
| 12:34:16 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Any violations for the leaking sewage? |
| 12:34:46 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Nothing is going to be done in regards to repairs? Going to be repaired by Bluegrass? |
| 12:35:44 PM | Atty Eckert redirect Larry Smithers Note: Fields, Angela | Financial statement examined by the cpa? |
| 12:37:05 PM | VC Cicero Note: Fields, Angela | Next will be Lake Columbia. |
| 12:37:30 PM | Private Mode Activated | |
| 12:37:30 PM | Private Recording Activated | |
| 12:37:32 PM | Session Paused | |
| 1:36:42 PM | Session Resumed | |
| 1:36:56 PM | VC Cicero Note: Fields, Angela | Done or pass on to AG? |
| 1:37:10 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Handed out AG Exhibits 7 & 8. |
| 1:39:44 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | 2016, pg 3 regarding services would also apply to Lake Columbia? |
| 1:40:19 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Pg 6, General Information 2-3. |
| 1:42:17 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | 2016 - General information 4. Inc. service was provided by assests after that date. |
| 1:43:29 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Clay or PVC? |
| 1:44:01 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Principle Officers. Listed as President and Vice President accurate? |
| 1:45:05 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Provides a salary or fee. Did you receive \$3,600 this year from Lake Columbia |
| 1:45:52 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Pg. 4. Plant Service and Depreciation. |
| 1:46:34 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Sewer Operations and maintanece expenses pg. 9. |
| 1:48:10 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Who is the certified operator? |
| 1:48:30 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Sewer O&M expenses. Covered Bridge costs for O&M for Lake Columbia. Contract costs located? |
| 1:49:08 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | PHDR - confirm that is where the contract costs for O&M are. |
| 1:49:55 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Statement of income for the year. Negative \$20,000? |
| 1:50:36 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Summary of Utility Plant reference pg. 4. Original plant value. |
| 1:51:49 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | 2017 Annual Report. First page, General Information 2-3 |

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| 1:53:54 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | No employees, and no designation of President and Vice President. |
| 1:54:32 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Summary of Utility reference pg. 4. Agree net utility plant and are the same? |
| 1:55:16 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | No notes payable for either one? |
| 1:55:57 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Property not encomubered with any debts? |
| 1:56:49 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Statement of income for the year, reference 8. Net operation income is \$4,200 different. |
| 1:59:19 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Less of a loss if management fees were not paid out to you? |
| 2:00:10 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | 2016 and 2017 Annual Reports. |
| 2:01:00 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Did you receive any dispurments for 2018? |
| 2:01:22 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | You would know if you received a dividend correct? |
| 2:02:40 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Any investments in Lake Columbia since 2018? |
| 2:02:56 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Does lake columbia has issues with customers paying bills. |
| 2:04:20 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | is it a per customer amount or set amount per month? |
| 2:04:51 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Is Louisville the water provider there? |
| 2:05:11 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Biggest issue or Lake Columbia? |
| 2:05:44 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | How many events per year? |
| 2:06:07 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | And what about the issues for the treatment plant? |
| 2:06:35 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Why have they not been patched? |
| 2:07:42 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | None of that is capitalized? |
| 2:07:57 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | When did the replacement occure? |
| 2:08:23 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Lift station at Fox Run. How many tanks? |
| 2:09:04 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | How many buildings and lift stations and plants are part of Brocklyn? |
| 2:09:53 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | How many buildings for Fox Run? |
| 2:10:27 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Any other remote lift stations? |
| 2:10:47 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Lake Columbia treatment plant is above ground? |
| 2:11:21 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | That is the one that is basis for NOB? |
| 2:11:52 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Other holes in the treatment plant that have not been repaired? |

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| 2:12:46 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Sewer system near by Lake Columbia? |
| 2:13:27 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Not looked into hooking up to close system? |
| 2:13:56 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Who is responsible for administrative compliance? |
| 2:16:03 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Given the fact there is so many financial questions? |
| 2:16:27 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | It is the same CPA that does all the reports? |
| 2:18:03 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Do you know if it is possible that those fees could be recorded as an account payable? |
| 2:18:50 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Does insurance cover acts of falling trees? |
| 2:20:05 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Did you seek or were you approached by a buyer? |
| 2:20:37 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Intro AG Exhibit 7 and 8. |
| 2:21:11 PM | Atty Pinney cross Larry Smithers Note: Fields, Angela | Purchase price in application are the exact same numbers. Offers? |
| 2:22:09 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Airview. AG Exhibit 9. |
| 2:23:36 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Copy of notice filed by Mr. Moore. AG Exhibit 10. |
| 2:24:28 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Cover letter followed by pleading by Airview, case no. 2016-00207 |
| 2:25:01 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Pg 2 of the pleading. Paragraph 2. |
| 2:26:50 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Annual Report, pg 3. Agree answers for other utilities is the same for this utility? |
| 2:27:48 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Airview incorporated in 2005? |
| 2:28:16 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | How long have you been involved in Airview? |
| 2:28:35 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Principle Officers page. Two amounts of \$4,800. |
| 2:29:37 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Agree that net book value is \$450? |
| 2:30:00 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Consider Airview to be abandoned? |
| 2:30:33 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Sewer Operation and Maintenance expenses, \$19,000. |
| 2:31:16 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Assuming Mr. Hogen did not receive \$4,800 from Airview that year? |
| 2:32:22 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Who provides the water for Airview customers? |
| 2:32:43 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Do contract with Hardin District 2 for services? |
| 2:33:19 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Same system in house to bill those customers? |
| 2:34:00 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Do you know how much Linda is billing for each utility? |

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| 2:34:52 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Notice of Abandonment. Would you agree these are the upgrades needed for the treatment plant? |
| 2:35:55 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Do you agree with Mr. Moore's conclusion? |
| 2:36:32 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Issues with treatment. Significant issues with the collection system? |
| 2:37:58 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Airview has issues with customers paying their bills? |
| 2:39:57 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | The Y occurs outside the easement? |
| 2:40:45 PM | VC Cicero - Public comment Note: Fields, Angela | Public commenter. You will need to come up to the microphone to make comment. |
| 2:41:46 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Did you ever shut anyone off? |
| 2:42:42 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | List that Mr. Moore included in his pleading. Did you provide those to him? |
| 2:43:28 PM | Atty Chandler cross Larry Smithers Note: Fields, Angela | Any indication the costs of all the equipment/repairs needed? |
| 2:44:36 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | Airview had approached you earlier and you initially refused? |
| 2:45:27 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | What convinced you otherwise? |
| 2:46:31 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | What was the state of the plant when you aquired it? |
| 2:46:49 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | No evidence of capital improvements. |
| 2:47:33 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | Hooking up with the Elizabethtown sewer system. Give brief description of why that has not happened? |
| 2:48:27 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | Cost of hooking up to the system? |
| 2:48:54 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | Not an Airview study. Provide copy of the study? |
| 2:49:12 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | Other systems nearby besides Elizabethtown? |
| 2:50:05 PM | Atty Pinney cross Larry Smither Note: Fields, Angela | Linda Wood handles the billing. Is she an employee of Covered Bridge? |
| 2:51:00 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | The study was never done? |
| 2:51:35 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Issues now revolve around insufficient cash flow? |
| 2:52:07 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Rate increase for Airview contingent on capital investments being made? |
| 2:54:16 PM | Atty Yunker redirect Larry Smither Note: Fields, Angela | Your view that there was 2 vialble options? |
| 2:55:27 PM | Atty Yunker redirect Larry Smither Note: Fields, Angela | Mr. Moore still represent you? |

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| 2:55:47 PM | Atty Yunker redirect Larry Smither Note: Fields, Angela | Handed out document. Joint Applicants Exhibit 1 |
| 2:56:58 PM | Atty Yunker redirect Larry Smither Note: Fields, Angela | Paragraph 4. Are you one of those represenatives that has those discussions for Airview? |
| 2:57:43 PM | Atty Yunker redirect Larry Smither Note: Fields, Angela | Any present hope that E-tow will agree? |
| 2:58:51 PM | Atty Yunker redirect Larry Smither Note: Fields, Angela | Airview will then transfer to Bluegrass Water? |
| 2:59:21 PM | VC Cicero cross Larry Smithers Note: Fields, Angela | Reason E-town is reluctant Is there a requirement to build a 1-mile line? |
| 3:00:36 PM | Public Comment Note: Fields, Angela | Tommy Furlong. Lives right next to the sewer. There is a problem with the lateral line. E-town said it would cost over \$1 M to fix. |
| 3:03:00 PM | Atty Yunker Note: Fields, Angela | Enter AG 9 and 10, and Joint Applicants Exhibit 1 |
| 3:04:03 PM | Atty Yunker direct Josiah Cox Note: Fields, Angela | Preliminary questions |
| 3:04:23 PM | Atty Yunker direct Josiah Cox Note: Fields, Angela | Who are you here for? |
| 3:04:52 PM | Atty Yunker direct Josiah Cox Note: Fields, Angela | Use another name for the utility? |
| 3:05:09 PM | Atty Yunker direct Josiah Cox Note: Fields, Angela | Has Bluegrass applied for approval to aquire and to control and the obligation to provide water service? |
| 3:05:44 PM | Atty Yunker direct Josiah Cox Note: Fields, Angela | Listed as a witness for various responses to data requests? |
| 3:06:09 PM | Atty Yunker direct Josiah Cox Note: Fields, Angela | Handing document to witness. Responses to data requests. |
| 3:07:08 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Refer to AG exhibit 10. |
| 3:08:00 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Handing witness AG exhibit 10. |
| 3:08:18 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Pg 1 of the pleading. Paragraph 2. Reason to believe the first sentence is incorrect? |
| 3:09:01 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | The factual conclusion that follows, does Bluegrass know if that conclusion is correct or not? |
| 3:10:05 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Agree that issues with collections have to be dealt with? |
| 3:10:39 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | If it needs to be rebuilt, is that more expensive as opposed to rehab the system? |
| 3:11:53 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | If rehab or repair is twice as expensive, would blugrass committ to connecting to another system? |
| 3:12:48 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Service is an objective term? |
| 3:13:52 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Joint Applicant response to staff, 1-5. What was your response? |
| 3:15:16 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Explain your response? |

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| 3:16:36 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Risks that are more generalized than other utilities face? |
| 3:17:45 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Not a market in which to acquire the rate? |
| 3:18:56 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Application pg. 16. Paragraph 51. |
| 3:20:46 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Do you have any idea what the cost will be? |
| 3:21:26 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Do you currently have an idea what that service will cost? |
| 3:22:06 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Per customer per mile? |
| 3:22:35 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Do you know which of those is the case? Established or have that ability? |
| 3:23:23 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Assume PSC approval. The firm will have in place an online billing system? |
| 3:23:56 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Remote customer service representatives? |
| 3:24:29 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Physical office. How many have a physical office location? |
| 3:25:17 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Handing out documents. Already in the record. JA exhibit C to the application. |
| 3:26:02 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Anyway affiliated with those listed on this page? |
| 3:26:35 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Explain the economy to scale that is anticipated? |
| 3:28:05 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Would that be for chemicals? |
| 3:28:23 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Visited the different systems that you will be acquiring? |
| 3:29:00 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | What is your understanding about entities in KY that provide this sort of contract service? |
| 3:29:56 PM | VC Cicero Note: Fields, Angela | 10 min. break |
| 3:30:08 PM | Private Mode Activated | |
| 3:30:08 PM | Private Recording Activated | |
| 3:30:11 PM | Session Paused | |
| 3:42:03 PM | Session Resumed | |
| 3:42:16 PM | Private Mode Activated | |
| 3:42:16 PM | Private Recording Activated | |
| 4:12:16 PM | Normal Mode Activated | |
| 4:12:16 PM | Public Recording Activated | |
| 4:12:19 PM | Session Paused | |
| 4:12:24 PM | Session Resumed | |
| 4:12:45 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Have someone who will oversee them the individual operations and management? |
| 4:13:35 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Where will the individual who oversee the operators be located ? |

| | | |
|------------|--|--|
| 4:14:02 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | The will not be located in KY correct? |
| 4:15:10 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Pg. 23. Paragraph 79. |
| 4:16:08 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | You provided your verification on behalf of Bluegrass? |
| 4:16:25 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | In confidential we discussed L&N, what they are and what they are not. |
| 4:17:34 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Water UOC has no employees? |
| 4:17:47 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Central State Water has the financial integrity to ensure the continuity of service because you are who you are? |
| 4:18:42 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | Something required from you in other states? |
| 4:19:12 PM | Atty Chandler cross Josiah Cox Note: Fields, Angela | You would agree that Bluegrass UOC has no way ability to provide wastewater service without CSWR? |
| 4:19:56 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Is equity funding contingent? |
| 4:20:28 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Reasonable ROE would be for small wastewater? |
| 4:21:00 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Funding regardless of the ROE? |
| 4:21:39 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | PSC has historically used operating ratio method. Are you familiar with that method? |
| 4:22:34 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | If rates are not set by Operating Ratio method. Does Bluegrass plan to file future rate cases based on the operating ratio method? |
| 4:23:31 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | What the potential cost of hiring an expert? |
| 4:25:16 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Will there be contractors or employees? |
| 4:25:36 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Anticipated timeline to finish the improvements? |
| 4:26:26 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Marshall Co. Action in Franklin Circuit. Temporary receiver? |
| 4:27:37 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | \$2.9 million to bring back up to reliable service? |
| 4:28:19 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Any analysis on rate impact on the customers? |
| 4:29:13 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Unified rate? |
| 4:29:41 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | In meantime, will you seek rate increases for the individual system? |
| 4:30:32 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | How would that be fair to customers of PR to have to pay for the costs of Airview? |
| 4:32:11 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Agreements with other utilities. Are those also sewer and/or water utilities? |

| | | |
|------------|---|--|
| 4:32:39 PM | Atty Pinney cross Josiah Cox Note: Fields, Angela | Used the same criteria to identify the utilities similar to those in this application? |
| 4:33:45 PM | Atty Yunker direct Todd Thomas Note: Fields, Angela | Preliminary questions |
| 4:35:37 PM | Atty Yunker direct Todd Thomas Note: Fields, Angela | Are you listed as witness responses to data requests? |
| 4:36:04 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | What is your educational background? |
| 4:36:26 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Responses to Staff data requests. Staff 1-i. |
| 4:39:01 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Initial analysis is focused on rebuild/rehad, while other analysis is to attach to a regional system? |
| 4:40:00 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Is that the case or is it a "will complete the analysis post-closing"? |
| 4:40:34 PM | VC Cicero cross Todd Thomas Note: Fields, Angela | Nearest pipeline make a difference? |
| 4:42:21 PM | VC Cicero cross Todd Thomas Note: Fields, Angela | Any analysis done before this is completed or not? |
| 4:43:08 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Bluegrass has painted a certain picture, provided in the application, 2 months later alternative investment has yet to be completed? |
| 4:45:03 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Data request tab 10. Do you have an update if PE has received reciprocity? |
| 4:46:32 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | PE has reciprocity now? |
| 4:47:12 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Bluegrass will not have any power over the aquired utilities' books? |
| 4:48:04 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Believe it is the case that the purchase price do reflect the depreciated book value ? |
| 4:49:50 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | If these are the net book values of 2018, who should I ask if that should/could be reversed ? |
| 4:50:50 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Disconnect between the engineering memos. |
| 4:54:55 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | PSC response to 21 |
| 4:56:51 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | That is not what the response states. |
| 4:57:44 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Do you have an agreement in place for someone to operate it? |
| 4:58:29 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Refer to AG 1-10 response to data request. |
| 5:00:18 PM | Atty Chandler cross Todd Thomas Note: Fields, Angela | Except for Marshall Co. Enviro. and Lake Columbia, does that represents 2017 or 2018 Annual Reports. |
| 5:01:30 PM | Atty Pinney cross Todd Thomas Note: Fields, Angela | Hookup alternative, that is at the discretion of at the sanitary sewer connect, correct? |
| 5:02:27 PM | Atty Eckert direct Phil Macias Note: Fields, Angela | Preliminary questions |

| | | |
|------------|--|---|
| 5:04:07 PM | Atty Eckert direct Phil Macias Note: Fields, Angela | You verified several response to data requests? |
| 5:04:23 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | The utilities to be acquired may not have properly accounted for operating costs. |
| 5:05:28 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Hypothetical, if some of those costs were incorrectly expensed . . . |
| 5:08:06 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Purchased price or net value of those utility asset? |
| 5:08:36 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Is that if the purchase price is in excess of the net book value or generally an opportunity? |
| 5:09:01 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Amount Bluegrass Water pays is within Bluegrass Water's power? |
| 5:09:42 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Refer to AG 1-2. |
| 5:10:34 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Is that for the holding company or the operating company. |
| 5:14:39 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | For costs that should have been capitalized in but were expensed in 2019, you could include that in additional plant service? |
| 5:17:39 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | Proposal be approved, would bluegrass |
| 5:18:17 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | after the close there will be these accounting entries. |
| 5:19:15 PM | Atty Chandler cross Phill Macias Note: Fields, Angela | would you agree acquisition amount should be separately accounted for? |
| 5:20:59 PM | VC Cicero cross Phil Macias Note: Fields, Angela | Does Bluegrass officials have an equity stake in CSWR? |
| 5:21:20 PM | VC Cicero cross Phil Macias Note: Fields, Angela | Has each utility have a detailed ledger? |
| 5:22:18 PM | VC Note: Fields, Angela | Do think Bluegrass has the ability to take on these assets? |
| 5:22:40 PM | Private Mode Activated | |
| 5:22:40 PM | Private Recording Activated | |
| 5:31:28 PM | Normal Mode Activated | |
| 5:31:28 PM | Public Recording Activated | |
| 5:31:42 PM | Atty Yunker direct Mike Duncan Note: Fields, Angela | Preliminary questions |
| 5:32:57 PM | Atty Yunker direct Mike Duncan Note: Fields, Angela | Give a brief summary of education and experience |
| 5:33:47 PM | Atty Yunker direct Mike Duncan Note: Fields, Angela | Have you verified on behalf of Bluegrass Water to responses to data requests? |
| 5:34:20 PM | Atty Chandler cross Mike Duncan Note: Fields, Angela | Pg 17 of application, paragraph 52. Allocation of costs. |
| 5:35:29 PM | Atty Chandler cross Mike Duncan Note: Fields, Angela | Missouri set one out for you or the Commission did? |
| 5:36:10 PM | Atty Chandler cross Mike Duncan Note: Fields, Angela | You do not have a formal manual for KY? |
| 5:36:36 PM | Atty Chandler cross Mike Duncan Note: Fields, Angela | Responses to the AG, tab 8. |

| | | |
|------------|---|--|
| 5:39:43 PM | Atty Chandler cross Mike Duncan Note: Fields, Angela | Your expectation the cost for the engineering studies would be capitalized? |
| 5:40:19 PM | Atty Chandler cross Mike Duncan Note: Fields, Angela | The engineering studies in the record now, are the costs incurred for those going to be capitalized? |
| 5:41:14 PM | Atty Pinney cross Mike Duncan Note: Fields, Angela | PSC response 1-7. Have you seen the benefit of economies of scale in either Missouri or Arkansas? |
| 5:43:49 PM | VC Cicero Note: Fields, Angela | Discussion of post-hearing deadlines. |
| 5:48:35 PM | Atty Raff | |
| 5:48:57 PM | Camera Lock Comm Staff Activated | |
| 5:49:13 PM | Camera Lock Deactivated | |
| 5:51:15 PM | VC Note: Fields, Angela | July 9, July 23, Aug. 15, everything has to be wrapped by Aug. 1st. AG brief on the 24th. list of commitments by 11th, JA responds to commitments by July 23rd.? |
| 5:54:30 PM | VC Cicero Note: Fields, Angela | July 9 DR, Commitments submitted 11th, briefs 30th? |
| 5:55:59 PM | Private Mode Activated | |
| 5:55:59 PM | Private Recording Activated | |
| 5:56:02 PM | Session Paused | |
| 5:58:13 PM | Session Ended | |



| Name: | Description: |
|-----------------------------|--|
| Attorney General Exhibit 01 | LH 2018 Annual Report |
| Attorney General Exhibit 02 | Kingswood 2018 Annual Report |
| Attorney General Exhibit 03 | Marshall Co. Environmental Services, LLC 2016 Annual Report |
| Attorney General Exhibit 04 | Wastewater Management, Inc. 2018 Annual Report |
| Attorney General Exhibit 05 | Brocklyn Utilities, LLC 2018 Annual Report |
| Attorney General Exhibit 06 | Fox Run Utilities, LLC 2018 Annual Report |
| Attorney General Exhibit 07 | Lake Columbia Utilities, Inc. 2016 Annual Report |
| Attorney General Exhibit 08 | Lake Columbia Utilities, Inc. 2017 Annual Report |
| Attorney General Exhibit 09 | Airview Utilities, LLC 2018 Annual Report |
| Attorney General Exhibit 10 | Airview Utilities, LLC's Notice of Surrender and Abandonment of Utility Property |
| Joint Applicants Exhibit 01 | Joint Motion to Hold Case in Abeyance (Case No. 2016-00207) |

RECEIVED

JUN 18 2019

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|------------------------------------|---|---------------------|
| AIRVIEW UTILITIES, LLC'S NOTICE OF |) | |
| SURRENDER AND ABANDONMENT |) | CASE NO. 2016-00207 |
| OF UTILITY PROPERTY |) | |

JOINT MOTION TO HOLD CASE IN ABEYANCE

Comes Airview Utilities, LLC ("Airview"), and the City of Elizabethtown, by counsel, and for their Motion to Hold Case in Abeyance, state as follows.

1. In accordance with KRS 278.020(11), on June 8, 2016, Airview provided written notice to the statutorily required parties of its intention to file an application with the Public Service Commission ("Commission") to abandon its utility property and surrender all of its property interests and rights in and to the utility's property.

2. On June 16, 2016, Airview filed with the Commission its Notice of Surrender and Abandonment of Utility Property. By Order entered on July 15, 2016, the Commission accepted the filing of Airview's Notice of Surrender and Abandonment of Utility Property.

3. "The proceedings to date [in this case] include multiple rounds of discovery, a hearing on October 12, 2016, and the filing of post-hearing briefs by Airview and the AG." (See Commission's Order of February 9, 2017, p. 2) The Commission's February 9, 2017 Order required Airview to "continue to operate its utility facilities during the pendency of this investigation" The Commission's February 9, 2017 Order also made

the City of Elizabethtown (“Elizabethtown”) a party in this matter. (See Commission’s Order of February 9, 2017, Ordering ¶5 at p. 12) By its Response filed on August 16, 2018, Airview has responded to the Commission’s Order of July 17, 2018, the most recent Order entered by the Commission in this case.

4. Representatives of Airview have had numerous discussions with representatives of Elizabethtown concerning the transfer of the Airview wastewater treatment plant and collection system to Elizabethtown. To date, Elizabethtown has declined to accept ownership of the Airview wastewater treatment plant and collection system.

5. On April 16, 2019, Bluegrass Water Utility Operating Company, LLC (“Bluegrass”) and others, including Airview, filed a Verified Joint Application for Approval of Acquisition and Transfer of Ownership and Control of Assets (“Verified Joint Application”), which Verified Joint Application was assigned PSC Case No. 2019-00104. Among other things, this Verified Joint Application requested the Commission to approve Bluegrass’ acquisition and transfer of ownership and control of the assets of a number of utilities that provide wastewater collection and treatment services, including the utility assets of Airview.

6. Discovery has been taken in PSC Case No. 2019-00104, and a hearing concerning the Verified Joint Application is scheduled to take place on July 2, 2019.

7. Should the Commission grant the Verified Joint Application and approve Bluegrass’ acquisition and control of the assets of Airview, it is anticipated that Bluegrass will take ownership of Airview’s utility assets within 45 days of the entry of the Commission’s Order granting the Verified Joint Application. (See Verified Joint

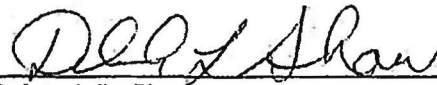
Application, Exhibit H, ¶ 5) Upon Bluegrass' acquisition of Airview's assets, the pending Notice of Surrender and Abandonment Case, PSC Case No. 2016-00207 would be rendered moot.

8. For the above-stated reasons, Airview and Elizabethtown request that the above-styled Surrender and Abandonment case (PSC Case No. 2016-00207) be held in abeyance until the Commission issues its ruling on the Verified Joint Application filed by Bluegrass and others (PSC Case No. 2019-00104), and the transfer of Airview's utility assets to Bluegrass is completed, if approved. Thereafter, a motion to dismiss this case would be filed.

Respectfully submitted,



Robert C. Moore
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Email: rmoore@stites.com
COUNSEL FOR AIRVIEW UTILITIES, LLC

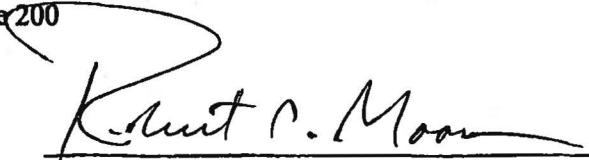


Deborah L. Shaw
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Telephone: (270) 765-6121
Email: city.attorney@elizabethtownky.gov
COUNSEL FOR CITY OF ELIZABETHTOWN

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic mail, on this 18TH
day of June, 2019 upon:

Kent A. Chandler
Kent.Chandler@ky.gov
Rebecca W. Goodman
Rebecca.goodman@ky.gov
Assistant Attorneys General
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204



Robert C. Moore

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Title Page

| | Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|------------------|-----------------------------|---------------|-------------|------------|-------|-------|
| Sewer Utilities | | | | | | |
| Annual Report of | | | | | | |
| Respondent | LH TREATMENT COMPANY LLC | 134 PRATER DR | | GEORGETOWN | KY | 40324 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | N | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

LH TREATMENT COMPANY LLC

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | LH TREATMENT COMPANY LLC | 134 PRATER DR | GEORGETOWN | KY | (502) 619-7855 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | | |
| | RICK PULLIAM, MEMBER | SAME | | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. KY 2016

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|----------|
| Date sewer utility began operations | 1/1/1992 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|--------------|--------------------------|--------|
| GEORGETOWN | LONGVIEW ESTATES | Scott |
| | HOMESTEAD | Scott |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

General Information 7. (Ref Page: 1)

| | Count |
|-------------------------------|-------|
| Number of Full-time employees | 0 |
| Number of Part-time employees | 2 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|--------|-----------|------------|--|---------------|
| MEMBER | PULLIAM | WILLIAM | 131 SARATOGA , FRANKFORT, KY 40601 | \$18,000.00 |
| MEMBER | HAMMOND | KEVIN | 134 PRAATER DR, GEORGETOWN KY 40324 | \$24,000.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|---------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$463,705.00 | \$473,671.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$253,090.00 | \$269,455.00 |
| Net Utility Plant | \$210,615.00 | \$204,216.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$29,159.00 | \$12,992.00 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | | |
| Other Accounts Receivable (143) | | |
| Accum. Prov. For Uncollectible Accts - CR (144) | | |
| Notes Receivable from Assoc. Companies (145) | | \$5,000.00 |
| Accounts Receivable from Assoc Companies (146) | | |
| Materials and Supplies (150) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | | |
| Total Current and Accrued Assets | \$29,159.00 | \$17,992.00 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | \$0.00 |
| Total Deferred Debits | | \$0.00 |
| TOTAL ASSETS AND OTHER DEBITS | \$239,774.00 | \$222,208.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|--|----------------------|---------------------|
| EQUITY CAPITAL | | |
| Common Capital Stock (201) | \$10,000.00 | \$10,000.00 |
| 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) | \$229,774.00 | \$212,208.00 |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | \$239,774.00 | \$222,208.00 |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | | |
| 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 | | |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$239,774.00 | \$222,208.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|---------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$473,671.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$473,671.00 |
| 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) | \$473,671.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$269,455.00 |
| Net Utility Plant (to pg 2 line 7) | \$204,216.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| Item | Amount |
|--|--------------|
| Balance Beginning of Year | \$253,090.00 |
| Accruals for Year: | |
| Depreciation | \$16,118.00 |
| Amortization | \$247.00 |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | \$16,365.00 |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$269,455.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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) | | | | | |
| | | \$3,700.00 | \$0.00 | \$0.00 | \$3,700.00 |
| | | \$3,700.00 | \$0.00 | \$0.00 | \$3,700.00 |
| LAND AND STRUCTURES | | | | | |
| | \$20,000.00 | \$0.00 | \$0.00 | \$0.00 | \$20,000.00 |
| | | \$1,924.00 | \$0.00 | \$0.00 | \$1,924.00 |
| | \$20,000.00 | \$1,924.00 | \$0.00 | \$0.00 | \$21,924.00 |
| COLLECTION PLANT | | | | | |
| Collection Sewers - Force (352.1) | | | | | |
| | \$237,709.00 | \$4,342.00 | \$0.00 | \$0.00 | \$242,051.00 |
| Other Collection Plant Facilities (353) | | | | | |
| Services to Customers (354) | | | | | |
| Flow Measuring Devices (355) | | | | | |
| | \$237,709.00 | \$4,342.00 | \$0.00 | \$0.00 | \$242,051.00 |
| PUMPING PLANT | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | |
| Pumping Equipment - Electric (363A) | | | | | |
| Pumping Equipment - Diesel (363B) | | | | | |
| Pumping Equipment - Other (363C) | | | | | |
| | | | | | |
| TREATMENT AND DISPOSAL PLANT | | | | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Sewer Utility Plant In Service (Ref Page: 5)

| | Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|-----------|---------------------|------------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | | |
| Treatment and Disposal Equipment (373) | | \$195,921.00 | \$0.00 | \$0.00 | \$0.00 | \$195,921.00 |
| Plant Sewers (374) | | | | | | |
| Outfall Sewer Lines (375) | | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | \$10,075.00 | \$0.00 | \$0.00 | \$0.00 | \$10,075.00 |
| Total Treatment and Disposal Plant (371) | | \$205,996.00 | \$0.00 | \$0.00 | \$0.00 | \$205,996.00 |
| 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) | | | | | | |
| Other Tangible Property (393F) | | | | | | |
| Total General Plant | | | | | | |
| TOTAL SEWER PLANT IN SERVICE | | \$463,705.00 | \$9,966.00 | \$0.00 | \$0.00 | \$473,671.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| | 200 | \$0.00 | 0.0000 | 200 | \$10,000.00 |
| Total | 200 | \$0.00 | 0.0000 | 200 | \$10,000.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| Total | | | | | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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) | | | | |
| Total | | | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | | | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Other Current and Accrued Liabilities (Ref Page: 7)

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

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | \$229,774.00 | \$239,426.00 |
| Balance Transferred From Income (435) | (\$17,566.00) | \$348.00 |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| | | (\$10,000.00) |
| Balance End of Year | \$212,208.00 | \$229,774.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|---------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 277 | \$116,857.00 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 277 | \$116,857.00 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | | |
| Total Sewage Service Revenues (521-526) | 277 | \$116,857.00 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$116,857.00 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$110,116.00 |
| Depreciation Expense (403) | | \$16,118.00 |
| Amortization Expense (from pg 10) (404-407) | | \$247.00 |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$7,942.00 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$134,423.00 |
| Net Operating Income | | (\$17,566.00) |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|---------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| Total Other Income | | |
| 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 | | |
| Net Income | | (\$17,566.00) |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|--------------------|
| OPERATION EXPENSES | |
| Supervision and Engineering (700) : | |
| Owner/Manager-Management Fee (700-A) | \$42,000.00 |
| Other Expenses (700-B) | |
| Labor and Expenses (701): | |
| Collection System-Labor, Materials and Expenses (701-A) | \$8,423.00 |
| Pumping System-Labor, Materials and Expenses (701-B) | \$8,422.00 |
| Treatment System (701-C) : | |
| Sludge Hauling | |
| Utility Service - Water Cost | \$2,295.00 |
| Other-Labor, Materials and Expense | \$0.00 |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$12,561.00 |
| Chemicals (704) | \$3,573.00 |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment and Disposal (705-C) | \$11,983.00 |
| Total Operation Expenses | \$89,257.00 |
| 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) | \$2,299.00 |
| Maintenance of Treatment and Disposal Plant (714) | \$4,260.00 |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$6,559.00 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|--------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | \$5,582.00 |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | \$5,582.00 |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | |
| Outside Services Employed (923) | \$4,066.00 |
| Insurance Expenses (924) | \$1,930.00 |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | \$2,722.00 |
| Rents (931) | |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$8,718.00 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$110,116.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Taxes Other Than Income Taxes (Ref Page: 10)

| | Item (a) | Amount (b) |
|--|------------------------|------------|
| Payroll Taxes | | \$3,848.00 |
| Property Taxes | | \$2,602.00 |
| Utility Regulatory Commission Assessment | | \$1,115.00 |
| Other (specify) | | |
| | LLET | \$175.00 |
| | OPERATING LICENSE FEES | \$187.00 |
| | STATE FILING FEE | \$15.00 |
| Total (Same as Page 8 line 27 plus 44) | | \$7,942.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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) | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

Amortization Expense (Ref Page: 10)

| | Amount (b) |
|---|------------|
| Amortization of Limited - Term Utility Plant (404) | |
| Amortization of Other Utility Plant (405) | \$247.00 |
| 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) | \$247.00 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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? | ESTIMATED COST | |
| What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots? | | |
| 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 | UNKNOWN | 0.0000 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| | |
|---|---------|
| Date of Construction of original Plant | 11/1992 |
| Type of treatment process | |
| Date and additional GPD Capacity of subsequent additions to plant | |
| Population for which plant is designed including population equivalent of industrial waste load | 1000 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| | Total | Cost |
|---|-------|------|
| Total gallons received during the year | | |
| Total gallons received on maximum day | | |
| Maximum G.P.D. Capacity of the sewage treatment plant | | |
| Routine maintenance service fee | | |
| Cost per month | | |
| Contract Expires | | |
| Sludge hauling | | |
| Cost per load | | |
| Average number of gallons per load | 5,500 | |
| Number of loads this year | 2 | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | 261 | | 0 |
| Apartments/Condominiums | 16 | | 0 |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 277 | | 0 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
| N/A | | 0 | |

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
| CLAY | 8" | 4,800 | 0 | 0 | 4,800 |
| PVC | 8" | 35,000 | 0 | 0 | 35,000 |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | |
| Number of stubs as of end of year | 274 |
| Number of service laterals owned by others | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | 473671.00 | 473671.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 269455.00 | 269455.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 204216.00 | 204216.00 | 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 | 473671.00 | 473671.00 | 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. | 269455.00 | 269455.00 | 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) | 10000.00 | 10000.00 | OK | |
| Balance Sheet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | 212208.00 | 212208.00 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | |

9001300 LH Treatment Company, LLC 01/01/2018 - 12/31/2018

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 | 222208.00 | 222208.00 | 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) | 16118.00 | 16118.00 | 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 | 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 | 110116.00 | 110116.00 | 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 | 247.00 | 247.00 | 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) | 7942.00 | 7942.00 | 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 | | | | |

Upload supporting documents

Document

Description

Supports

OATH

Commonwealth of Kentucky)
County of Franklin) ss:

WILLIAM PULLIAM III makes oath and says
(Name of Officer)

that he/she is MEMBER of
(Official title of officer)

LH Treatment Company, LLC
(Exact legal title or name of respondent)

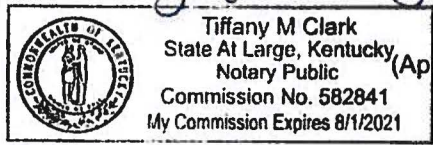
that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2018 , to and including December 31, 2018

Will R. Pull III
(Signature of Officer)

subscribed and sworn to before me, a NOTARY , in and for

the State and County named in the above this 18th day of February, 2019



My Commission expires 8/1/21

Tiffany M Clark
(Signature of officer authorized to administer oath)

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Title Page

| | Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|------------------|-----------------------------|----------------|-------------|------------|-------|-------|
| Sewer Utilities | | | | | | |
| Annual Report of | | | | | | |
| Respondent | Kingswood Development, Inc. | 9201 Lena Lane | | Louisville | KY | 40299 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Principal Payment and Interest Information

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

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 | | |
| Please enclose a copy of the accountant's report with annual report. | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | N/A |
| | | N/A |

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.)

Kingswood Development Inc.

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 | Kingswood Development Inc | 9201 Lena Lane | Louisville | KY (502) 538-7301 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | |
| | Gail Williams | 9201 Lena Lane | Louisville | KY |

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. Kentucky 05/31/1996

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|----------|
| Date sewer utility began operations | 5/1/1999 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|----------------|--------------------------|---------|
| Mt. Washington | Kingswood Subdivision | Bullitt |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

General Information 7. (Ref Page: 1)

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

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|-----------|-----------|------------|----------------|---------------|
| President | Williams | Gail | 9201 Lena Lane | \$0.00 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|---------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$197,934.71 | \$197,934.71 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$99,977.87 | \$102,005.87 |
| Net Utility Plant | \$97,956.84 | \$95,928.84 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | \$55,793.43 | \$55,793.43 |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | \$55,793.43 | \$55,793.43 |
| Net non-Utility Property | \$0.00 | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | \$0.00 | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$56,272.74 | \$46,772.81 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$13,264.32 | \$14,198.58 |
| Other Accounts Receivable (143) | \$19,573.43 | \$18,461.90 |
| Accum. Prov. For Uncollectible Accts - CR (144) | | |
| Notes Receivable from Assoc. Companies (145) | | |
| Accounts Receivable from Assoc Companies (146) | | |
| Materials and Supplies (150) | | |
| Prepayments (166) | \$659.00 | \$484.00 |
| Other Current and Accrued Assets (170) | \$72,619.37 | \$72,619.37 |
| Total Current and Accrued Assets | \$162,388.86 | \$152,536.66 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | |
| Total Deferred Debits | | |
| TOTAL ASSETS AND OTHER DEBITS | \$260,345.70 | \$248,465.50 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|--|----------------------|---------------------|
| EQUITY CAPITAL | | |
| Common Capital Stock (201) | \$2,000.00 | \$2,000.00 |
| 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) | \$258,345.70 | \$246,465.50 |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | \$260,345.70 | \$248,465.50 |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | | |
| 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 | | |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$260,345.70 | \$248,465.50 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|---------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$197,934.71 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$197,934.71 |
| 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) | \$197,934.71 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$102,005.87 |
| Net Utility Plant (to pg 2 line 7) | \$95,928.84 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| Item | Amount |
|--|--------------|
| Balance Beginning of Year | \$99,977.87 |
| Accruals for Year: | |
| Depreciation | \$2,028.00 |
| Amortization | |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | \$2,028.00 |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$102,005.87 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 | | | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | \$2,600.00 | \$2,600.00 | \$0.00 | \$0.00 | \$2,600.00 |
| Structures and Improvements (311) | | \$72,811.30 | \$72,811.30 | \$0.00 | \$0.00 | \$72,811.30 |
| Total Land and Structures | | \$75,411.30 | \$75,411.30 | \$0.00 | \$0.00 | \$75,411.30 |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | \$122,523.41 | \$122,523.41 | \$0.00 | \$0.00 | \$122,523.41 |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | \$122,523.41 | \$122,523.41 | \$0.00 | \$0.00 | \$122,523.41 |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | | | | | |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | | | | | |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

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9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| Common | 100 | \$20.00 0.0000 | | 0 | \$2,000.00 |
| Total | 100 | \$20.00 0.0000 | | 0 | \$2,000.00 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 | | | | | | |
| N/A | \$0.00 | | | \$0.00 | 0.0000 | \$0.00 |
| Total | | | | | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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) | | | | | |
| | N/A | | | 0.0000 | \$0.00 |
| Total | | | | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 |
|-------------------------------|--------------------------------|--------------------------|-------------------------|------------------------------|
| N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total | | | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Other Current and Accrued Liabilities (Ref Page: 7)

| | Description | Amount |
|---------------------------------------|-------------|--------|
| | N/A | \$0.00 |
| Total (must agree with pg 3 Acct 238) | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 | \$258,345.70 | \$264,237.27 |
| Balance Transferred From Income (435) | (\$5,520.51) | \$209.71 |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | (\$6,359.69) | (\$6,101.28) |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | \$246,465.50 | \$258,345.70 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|-------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 133 | \$60,528.20 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 133 | \$60,528.20 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | 0 | \$0.00 |
| Total Sewage Service Revenues (521-526) | 133 | \$60,528.20 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$60,528.20 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$55,485.67 |
| Depreciation Expense (403) | | \$2,028.00 |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$3,469.95 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$60,983.62 |
| Net Operating Income | | (\$455.42) |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | \$238.47 |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| Total Other Income | | \$238.47 |
| 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) | | |
| Accounting | | \$2,938.05 |
| Bank Charge | | \$7.00 |
| Dues | | \$125.00 |
| Office Supplies | | \$862.01 |
| Repairs and Maintenance | | \$1,060.00 |
| Licenses & Taxes | | \$311.50 |
| Total Other Deductions | | \$5,303.56 |
| Net Income | | (\$5,520.51) |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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) | \$5,044.00 |
| Pumping System-Labor, Materials and Expenses (701-B) | |
| Treatment System (701-C) : | |
| Sludge Hauling | |
| Utility Service - Water Cost | \$238.56 |
| Other-Labor, Materials and Expense | |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$10,825.79 |
| Chemicals (704) | |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment and Disposal (705-C) | |
| Total Operation Expenses | \$16,108.35 |
| MAINTENANCE EXPENSES | |
| Supervision and Engineering (710) : | |
| Routine Maintenance Service Fee (710-A) | \$39,377.32 |
| 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) | |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$39,377.32 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|--------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | |
| Outside Services Employed (923) | |
| Insurance Expenses (924) | |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | |
| Rents (931) | |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$55,485.67 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Taxes Other Than Income Taxes (Ref Page: 10)

| Item (a) | Amount (b) |
|--|------------|
| Payroll Taxes | |
| Property Taxes | \$3,469.95 |
| Utility Regulatory Commission Assessment | |
| Other (specify) | |
| | |
| Total (Same as Page 8 line 27 plus 44) | \$3,469.95 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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) | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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) | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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? | |
| 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 | |

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?

N/A

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

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| | |
|---|--|
| Date of Construction of original Plant | June 1998 |
| Type of treatment process | Extended Aeration |
| Date and additional GPD Capacity of subsequent additions to plant | None |
| Population for which plant is designed including population equivalent of industrial waste load | 133 Single Family Homes/400 GPD per Home |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| | Total | Cost |
|---|-------------|----------|
| Total gallons received during the year | | |
| Total gallons received on maximum day | | |
| Maximum G.P.D. Capacity of the sewage treatment plant | | |
| Routine maintenance service fee | | |
| Cost per month | | \$100.00 |
| Contract Expires | December 31 | |
| Sludge hauling | | |
| Cost per load | | |
| Average number of gallons per load | | |
| Number of loads this year | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 | 133 | Montly | 0 |
| Apartments/Condominiums | | | |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 133 | | 0 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
| PVC | 10" | 650 | 0 | 0 | 0 |
| PVC | 4" | 2,250 | 0 | 0 | 0 |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | 125 |
| Number of stubs as of end of year | 17 |
| Number of service laterals owned by others | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

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 | 197934.71 | 197934.71 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 102005.87 | 102005.87 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 95928.84 | 95928.84 | 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 | 197934.71 | 197934.71 | 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. | 102005.87 | 102005.87 | 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) | 2000.00 | 2000.00 | OK | |
| Balance Sheeet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | 246465.50 | 246465.50 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

| Item | CheckList | | | Explain |
|---|-----------|-----------|-------|---------|
| | Value 1 | Value 2 | Agree | |
| Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits | 248465.50 | 248465.50 | 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) | 2028.00 | 2028.00 | 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 | 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 | 55485.67 | 55485.67 | 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) | 3469.95 | 3469.95 | 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 | | | | |

9000700 Kingswood Development, Inc. 01/01/2018 - 12/31/2018

Upload supporting documents

| Document | Description |
|---------------------------------------|-------------------------|
| SD 9000700 2018 1.pdf | RevenueExpenses2018.pdf |
| SD 9000700 2018 2.pdf | Balance Sheet2018.pdf |

Supports

OATH

Commonwealth of Kentucky)
County of Bullitt) ss:

Gail Williams makes oath and says
(Name of Officer)

that he/she is President of
(Official title of officer)

Kingswood Development, Inc.
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2018, to and including December 31, 2018

Gail Williams
(Signature of Officer)

subscribed and sworn to before me, a Notary, Shelbi Harwood, in and for
the State and County named in the above this Bullitt - State at Large

(Apply Seal Here)

My Commission expires 2-29-2020

Shelbi Harwood
(Signature of officer authorized to administer oath)

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Title Page

| Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|--------------------|----------------|-------------|--------|-------|-------|
| Sewer Utilities | | | | | |
| Annual Report of | | | | | |
| Respondent | Michelle Artis | PO Box 431 | Benton | KY | 42025 |

ATTORNEY GENERAL
EXHIBIT 3

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Principal Payment and Interest Information

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

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 | N | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

Marshall County Environmental Services, Inc

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | MCES 1303 Pugh School Road | Benton | KY | (270) 205-1527 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | |
| | Michelle Artis / Owner PO Box 431 | Benton | KY | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. KY 2012

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|----------|
| Date sewer utility began operations | 7/1/2013 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|--------------|--------------------------|----------|
| Paducah | Great Oaks Subdivision | Marshall |
| Calvert City | Golden Acres Subdivision | Marshall |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

General Information 7. (Ref Page: 1)

| | Count |
|-------------------------------|-------|
| Number of Full-time employees | 1 |
| Number of Part-time employees | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|------------------|-----------|------------|--------------------------------|---------------|
| Owner | Artis | Michelle | PO Box 431 Benton, KY 42025 | \$0.00 |
| Owner / Operator | Artis | Allen | PO Box 431 Benton, KY 42025 | \$0.00 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|--------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$195,139.19 | \$196,489.19 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$194,139.19 | \$195,889.19 |
| Net Utility Plant | \$1,000.00 | \$600.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | \$0.00 | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | \$0.00 | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$4,074.12 | \$2,987.32 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | \$1,435.66 | \$0.00 |
| Customer Accounts Receivable (142) | \$1,435.66 | \$718.09 |
| Other Accounts Receivable (143) | \$10,006.00 | \$10,006.00 |
| Accum. Prov. For Uncollectible Accts - CR (144) | \$1,435.66 | \$0.00 |
| Notes Receivable from Assoc. Companies (145) | | |
| Accounts Receivable from Assoc Companies (146) | | |
| Materials and Supplies (150) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | \$1,000.00 | \$600.00 |
| Total Current and Accrued Assets | \$16,515.78 | \$14,311.41 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | (\$1,000.00) | (\$600.00) |
| Total Deferred Debits | (\$1,000.00) | (\$600.00) |
| TOTAL ASSETS AND OTHER DEBITS | \$16,515.78 | \$14,311.41 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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) | (\$5,876.88) | (\$12,055.16) |
| Unappropriated Retained Earnings (216) | | \$26,016.57 |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | (\$5,876.88) | \$13,961.41 |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | \$10,999.98 | \$350.00 |
| 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) | \$11,392.68 | \$0.00 |
| Total Current and Accrued Liabilities | \$22,392.66 | \$350.00 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | \$0.00 | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 |
| TOTAL LIABILITIES AND OTHER CREDITS | \$16,515.78 | \$14,311.41 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|---------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$196,489.19 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$196,489.19 |
| 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) | \$0.00 |
| Total Utility Plant (to pg 2 line 4) | \$196,489.19 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$195,889.19 |
| Net Utility Plant (to pg 2 line 7) | \$600.00 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| Item | Amount |
|--|--------------|
| Balance Beginning of Year | |
| Accruals for Year: | |
| Depreciation | |
| Amortization | |
| Other Accounts (detail) | |
| | \$196,489.19 |
| Total Accruals for Year | \$196,489.19 |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | (\$600.00) |
| Balance End of Year | \$195,889.19 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | | | | | |
| Structures and Improvements (311) | | | | | | |
| Total Land and Structures | | | | | | |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | \$195,139.19 | \$0.00 | \$0.00 | \$0.00 | \$196,489.19 |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | \$195,139.19 | \$0.00 | \$0.00 | \$0.00 | \$196,489.19 |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | | | | | |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | | | | | |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| Total | | | | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | | | | | | |
| Total | | | | | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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) | | | | |
| Total | | | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | | | | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Other Current and Accrued Liabilities (Ref Page: 7)

| | Description | Amount |
|---------------------------------------|-------------|--------|
| | Other | \$0.00 |
| Total (must agree with pg 3 Acct 238) | | \$0.00 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | | |
| Balance Transferred From Income (435) | | |
| Appropriations of Retained Earnings (436) | | |
| | \$26,016.57 | \$11,392.68 |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| | | |
| Balance End of Year | \$26,016.57 | \$11,392.68 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 130 | \$200,423.34 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 130 | \$200,423.34 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | | |
| Total Sewage Service Revenues (521-526) | 130 | \$200,423.34 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$200,423.34 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | |
| Depreciation Expense (403) | | |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | |
| Net Operating Income | | \$200,423.34 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| | | |
| Total Other Income | | |
| 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) | | \$6,373.07 |
| Total Income Taxes-Nonutility Operations (from pg 10) | | \$0.00 |
| Other Accounts (Specify Acct. No. and Title) | | |
| | | |
| Total Other Deductions | | \$6,373.07 |
| Net Income | | \$194,050.27 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | |
| Chemicals (704) | |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment an Disposal (705-C) | |
| Total Operation Expenses | |
| 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) | |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | |
| Outside Services Employed (923) | |
| Insurance Expenses (924) | |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | |
| Rents (931) | |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

Taxes Other Than Income Taxes (Ref Page: 10)

| Item (a) | Amount (b) |
|--|------------|
| Payroll Taxes | \$5,642.82 |
| Property Taxes | \$730.25 |
| Utility Regulatory Commission Assessment | |
| Other (specify) | |
| Total (Same as Page 8 line 27 plus 44) | \$6,373.07 |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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) | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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) | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | |

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?

N/A

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

N/A

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| | |
|---|--------------------|
| Date of Construction of original Plant | 6/1/78 |
| Type of treatment process | Extended Aearation |
| Date and additional GPD Capacity of subsequent additions to plant | N/A |
| Population for which plant is designed including population equivalent of industrial waste load | N/A |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| | Total | Cost |
|---|---------|----------|
| Total gallons received during the year | 105,000 | |
| Total gallons received on maximum day | 55,000 | |
| Maximum G.P.D. Capacity of the sewage treatment plant | 70,000 | |
| Routine maintenance service fee | | |
| Cost per month | | \$888.00 |
| Contract Expires | | |
| Sludge hauling | | |
| Cost per load | | \$350.00 |
| Average number of gallons per load | 3,500 | |
| Number of loads this year | 30 | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | 126 | Monthly | 126 |
| Apartments/Condominiums | 4 | Monthly | 4 |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 130 | | 130 |

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
|--------------|----------|-------------|-----------|---------|------------------|

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | |
| Number of stubs as of end of year | |
| Number of service laterals owned by others | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

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 | 196489.19 | 196489.19 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 195889.19 | 195889.19 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 600.00 | 600.00 | 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 | 196489.19 | 196489.19 | 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. | 195889.19 | 195889.19 | 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 | OK | |
| Balance Sheeet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | 26016.57 | 26016.57 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | 0.0000 | 0.0000 | OK | |

9003800 Marshall County Environmental Services, LLC 01/01/2016 - 12/31/2016

| Item | CheckList | | | Explain |
|---|-----------|----------|-------|---------|
| | Value 1 | Value 2 | Agree | |
| Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits | 14311.41 | 14311.41 | 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) | 0 | 0 | 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 | 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 | 0 | 0 | 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) | 6373.07 | 6373.07 | 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 | 0.0000 | 0 | OK | |
| Schedule Sewer Plant Statistics (ref pg 11 and 12) have been completed | | | | |

Upload supporting documents

Document

Description

Supports

Utility ID: 9003800

OATH

Commonwealth of Kentucky)
) ss:
County of Marshall)

Michelle Artis makes oath and says
(Name of Officer)

that he/she is Owner of
(Official title of officer)

Marshall County Environmental Services, LLC
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 01, 2016 , to and including December 31, 2016

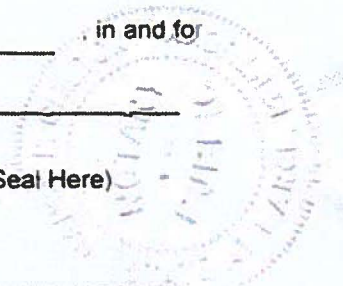
Nancy P Chilton
(Signature of Officer)

subscribed and sworn to before me, a Notary in and for
the State and County named in the above this _____

(Apply Seal Here)

My Commission expires 12-19-18

Nancy P Chilton
(Signature of officer authorized to administer oath)



9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Title Page

| | Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|------------------|---------------------------------|--------------------------|-------------|------------|-------|-------|
| Sewer Utilities | | | | | | |
| Annual Report of | | | | | | |
| Respondent | P.R. Wastewater Management, Inc | 72 Persimmon Ridge Drive | | Louisville | KY | 40245 |

ATTORNEY GENERAL
EXHIBIT 4

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Principal Payment and Interest Information

| Amount | Yes/No |
|--|--------|
| Amount of Principal Payment During Calendar Year | |
| Is Principal Current? | |
| Is Interest Current? | |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | | |
| Please enclose a copy of the accountant's report with annual report. | | |

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

P.R. Wastewater Management, Inc.

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | Principal Office in KY | 72 Persimmon Ridge Drive | Louisville | KY | (502) 241-0458 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | | |
| | Lawren Just, President | 72 Persimmon Ridge Drive | Louisville | KY | |

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. KY 1989

900500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|------|
| Date sewer utility began operations | 1990 |

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|--------------|--------------------------|--------|
| Louisville | Persimmon Ridge | Shelby |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

General Information 7. (Ref Page: 1)

| | Count |
|-------------------------------|-------|
| Number of Full-time employees | 0 |
| Number of Part-time employees | 3 |

900500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|-----------|-----------|------------|--------------------------|---------------|
| President | Just | Lawren | 72 Persimmon Ridge Drive | \$3,600.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|--------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$219,938.00 | \$219,938.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$158,303.00 | \$162,246.00 |
| Net Utility Plant | \$61,635.00 | \$57,692.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$1,879.00 | \$1,016.00 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$1,678.00 | \$4,662.00 |
| 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) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | | |
| Total Current and Accrued Assets | \$3,557.00 | \$5,678.00 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | |
| Total Deferred Debits | | |
| TOTAL ASSETS AND OTHER DEBITS | \$65,192.00 | \$63,370.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|--|----------------------|--------------------|
| EQUITY CAPITAL | | |
| Common Capital Stock (201) | \$100.00 | \$100.00 |
| 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) | \$31,299.00 | \$6,095.00 |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | \$31,399.00 | \$6,195.00 |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | \$25,104.00 | \$25,104.00 |
| Accounts Payable (232) | \$4,010.00 | \$26,465.00 |
| Notes Payable to Associated Companies (233) | \$2,000.00 | \$3,000.00 |
| Accounts Payable to Associated Companies (234) | | |
| Customer Deposits (235) | | |
| Taxes Accrued (236) | | |
| Interest Accrued (237) | | |
| Other Current and Accrued Liabilities (238) | \$2,679.00 | \$2,606.00 |
| Total Current and Accrued Liabilities | \$33,793.00 | \$57,175.00 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | | |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$65,192.00 | \$63,370.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|---------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$219,938.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$219,938.00 |
| 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) | \$219,938.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$162,246.00 |
| Net Utility Plant (to pg 2 line 7) | \$57,692.00 |

ACCOUNTS RECEIVABLE, NET OF ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

9000500 P. R. WASTEWATER MANAGEMENT, INC. 01/01/2018 - 12/31/2018

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| Item | Amount |
|--|--------------|
| Balance Beginning of Year | \$158,303.00 |
| Accruals for Year: | |
| Depreciation | \$3,943.00 |
| Amortization | |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | \$3,943.00 |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$162,246.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | | | | |
| LAND AND STRUCTURES | | | | | |
| | \$27,650.00 | \$0.00 | \$0.00 | \$0.00 | \$27,650.00 |
| | Land and Land Rights (310) | | | | |
| | Structures and Improvements (311) | | | | |
| | \$27,650.00 | \$0.00 | \$0.00 | \$0.00 | \$27,650.00 |
| | Total Land and Structures | | | | |
| COLLECTION PLANT | | | | | |
| | Collection Sewers - Force (352.1) | | | | |
| | Collection Sewers - Gravity (352.2) | | | | |
| | Other Collection Plant Facilities (353) | | | | |
| | Services to Customers (354) | | | | |
| | Flow Measuring Devices (355) | | | | |
| | Total Collection Plant | | | | |
| PUMPING PLANT | | | | | |
| | Receiving Wells and Pump Pits (362) | | | | |
| | Pumping Equipment - Electric (363A) | | | | |
| | Pumping Equipment - Diesel (363B) | | | | |
| | Pumping Equipment - Other (363C) | | | | |
| | Total Pumping Plant (364) | | | | |
| TREATMENT AND DISPOSAL PLANT | | | | | |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Sewer Utility Plant In Service (Ref Page: 5)

| Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|---------------------|-----------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | |
| Treatment and Disposal Equipment (373) | | | | | |
| Plant Sewers (374) | \$192,288.00 | \$0.00 | \$0.00 | \$0.00 | \$192,288.00 |
| Outfall Sewer Lines (375) | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | | | | |
| Total Treatment and Disposal Plant (371) | \$192,288.00 | \$0.00 | \$0.00 | \$0.00 | \$192,288.00 |
| 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) | | | | | |
| Other Tangible Property (393F) | | | | | |
| Total General Plant | | | | | |
| TOTAL SEWER PLANT IN SERVICE | \$219,938.00 | \$0.00 | \$0.00 | \$0.00 | \$219,938.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| Common | 100 | \$0.00 | 1.0000 | 100 | \$100.00 |
| Total | 100 | \$0.00 | 1.0000 | 100 | \$100.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | | | | | | |
| | | | | | | |
| Total | 0 | | | \$0.00 | \$0.00 0.0000 | \$0.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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) | | | | |
| Persimmon Ridge Development Company | 1/1/2017 | | 0.0000 | \$3,000.00 |
| Repblic Bank Line of Credit | 1/1/2017 | | 0.0690 | \$25,104.00 |
| Total | | | 0.0000 | \$28,104.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | \$0.00 | \$1,880.00 | \$0.00 | \$0.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Other Current and Accrued Liabilities (Ref Page: 7)

| | Description | Amount |
|---------------------------------------|---------------------|------------|
| | Payroll Liabilities | \$2,606.00 |
| Total (must agree with pg 3 Acct 238) | | \$2,606.00 |

900500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | \$31,299.00 | \$39,440.00 |
| Balance Transferred From Income (435) | (\$25,204.00) | (\$8,141.00) |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | \$6,095.00 | \$31,299.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|---------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 361 | \$115,214.00 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | 0 | \$0.00 |
| Total (521) | 361 | \$115,214.00 |
| Measured Revenues - General Customers: (483) | | |
| Residential Revenues (522.1) | | |
| Commercial Revenues (522.2) | | |
| Industrial Revenues (522.3) | | |
| Revenues From Public Authorities (522.4) | 0 | \$0.00 |
| 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) | 361 | \$115,214.00 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$115,214.00 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$124,426.00 |
| Depreciation Expense (403) | | \$3,943.00 |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$10,194.00 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$138,563.00 |
| Net Operating Income | | (\$23,349.00) |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|--|----------------------|----------------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | \$25.00 |
| Other Accounts (Specify Acct. No & Title) | | |
| Total Other Income | | \$25.00 |
| 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) | | \$1,880.00 |
| Taxes Other than Income Taxes 408.2 (from pg 10) | | \$0.00 |
| Total Income Taxes-Nonutility Operations (from pg 10) | | |
| Other Accounts (Specify Acct. No. and Title) | | |
| Total Other Deductions | | \$1,880.00 |
| Net Income | | (\$25,204.00) |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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) | \$18,601.00 |
| Treatment System (701-C) : | |
| Sludge Hauling | |
| Utility Service - Water Cost | |
| Other-Labor, Materials and Expense | \$0.00 |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$23,627.00 |
| Chemicals (704) | \$5,063.00 |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | \$16,509.00 |
| Treatment and Disposal (705-C) | |
| Total Operation Expenses | \$63,800.00 |
| 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) | \$539.00 |
| Maintenance of Treatment and Disposal Plant (714) | |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$539.00 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|---------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | \$33,177.00 |
| Office Supplies and Other Expenses (921) | \$5,523.00 |
| Outside Services Employed (923) | \$12,218.00 |
| Insurance Expenses (924) | |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | |
| Rents (931) | \$9,169.00 |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$60,087.00 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$124,426.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

Taxes Other Than Income Taxes (Ref Page: 10)

| | Item (a) | Amount (b) |
|--|---------------------|-------------|
| Payroll Taxes | | \$3,062.00 |
| Property Taxes | | \$1,311.00 |
| Utility Regulatory Commission Assessment | | \$1,306.00 |
| Other (specify) | | |
| | Other Tax and Fines | \$4,515.00 |
| Total (Same as Page 8 line 27 plus 44) | | \$10,194.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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) | \$0.00 |
| 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) | \$0.00 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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) | \$0.00 |

9000500 P. R. WASTEWATER MANAGEMENT, INC. 01/01/2018 - 12/31/2018

AMORTIZATION EXPENSE (REF PAGE: 10)

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? | |
| What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots? | 10.0000 |
| 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 | 0.0000 |

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?

N/A

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

N/A

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| | |
|---|--|
| Date of Construction of original Plant | 1990 |
| Type of treatment process | Aerated Tagoons, Chlorination tank 3 treatment cells |
| Date and additional GPD Capacity of subsequent additions to plant | 1190, 145000gdp |
| Population for which plant is designed including population equivalent of industrial waste load | 361 residential, pool, golf clubhouse |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| | Total | Cost |
|---|---------|----------|
| Total gallons received during the year | | |
| Total gallons received on maximum day | | |
| Maximum G.P.D. Capacity of the sewage treatment plant | 145,000 | |
| Routine maintenance service fee | | |
| Cost per month | | \$500.00 |
| Contract Expires | | |
| Sludge hauling | | |
| Cost per load | | |
| Average number of gallons per load | | |
| Number of loads this year | | |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | 358 | Monthly | 12 |
| Apartments/Condominiums | | | |
| Commercial | 3 | Monthly | 12 |
| Industrial | | | |
| Other | | | |
| Total | 361 | | 24 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------------------|---------------|---------------|--------------|
| Cherry Hills Lane | 3 | 230 | 44,640 |
| Sycamore Hills Court | 7.5 | 230 | 119,000 |
| Lagoon | 5 | 230 | 472,000 |
| Phase Xii | 2 | 230 | 1,200 |
| Phase X | 10 | 480 | 188,400 |
| Phase XIV | 2 | 230 | 13,200 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
| PVC | 8 | 30,590 | 0 | 0 | 30,590 |
| PVC | 3 | 1,173 | 0 | 0 | 1,173 |
| PVC | 2.5 | 2,900 | 0 | 0 | 2,900 |
| PVC | 1.5 | 849 | 0 | 0 | 849 |
| PVC | 4 | 1,027 | 0 | 0 | 1,027 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | 320 |
| Number of stubs as of end of year | 33 |
| Number of service laterals owned by others | 1 |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | 219938.00 | 219938.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 162246.00 | 162246.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 57692.00 | 57692.00 | 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 | 219938.00 | 219938.00 | 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. | 162246.00 | 162246.00 | 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) | 100.00 | 100.00 | OK | |
| Balance Sheet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | 6095.00 | 6095.00 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 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 | 28104.00 | 28104.00 | OK | |
| Balance Sheet (ref pg 3) Interest Accrued (237) agrees with Sched Interest Accrued (ref pg 6) Total Col e | 0 | 0.0000 | OK | |
| Balance Sheet (ref pg 3) Current and Accrued Liabilities (238) agrees with Sched Other Current and Accrued Liabilities (ref pg 7) Total | 2606.00 | 2606.00 | OK | |

9000500 P. R. Wastewater Management, Inc. 01/01/2018 - 12/31/2018

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 | 63370.00 | 63370.00 | 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) | 3943.00 | 3943.00 | 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) | 1880.00 | 1880.00 | 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 | 124426.00 | 124426.00 | 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 | 0.0000 | OK | |
| Statement of Income for the Year (ref pg 8) Amortization Expense agrees with Sched Amortization Expense (ref pg 10) Total Amortization Expense | 0 | 0.0000 | 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) | 10194.0000 | 10194.00 | 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 | 0.0000 | OK | |
| Schedule Sewer Plant Statistics (ref pg 11 and 12) have been completed | | | | |

Upload supporting documents

| Document | Description |
|------------------------------|--------------------|
| <u>SD 9000500 2018 1.pdf</u> | Compilation Report |

| Supports |
|--------------|
| Audit Report |

OATH

Commonwealth of Kentucky)
County of Shelby) ss:

LAWREN A. JUST makes oath and says
(Name of Officer)

that he/she is president of
(Official title of officer)

P. R. Wastewater Management, Inc.
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2018, to and including December 31, 2018

[Signature]
(Signature of Officer)

subscribed and sworn to before me, a NOTARY PUBLIC, in and for
the State and County named in the above this Monday February 18th, 2019

(Apply Seal Here)

My Commission expires 4-18-2021
[Signature]
(Signature of officer authorized to administer oath)

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Title Page

| Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|--------------------|-------------------------|----------------|------------|-------|-------|
| Sewer Utilities | | | | | |
| Annual Report of | | | | | |
| Respondent | Brocklyn Utilities, LLC | P.O. Box 91588 | Louisville | KY | 40291 |

ATTORNEY GENERAL
EXHIBIT 5

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Principal Payment and Interest Information

| | Amount | Yes/No |
|--|--------|--------|
| Amount of Principal Payment During Calendar Year | | |
| Is Principal Current? | | |
| Is Interest Current? | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | N | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Additional Information Required

Case Num

Date

Explain

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

Brocklyn Utilities, LLC

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | Brocklyn Utilities, LLC | P.O. Box 91588 | Louisville | KY | (502) 238-3301 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | | |
| | Lawrence W Smither | Same | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. Kentucky 7/16/2004

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|------|
| Date sewer utility began operations | 1969 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|--------------|--------------------------|---------|
| Richmond | Brocklyn Subdivision | Madison |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

General Information 7. (Ref Page: 1)

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

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|----------------|-----------|------------|-----------------|---------------|
| President | Smither | Lawrence | Company Address | \$6,200.00 |
| Vice-President | Cogan | Martin | Same | \$6,200.00 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|--------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$30,087.00 | \$30,087.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$29,154.00 | \$29,477.00 |
| Net Utility Plant | \$933.00 | \$610.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$295.85 | \$0.00 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$12,001.36 | \$13,663.14 |
| Other Accounts Receivable (143) | \$1,350.00 | \$1,350.00 |
| Accum. Prov. For Uncollectible Accts - CR (144) | | |
| Notes Receivable from Assoc. Companies (145) | | |
| Accounts Receivable from Assoc Companies (146) | | |
| Materials and Supplies (150) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | \$625.00 | \$625.00 |
| Total Current and Accrued Assets | \$14,272.21 | \$15,638.14 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | |
| Total Deferred Debits | | |
| TOTAL ASSETS AND OTHER DEBITS | \$15,205.21 | \$16,248.14 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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) | \$2,683.00 | \$2,683.00 |
| Discount on Capital Stock (213) | | |
| Capital Stock Expense (214) | | |
| Appropriated Retained Earnings (215) | | |
| Unappropriated Retained Earnings (216) | (\$31,957.71) | (\$34,087.51) |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | (\$29,274.71) | (\$31,404.51) |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | \$5,281.38 | \$8,743.42 |
| Notes Payable to Associated Companies (233) | | |
| Accounts Payable to Associated Companies (234) | \$14,889.54 | \$14,600.23 |
| Customer Deposits (235) | | |
| Taxes Accrued (236) | | |
| Interest Accrued (237) | | |
| Other Current and Accrued Liabilities (238) | | |
| Total Current and Accrued Liabilities | \$20,170.92 | \$23,343.65 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | \$24,309.00 | \$24,309.00 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$15,205.21 | \$16,248.14 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|--------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$28,615.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$28,615.00 |
| Utility Plant Leased to Others (104) | |
| Property Held for Future Use (105) | |
| Construction Work in Progress (107) | |
| Utility Plant Acquisition Adjustments (108) | \$1,472.00 |
| Other Utility Plant Adjustments (109) | |
| Total Utility Plant (to pg 2 line 4) | \$30,087.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$29,477.00 |
| Net Utility Plant (to pg 2 line 7) | \$610.00 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| Item | Amount |
|--|-------------|
| Balance Beginning of Year | \$29,154.00 |
| Accruals for Year: | |
| Depreciation | \$323.00 |
| Amortization | |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | \$323.00 |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$29,477.00 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | | | | | |
| Structures and Improvements (311) | | | | | | |
| Total Land and Structures | | | | | | |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | | | | | |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | | | | | |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | | | | | |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | | | | | |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Utility Plant In Service (Ref Page: 5)

| Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|---------------------|-----------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | |
| Treatment and Disposal Equipment (373) | \$28,615.00 | \$0.00 | \$0.00 | \$0.00 | \$28,615.00 |
| Plant Sewers (374) | | | | | |
| Outfall Sewer Lines (375) | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | | | | |
| Total Treatment and Disposal Plant (371) | \$28,615.00 | \$0.00 | \$0.00 | \$0.00 | \$28,615.00 |
| 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) | | | | | |
| Other Tangible Property (393F) | | | | | |
| Total General Plant | | | | | |
| TOTAL SEWER PLANT IN SERVICE | \$28,615.00 | \$0.00 | \$0.00 | \$0.00 | \$28,615.00 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| Total | | | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| Total | | | | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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) | | | | |
| Total | | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Other Current and Accrued Liabilities (Ref Page: 7)

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

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | (\$31,957.71) | (\$25,740.20) |
| Balance Transferred From Income (435) | (\$2,129.80) | (\$6,217.51) |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | (\$34,087.51) | (\$31,957.71) |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 168 | \$67,085.78 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 168 | \$67,085.78 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | | |
| Total Sewage Service Revenues (521-526) | 168 | \$67,085.78 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$67,085.78 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$68,208.47 |
| Depreciation Expense (403) | | \$323.00 |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$658.41 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$69,189.88 |
| Net Operating Income | | (\$2,104.10) |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| Total Other Income | | |
| 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 | | |
| Net Income | | (\$2,104.10) |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|-------------|
| OPERATION EXPENSES | |
| Supervision and Engineering (700) : | |
| Owner/Manager-Management Fee (700-A) | \$16,000.00 |
| Other Expenses (700-B) | |
| Labor and Expenses (701): | |
| Collection System-Labor, Materials and Expenses (701-A) | \$1,860.00 |
| Pumping System-Labor, Materials and Expenses (701-B) | |
| Treatment System (701-C) : | |
| Sludge Hauling | \$7,470.00 |
| Utility Service - Water Cost | \$4,998.22 |
| Other-Labor, Materials and Expense | |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$301.88 |
| Chemicals (704) | \$5,321.20 |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment an Disposal (705-C) | |
| Total Operation Expenses | \$35,951.30 |
| MAINTENANCE EXPENSES | |
| Supervision and Engineering (710) : | |
| Routine Maintenance Service Fee (710-A) | \$17,160.00 |
| Internal Supervision and Engineering (710-B) | |
| Maintenance of Structures and Improvements (711) | |
| Maintenance of Collection Sewer system (712) | \$1,265.00 |
| Maintenance of Pumping System (713) | |
| Maintenance of Treatment and Disposal Plant (714) | \$5,118.87 |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$23,543.87 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|--------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | \$864.36 |
| Outside Services Employed (923) | \$5,765.50 |
| Insurance Expenses (924) | \$1,233.40 |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | |
| Rents (931) | \$850.04 |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$8,713.30 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$68,208.47 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Taxes Other Than Income Taxes (Ref Page: 10)

| Item (a) | Amount (b) |
|--|------------|
| Payroll Taxes | |
| Property Taxes | \$310.58 |
| Utility Regulatory Commission Assessment | \$128.83 |
| Other (specify) | |
| LLET | \$175.00 |
| Filing Fee | \$15.00 |
| Local | \$29.00 |
| Total (Same as Page 8 line 27 plus 44) | \$658.41 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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) | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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) | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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? | |
| What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots? | 100.0000 |
| 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 | |

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

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

| | |
|---|----------|
| Date of Construction of original Plant | 1969 |
| Type of treatment process | Aeration |
| Date and additional GPD Capacity of subsequent additions to plant | |
| Population for which plant is designed including population equivalent of industrial waste load | 175 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Total | Cost |
|---|---------------|----------|
| Total gallons received during the year | | |
| Total gallons received on maximum day | 40,000 | |
| Maximum G.P.D. Capacity of the sewage treatment plant | | |
| Routine maintenance service fee | | |
| Cost per month | | |
| Contract Expires | Open Contract | |
| Sludge hauling | | |
| Cost per load | | \$330.00 |
| Average number of gallons per load | 22 | |
| Number of loads this year | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | 70 | Monthly | 12 |
| Apartments/Condominiums | 98 | Monthly | 12 |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 168 | | 24 |

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
| Clay | 8 | 5,250 | 0 | 0 | 5,250 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | 0 |
| Number of stubs as of end of year | 1 |
| Number of service laterals owned by others | 0 |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | 30087.00 | 30087.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 29477.00 | 29477.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 610.00 | 610.00 | 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 | 28615.00 | 28615.00 | 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. | 29477.00 | 29477.00 | 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 | OK | |
| Balance Sheet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | -34087.51 | -34087.51 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

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 | 16248.14 | 16248.14 | 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) | 323.00 | 323.00 | 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 | 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 | 68208.47 | 68208.47 | 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) | 658.41 | 658.41 | 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 | | | | |

9002200 Brocklyn Utilities, LLC 01/01/2018 - 12/31/2018

Upload supporting documents

Document

Description

Supports

OATH

Commonwealth of Kentucky)
) ss:
County of Oldham)

Lawrence W Smither makes oath and says
(Name of Officer)

that he/she is Member of
(Official title of officer)

Brocklyn Utilities, LLC
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2018 , to and including December 31, 2018

[Signature]
(Signature of Officer)

subscribed and sworn to before me, a Notary , in and for
the State and County named in the above this April, 29, 2019

My Commission expires Nov. 30, 2021



[Signature]
(Signature of officer authorized to administer oath)

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Title Page

| Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|--------------------|------------------------|----------------|------------|-------|-------|
| Sewer Utilities | | | | | |
| Annual Report of | | | | | |
| Respondent | Fox Run Utilities, LLC | P.O. Box 91588 | Louisville | KY | 40291 |

ATTORNEY GENERAL
EXHIBIT 6

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Principal Payment and Interest Information

| | Amount | Yes/No |
|--|--------|--------|
| Amount of Principal Payment During Calendar Year | | |
| Is Principal Current? | | |
| Is Interest Current? | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | N | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

Fox Run Utilities, LLC

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | Fox Run Utilities, LLC | P.O. Box 91588 | Louisville | KY (502) 238-3301 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | |
| Lawrence Smither | Same | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. Kentucky 11/13/07

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|------|
| Date sewer utility began operations | 2007 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|--------------|--------------------------|----------|
| Frankfort | Fox Run Subdivision | Franklin |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

General Information 7. (Ref Page: 1)

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

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|-------|-----------|------------|--------------|---------------|
| | | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|-------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$110,410.00 | \$110,410.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$110,410.00 | \$110,410.00 |
| Net Utility Plant | \$0.00 | \$0.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | \$0.00 |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | (\$117.49) | \$455.54 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$3,703.34 | \$4,596.80 |
| 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) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | \$800.00 | \$800.00 |
| Total Current and Accrued Assets | \$4,385.85 | \$5,852.34 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | \$1.00 | \$1.00 |
| Total Deferred Debits | \$1.00 | \$1.00 |
| TOTAL ASSETS AND OTHER DEBITS | \$4,386.85 | \$5,853.34 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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) | (\$22,449.82) | (\$25,617.53) |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | (\$22,449.82) | (\$25,617.53) |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | \$5,920.74 | \$9,524.06 |
| Notes Payable to Associated Companies (233) | | |
| Accounts Payable to Associated Companies (234) | \$19,541.93 | \$20,572.81 |
| Customer Deposits (235) | | |
| Taxes Accrued (236) | | |
| Interest Accrued (237) | | |
| Other Current and Accrued Liabilities (238) | | |
| Total Current and Accrued Liabilities | \$25,462.67 | \$30,096.87 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | \$1,374.00 | \$1,374.00 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$4,386.85 | \$5,853.34 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|---------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$110,410.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$110,410.00 |
| 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) | \$110,410.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$110,410.00 |
| Net Utility Plant (to pg 2 line 7) | \$0.00 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| Item | Amount |
|--|--------------|
| Balance Beginning of Year | \$110,410.00 |
| Accruals for Year: | |
| Depreciation | |
| Amortization | |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$110,410.00 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | | | | | |
| Structures and Improvements (311) | | | | | | |
| Total Land and Structures | | | | | | |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | | | | | |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | | | | | |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | \$14,385.00 | \$0.00 | \$0.00 | \$0.00 | \$14,385.00 |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | \$14,385.00 | \$0.00 | \$0.00 | \$0.00 | \$14,385.00 |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Utility Plant In Service (Ref Page: 5)

| Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|---------------------|-----------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | |
| Treatment and Disposal Equipment (373) | \$96,025.00 | \$0.00 | \$0.00 | \$0.00 | \$96,025.00 |
| Plant Sewers (374) | | | | | |
| Outfall Sewer Lines (375) | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | | | | |
| Total Treatment and Disposal Plant (371) | \$96,025.00 | \$0.00 | \$0.00 | \$0.00 | \$96,025.00 |
| 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) | | | | | |
| Other Tangible Property (393F) | | | | | |
| Total General Plant | | | | | |
| TOTAL SEWER PLANT IN SERVICE | \$110,410.00 | \$0.00 | \$0.00 | \$0.00 | \$110,410.00 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| Total | | | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| Total | | | | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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) | | | | |
| Total | | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Other Current and Accrued Liabilities (Ref Page: 7)

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

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | (\$22,449.82) | (\$23,912.64) |
| Balance Transferred From Income (435) | (\$3,167.71) | \$1,462.82 |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | (\$25,617.53) | (\$22,449.82) |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 34 | \$24,328.44 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 34 | \$24,328.44 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | | |
| Total Sewage Service Revenues (521-526) | 34 | \$24,328.44 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | \$0.00 |
| Total Operating Revenues | | \$24,328.44 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$27,256.37 |
| Depreciation Expense (403) | | |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$239.78 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$27,496.15 |
| Net Operating Income | | (\$3,167.71) |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| | | |
| Total Other Income | | |
| 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 | | |
| Net Income | | (\$3,167.71) |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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) | \$1,610.00 |
| Pumping System-Labor, Materials and Expenses (701-B) | |
| Treatment System (701-C) : | |
| Sludge Hauling | \$1,415.00 |
| Utility Service - Water Cost | \$1,005.41 |
| Other-Labor, Materials and Expense | |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$5,739.11 |
| Chemicals (704) | \$1,805.71 |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment an Disposal (705-C) | |
| Total Operation Expenses | \$11,575.23 |
| MAINTENANCE EXPENSES | |
| Supervision and Engineering (710) : | |
| Routine Maintenance Service Fee (710-A) | \$5,661.00 |
| 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) | \$6,565.02 |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$12,226.02 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|--------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | \$0.00 |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | \$1,371.96 |
| Outside Services Employed (923) | \$130.50 |
| Insurance Expenses (924) | \$759.50 |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | \$200.00 |
| Rents (931) | \$993.16 |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$3,455.12 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$27,256.37 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

Taxes Other Than Income Taxes (Ref Page: 10)

| | Item (a) | Amount (b) |
|--|------------|------------|
| Payroll Taxes | | |
| Property Taxes | | (\$21.39) |
| Utility Regulatory Commission Assessment | | \$71.17 |
| Other (specify) | | |
| | LLET | \$175.00 |
| | Filing Fee | \$15.00 |
| Total (Same as Page 8 line 27 plus 44) | | \$239.78 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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) | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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) | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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? | |
| 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 | 0.0000 |

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?

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

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| | |
|---|-------------------------------------|
| Date of Construction of original Plant | 1981 |
| Type of treatment process | Extended Aeration/Mixed Mediafilter |
| Date and additional GPD Capacity of subsequent additions to plant | |
| Population for which plant is designed including population equivalent of industrial waste load | 36 Residential Customers |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Total | Cost |
|---|---------------|----------|
| Total gallons received during the year | | |
| Total gallons received on maximum day | | |
| Maximum G.P.D. Capacity of the sewage treatment plant | | |
| Routine maintenance service fee | | |
| Cost per month | | |
| Contract Expires | Open Contract | |
| Sludge hauling | | |
| Cost per load | | \$240.00 |
| Average number of gallons per load | 5,000 | |
| Number of loads this year | 3 | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | 34 | Bi-Monthly | 12 |
| Apartments/Condominiums | | | |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 34 | | 12 |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
|--------------|----------|-------------|-----------|---------|------------------|

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | |
| Number of stubs as of end of year | |
| Number of service laterals owned by others | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

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 | 110410.00 | 110410.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 110410.00 | 110410.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 0.0000 | 0.0000 | 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 | 110410.00 | 110410.00 | 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. | 110410.00 | 110410.00 | 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 | OK | |
| Balance Sheeet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | -25617.53 | -25617.53 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | |

9003100 Fox Run Utilities, LLC 01/01/2018 - 12/31/2018

| Item | CheckList | | | Explain |
|---|-----------|----------|-------|---------|
| | Value 1 | Value 2 | Agree | |
| Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits | 5853.34 | 5853.34 | 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) | 0 | 0 | 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 | 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 | 27256.37 | 27256.37 | 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) | 239.78 | 239.78 | 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 | | | | |

Upload supporting documents

Document

Description

Supports

OATH

Commonwealth of Kentucky)
) ss:
County of Oldham)

Lawrence W Smither makes oath and says
(Name of Officer)

that he/she is Member of
(Official title of officer)

Fox Run Utilities, LLC
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2018 , to and including December 31, 2018

[Signature]
(Signature of Officer)

subscribed and sworn to before me, a Notary , in and for
the State and County named in the above this April, 29, 2019

ASHLIE M. RICHERSON
Notary Public
(Appointed Here)
Kentucky
My Commission Expires Nov 30 2021

My Commission expires Nov. 30, 2021

[Signature]
(Signature of officer authorized to administer oath)

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Title Page

| Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|--------------------|---|-------------|------------|-------|-------|
| Sewer Utilities | | | | | |
| Annual Report of | | | | | |
| Respondent | Lake Columbia Utilities, Inc P.O. Box 91588 | | Louisville | KY | 40291 |

ATTORNEY GENERAL
EXHIBIT 7

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Principal Payment and Interest Information

| | Amount | Yes/No |
|--|--------|--------|
| Amount of Principal Payment During Calendar Year | | |
| Is Principal Current? | | |
| Is Interest Current? | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | N | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

Lake Columbia Utilities, Inc.

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | Lake Columbia Utilities, Inc P.O. Box 91588 | Louisville | KY | (502) 238-3301 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | |
| Martin G. Cogan | 1007 Doric Circle | Louisville | KY | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. KY 6/22/95

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|-----------|
| Date sewer utility began operations | 6/22/1995 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

General Information 6. (Ref Page: 1)

City or Town

Community or Subdivision

County

Lake Columbia Estates

Bullitt

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

General Information 7. (Ref Page: 1)

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

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|----------------|-----------|------------|--------------|---------------|
| President | Smither | Lawrence | Same | \$3,600.00 |
| Vice-President | Cogan | Martin | Same | \$4,200.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|-------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$71,853.00 | \$71,853.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$71,853.00 | \$71,853.00 |
| Net Utility Plant | \$0.00 | \$0.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$838.00 | \$931.38 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$1,674.00 | \$1,382.80 |
| 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) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | | |
| Total Current and Accrued Assets | \$2,512.00 | \$2,314.18 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | |
| Total Deferred Debits | | |
| TOTAL ASSETS AND OTHER DEBITS | \$2,512.00 | \$2,314.18 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| | Balance First of Yr. | Balance End of Yr. |
|--|----------------------|--------------------|
| EQUITY CAPITAL | | |
| Common Capital Stock (201) | \$1,000.00 | \$1,000.00 |
| 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) | (\$250,070.00) | (\$269,873.31) |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | (\$249,070.00) | (\$268,873.31) |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | \$145,547.00 | \$145,505.60 |
| Notes Payable to Associated Companies (233) | | |
| Accounts Payable to Associated Companies (234) | \$100,035.00 | \$119,681.89 |
| Customer Deposits (235) | | |
| Taxes Accrued (236) | | |
| Interest Accrued (237) | | |
| Other Current and Accrued Liabilities (238) | | |
| Total Current and Accrued Liabilities | \$245,582.00 | \$265,187.49 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | \$6,000.00 | \$6,000.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$2,512.00 | \$2,314.18 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|--------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$71,853.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$71,853.00 |
| 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) | \$71,853.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$71,853.00 |
| Net Utility Plant (to pg 2 line 7) | \$0.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| Item | Amount |
|--|-------------|
| Balance Beginning of Year | \$71,853.00 |
| Accruals for Year: | |
| Depreciation | |
| Amortization | |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$71,853.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | | | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | | | | | |
| Structures and Improvements (311) | | | | | | |
| Total Land and Structures | | | | | | |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | \$60,000.00 | \$0.00 | \$0.00 | \$0.00 | \$60,000.00 |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | \$60,000.00 | \$0.00 | \$0.00 | \$0.00 | \$60,000.00 |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | \$10,000.00 | \$0.00 | \$0.00 | \$0.00 | \$10,000.00 |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | \$10,000.00 | \$0.00 | \$0.00 | \$0.00 | \$10,000.00 |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Sewer Utility Plant In Service (Ref Page: 5)

| | Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|-----------|---------------------|-----------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | | |
| Treatment and Disposal Equipment (373) | | | | | | |
| Plant Sewers (374) | | | | | | |
| Outfall Sewer Lines (375) | | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | | | | | |
| Total Treatment and Disposal Plant (371) | | | | | | |
| GENERAL PLANT (372) | | | | | | |
| Office Furniture and Equipment (391) | | \$1,853.00 | \$0.00 | \$0.00 | \$0.00 | \$1,853.00 |
| Transportation Equipment (392) | | | | | | |
| Stores Equipment (393A) | | | | | | |
| Tools, Shop and Garage Equipment (393B) | | | | | | |
| Laboratory Equipment (393C) | | | | | | |
| Power Operated Equipment (393D) | | | | | | |
| Communication Equipment (393E) | | | | | | |
| Other Tangible Property (393F) | | | | | | |
| Total General Plant | | \$1,853.00 | \$0.00 | \$0.00 | \$0.00 | \$1,853.00 |
| TOTAL SEWER PLANT IN SERVICE | | \$71,853.00 | \$0.00 | \$0.00 | \$0.00 | \$71,853.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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) |
|-------|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| | Common | 0 | \$0.00 | 0.0000 | 0 | \$1,000.00 |
| Total | Common | 0 | \$0.00 | 0.0000 | 0 | \$1,000.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | | | | | | |
| Total | | | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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) | | | | |
| Total | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Other Current and Accrued Liabilities (Ref Page: 7)

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

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | (\$250,070.00) | (\$263,090.00) |
| Balance Transferred From Income (435) | (\$19,803.31) | \$13,020.00 |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | (\$269,873.31) | (\$250,070.00) |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|---------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 33 | \$16,754.90 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 33 | \$16,754.90 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | | |
| Total Sewage Service Revenues (521-526) | 33 | \$16,754.90 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$16,754.90 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$36,144.95 |
| Depreciation Expense (403) | | |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$413.26 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$36,558.21 |
| Net Operating Income | | (\$19,803.31) |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|---------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| | | |
| Total Other Income | | |
| 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 | | |
| Net Income | | (\$19,803.31) |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|--------------------|
| OPERATION EXPENSES | |
| Supervision and Engineering (700) : | |
| Owner/Manager-Management Fee (700-A) | \$7,800.00 |
| 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 | \$305.00 |
| Utility Service - Water Cost | |
| Other-Labor, Materials and Expense | \$3,653.00 |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$2,299.68 |
| Chemicals (704) | |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment and Disposal (705-C) | |
| Total Operation Expenses | \$14,057.68 |
| MAINTENANCE EXPENSES | |
| Supervision and Engineering (710) : | |
| Routine Maintenance Service Fee (710-A) | \$9,396.00 |
| 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) | \$8,129.11 |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$17,525.11 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|--------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | \$86.16 |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | \$86.16 |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | \$276.00 |
| Outside Services Employed (923) | \$3,000.00 |
| Insurance Expenses (924) | |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | |
| Rents (931) | \$1,200.00 |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$4,476.00 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$36,144.95 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Taxes Other Than Income Taxes (Ref Page: 10)

| | Item (a) | Amount (b) |
|--|----------|------------|
| Payroll Taxes | | |
| Property Taxes | | \$188.26 |
| Utility Regulatory Commission Assessment | | \$50.00 |
| Other (specify) | | |
| | LLET | \$175.00 |
| Total (Same as Page 8 line 27 plus 44) | | \$413.26 |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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) | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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) | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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? | |
| What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots? | |
| 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 | |

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?

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

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

| | |
|---|------------------|
| Date of Construction of original Plant | 1971 |
| Type of treatment process | Aeration |
| Date and additional GPD Capacity of subsequent additions to plant | |
| Population for which plant is designed including population equivalent of industrial waste load | 60 Trailer Units |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| | Total | Cost |
|---|---------------|------|
| Total gallons received during the year | 0 | |
| Total gallons received on maximum day | 3,000 | |
| Maximum G.P.D. Capacity of the sewage treatment plant | 12,000 | |
| Routine maintenance service fee | | |
| Cost per month | | |
| Contract Expires | Open Contract | |
| Sludge hauling | | |
| Cost per load | | |
| Average number of gallons per load | | |
| Number of loads this year | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | 33 | Bi-Monthly | 6 |
| Apartments/Condominiums | | | |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 33 | | 6 |

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
|--------------|----------|-------------|-----------|---------|------------------|

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | |
| Number of stubs as of end of year | |
| Number of service laterals owned by others | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

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 | 71853.00 | 71853.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 71853.00 | 71853.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 0.0000 | 0.0000 | 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 | 71853.00 | 71853.00 | 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. | 71853.00 | 71853.00 | 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) | 1000.00 | 1000.00 | OK | |
| Balance Sheeet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | -269873.31 | -269873.31 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

| Item | CheckList | | | Explain |
|---|-----------|----------|-------|---------|
| | Value 1 | Value 2 | Agree | |
| Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits | 2314.18 | 2314.18 | 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) | 0 | 0 | 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 | 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 | 36144.95 | 36144.95 | 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) | 413.26 | 413.26 | 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 | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2016 - 12/31/2016

Upload supporting documents

Document

Description

Supports

OATH

Commonwealth of Kentucky)
) ss:
County of Jefferson)

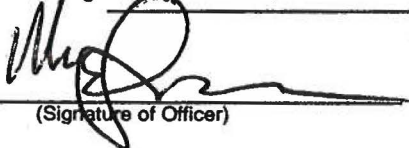
Martin G. Cogan makes oath and says
(Name of Officer)

that he/she is Vice President of
(Official title of officer)

Lake Columbia Utilities, Inc.
(Exact legal title or name of respondent)

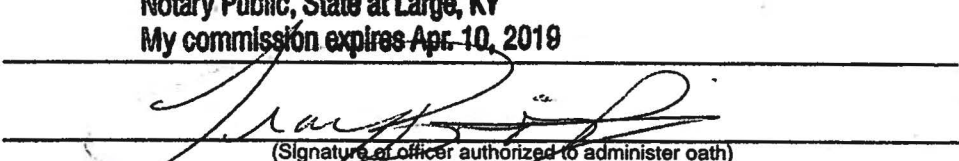
that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 01, 2016 , to and including December 31, 2016


(Signature of Officer)

subscribed and sworn to before me, a Notary Public , in and for
the State and County named in the above this 28th day of April 2017

(Apply Seal Here)

My Commission expires Notary Public, State at Large, KY
My commission expires Apr. 10, 2019

(Signature of officer authorized to administer oath)

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Title Page

| Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|--------------------|-------------|-------------|------|-------|-----|
| Sewer Utilities | | | | | |
| Annual Report of | | | | | |
| Respondent | | | | | |

ATTORNEY GENERAL
EXHIBIT 8

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Principal Payment and Interest Information

| | Amount | Yes/No |
|--|--------|--------|
| Amount of Principal Payment During Calendar Year | | |
| Is Principal Current? | | |
| Is Interest Current? | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Additional Information Required

Case Num

Date

Explain

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.)

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | Lake Columbia Utilities, Inc P.O. Box 91588 | Louisville | KY | (502) 238-3301 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | |
| Martin G. Cogan | 1007 Doric Circle | Louisville | KY | |

General Information 4 (Ref Page: 1)

List

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

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|------|
| Date sewer utility began operations | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

General Information 6. (Ref Page: 1)

City or Town

Community or Subdivision

County

Lake Columbia Estates

Bullitt

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

General Information 7. (Ref Page: 1)

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

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|-------|-----------|------------|--------------|---------------|
| | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|-------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$71,853.00 | \$71,853.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$71,853.00 | \$71,853.00 |
| Net Utility Plant | \$0.00 | \$0.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$931.38 | \$1,919.63 |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$1,382.80 | \$1,441.05 |
| 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) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | | |
| Total Current and Accrued Assets | \$2,314.18 | \$3,360.68 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | |
| Total Deferred Debits | | \$0.00 |
| TOTAL ASSETS AND OTHER DEBITS | \$2,314.18 | \$3,360.68 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| | Balance First of Yr. | Balance End of Yr. |
|--|-----------------------|-----------------------|
| EQUITY CAPITAL | | |
| Common Capital Stock (201) | \$1,000.00 | \$1,000.00 |
| 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) | (\$269,873.31) | (\$224,825.62) |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | (\$268,873.31) | (\$223,825.62) |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | \$0.00 |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | \$145,505.60 | \$145,505.60 |
| Notes Payable to Associated Companies (233) | | |
| Accounts Payable to Associated Companies (234) | \$119,681.89 | \$75,680.70 |
| Customer Deposits (235) | | |
| Taxes Accrued (236) | | |
| Interest Accrued (237) | | |
| Other Current and Accrued Liabilities (238) | | |
| Total Current and Accrued Liabilities | \$265,187.49 | \$221,186.30 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | \$0.00 |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | \$6,000.00 | \$6,000.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$2,314.18 | \$3,360.68 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|--------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$71,853.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$71,853.00 |
| 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) | \$71,853.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$71,853.00 |
| Net Utility Plant (to pg 2 line 7) | \$0.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| Item | Amount |
|--|-------------|
| Balance Beginning of Year | \$71,853.00 |
| Accruals for Year: | |
| Depreciation | |
| Amortization | |
| Other Accounts (detail) | |
| Total Accruals for Year | |
| Credit Adjustments (describe) | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$71,853.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | | | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | | | | | |
| Structures and Improvements (311) | | | | | | |
| Total Land and Structures | | | | | | |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | \$60,000.00 | \$0.00 | \$0.00 | \$0.00 | \$60,000.00 |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | \$60,000.00 | \$0.00 | \$0.00 | \$0.00 | \$60,000.00 |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | \$10,000.00 | \$0.00 | \$0.00 | \$0.00 | \$10,000.00 |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | \$10,000.00 | \$0.00 | \$0.00 | \$0.00 | \$10,000.00 |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Sewer Utility Plant In Service (Ref Page: 5)

| | Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|-----------|---------------------|-----------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | | |
| Treatment and Disposal Equipment (373) | | | | | | |
| Plant Sewers (374) | | | | | | |
| Outfall Sewer Lines (375) | | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | | | | | |
| Total Treatment and Disposal Plant (371) | | | | | | |
| GENERAL PLANT (372) | | | | | | |
| Office Furniture and Equipment (391) | | \$1,853.00 | \$0.00 | \$0.00 | \$0.00 | \$1,853.00 |
| Transportation Equipment (392) | | | | | | |
| Stores Equipment (393A) | | | | | | |
| Tools, Shop and Garage Equipment (393B) | | | | | | |
| Laboratory Equipment (393C) | | | | | | |
| Power Operated Equipment (393D) | | | | | | |
| Communication Equipment (393E) | | | | | | |
| Other Tangible Property (393F) | | | | | | |
| Total General Plant | | \$1,853.00 | \$0.00 | \$0.00 | \$0.00 | \$1,853.00 |
| TOTAL SEWER PLANT IN SERVICE | | \$71,853.00 | \$0.00 | \$0.00 | \$0.00 | \$71,853.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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) |
|-------|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| | Common | 0 | \$0.00 | 0.0000 | 0 | \$1,000.00 |
| Total | Common | 0 | \$0.00 | 0.0000 | 0 | \$1,000.00 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | | | | | | |
| Total | | | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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) | | | | |
| Total | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Other Current and Accrued Liabilities (Ref Page: 7)

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

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | (\$269,873.31) | (\$250,070.00) |
| Balance Transferred From Income (435) | \$45,047.69 | (\$19,803.31) |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | (\$224,825.62) | (\$269,873.31) |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|---------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 33 | \$20,499.08 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 33 | \$20,499.08 |
| 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) | 33 | \$20,499.08 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | \$0.00 |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | \$0.00 |
| Total Operating Revenues | | \$20,499.08 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$37,565.20 |
| Depreciation Expense (403) | | |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$273.63 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$37,838.83 |
| Net Operating Income | | (\$17,339.75) |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| Description | Number Customers (b) | Amount (c) |
|--|----------------------|--------------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| Cancellation of Debt | | \$62,387.42 |
| Total Other Income | | \$62,387.42 |
| 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 | | |
| Net Income | | \$45,047.67 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|--------------------|
| OPERATION EXPENSES | |
| Supervision and Engineering (700) : | |
| Owner/Manager-Management Fee (700-A) | \$7,800.00 |
| 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 | \$245.00 |
| Utility Service - Water Cost | |
| Other-Labor, Materials and Expense | \$5,036.00 |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$2,119.99 |
| Chemicals (704) | |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment an Disposal (705-C) | |
| Total Operation Expenses | \$15,200.99 |
| MAINTENANCE EXPENSES | |
| Supervision and Engineering (710) : | |
| Routine Maintenance Service Fee (710-A) | \$9,396.00 |
| 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) | \$9,939.43 |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$19,335.43 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|--------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | \$361.03 |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | \$361.03 |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | \$267.75 |
| Outside Services Employed (923) | \$1,200.00 |
| Insurance Expenses (924) | |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | |
| Rents (931) | \$1,200.00 |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$2,667.75 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$37,565.20 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

Taxes Other Than Income Taxes (Ref Page: 10)

| | Item (a) | Amount (b) |
|--|----------|------------|
| Payroll Taxes | | |
| Property Taxes | | \$48.63 |
| Utility Regulatory Commission Assessment | | \$50.00 |
| Other (specify) | | |
| | LLET | \$175.00 |
| Total (Same as Page 8 line 27 plus 44) | | \$273.63 |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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) | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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) | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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? | |
| What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots? | |
| 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 | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

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

Date of Construction of original Plant

Type of treatment process

Date and additional GPD Capacity of subsequent additions to plant

Population for which plant is designed including population equivalent of industrial waste load

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| | Total | Cost |
|---|---------------|------|
| Total gallons received during the year | 0 | |
| Total gallons received on maximum day | 3,000 | |
| Maximum G.P.D. Capacity of the sewage treatment plant | 12,000 | |
| Routine maintenance service fee | | |
| Cost per month | | |
| Contract Expires | Open Contract | |
| Sludge hauling | | |
| Cost per load | | |
| Average number of gallons per load | | |
| Number of loads this year | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | 33 | Bi-Monthly | 6 |
| Apartments/Condominiums | | | |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 33 | | 6 |

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
|--------------|----------|-------------|-----------|---------|------------------|

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | |
| Number of stubs as of end of year | |
| Number of service laterals owned by others | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

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 | 71853.00 | 71853.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 71853.00 | 71853.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 0.0000 | 0.0000 | 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 | 71853.00 | 71853.00 | 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. | 71853.00 | 71853.00 | 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) | 1000.00 | 1000.00 | OK | |
| Balance Sheet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | -224825.62 | -224825.62 | 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 | 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 | 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 | |

45875 Lake Columbia Utilities, Inc. 01/01/2017 - 12/31/2017

| Item | CheckList | | | Explain |
|---|-----------|----------|-------|---------|
| | Value 1 | Value 2 | Agree | |
| Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits | 3360.68 | 3360.68 | 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) | 0 | 0 | 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 | 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 | 37565.20 | 37565.20 | 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) | 273.63 | 273.63 | 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 | | | | |

Upload supporting documents

Document

Description

Supports

OATH

Commonwealth of Kentucky)
) ss:
County of Jefferson)

Martin G Cogan makes oath and says
(Name of Officer)

that he/she is Vice President of
(Official title of officer)

Lake Columbla Utilities, Inc.
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 01, 2017 , to and including December 31, 2017

[Signature]
(Signature of Officer)

subscribed and sworn to before me, a Notary , in and for
the State and County named in the above this April 30, 2018

(Apply Seal Here)

My Commission expires Notary Public, State at Large, KY
My commission expires Dec. 16, 2020
[Signature]
(Signature of officer authorized to administer oath)

Title Page

| Name of Respondent | Addr Line 1 | Addr Line 2 | City | State | Zip |
|--------------------|------------------------|----------------|------------|-------|-------|
| Sewer Utilities | | | | | |
| Annual Report of | | | | | |
| Respondent | Airview Utilities, LLC | P.O. Box 91588 | Louisville | KY | 40291 |

ATTORNEY GENERAL
EXHIBIT 9

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Principal Payment and Interest Information

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

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 | N | |
| If yes, which service is performed? | | |
| Enter an X on each appropriate line | | |
| Audit | | |
| Compilation | | |
| Review | | |
| Please enclose a copy of the accountant's report with annual report. | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Additional Information Required

| Case Num | Date | Explain |
|----------|------|---------|
| | | |

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.)

Airview Utilities, LLC

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | Airview Utilities, LLC | P.O. Box 91588 | Louisville | KY (502) 238-3301 |
| Name, title, address and telephone number with area code of the person to be contacted concerning this report | | | | |
| | Lawrence W Smither | Same | | |

General Information 4 (Ref Page: 1)

List

Name of State under the laws of which respondent is incorporated and the date of incorporation. Kentucky 2005

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

General Information 5. (Ref Page: 1)

| | Date |
|-------------------------------------|------|
| Date sewer utility began operations | 1972 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

General Information 6. (Ref Page: 1)

| City or Town | Community or Subdivision | County |
|---------------|-----------------------------|--------|
| Elizabethtown | Airview Estates Subdivision | Hardin |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

General Information 7. (Ref Page: 1)

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

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Principal Officers (Ref Page: 1)

| Title | Last Name | First Name | Bus. Address | Salary or Fee |
|----------------|-----------|------------|-----------------|---------------|
| President | Smither | Lawrence | Company Address | \$4,800.00 |
| Vice-President | Cogan | Martin | Same | \$4,800.00 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr | Balance End of Yr |
|--|---------------------|--------------------|
| UTILITY PLANT | | |
| Utility Plant (101-109) | \$81,717.00 | \$81,717.00 |
| less: Accum. Prov. for Depr., Depletion and Amortization (110) | \$80,230.00 | \$81,267.00 |
| Net Utility Plant | \$1,487.00 | \$450.00 |
| OTHER PROPERTY AND INVESTMENTS | | |
| Non-Utility Property (121) | | |
| less: Accum. Prov for Depr. and Amort. of Non-Utility Property (122) | | |
| Net non-Utility Property | | |
| Other Investments (124) | | |
| Special Funds (125) | | |
| Total Other Property and Investments | | |
| CURRENT AND ACCRUED ASSETS | | |
| Cash and Working Funds (131) | \$0.00 | |
| Temporary Cash Investments (132) | | |
| Notes Receivable (141) | | |
| Customer Accounts Receivable (142) | \$21,654.76 | \$35,349.66 |
| 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) | | |
| Prepayments (166) | | |
| Other Current and Accrued Assets (170) | \$3,275.00 | \$11,638.85 |
| Total Current and Accrued Assets | \$24,929.76 | \$46,988.51 |
| DEFERRED DEBITS | | |
| Unamortized Debt Expense (181) | | |
| Extraordinary Property Losses (182) | | |
| Other Deferred Debits (183) | | |
| Total Deferred Debits | | |
| TOTAL ASSETS AND OTHER DEBITS | \$26,416.76 | \$47,438.51 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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) | (\$159,316.61) | (\$169,102.61) |
| Non-Corporate Proprietorship (218) | | |
| Total Equity Capital | (\$159,316.61) | (\$169,102.61) |
| LONG-TERM DEBT | | |
| Bonds (221) | | |
| Advances From Associated Companies (223) | | |
| Other Long-Term Debt (224) | | |
| Total Long-Term Debt | | |
| CURRENT AND ACCRUED LIABILITIES | | |
| Notes Payable (231) | | |
| Accounts Payable (232) | \$70,466.58 | \$63,494.52 |
| Notes Payable to Associated Companies (233) | | |
| Accounts Payable to Associated Companies (234) | \$70,559.79 | \$108,339.60 |
| Customer Deposits (235) | | |
| Taxes Accrued (236) | | |
| Interest Accrued (237) | | |
| Other Current and Accrued Liabilities (238) | | |
| Total Current and Accrued Liabilities | \$141,026.37 | \$171,834.12 |
| DEFERRED CREDITS | | |
| Advances for Construction (252) | | |
| Other Deferred Credits (253) | | |
| Accum. Deferred Investment Tax Credits (255) | | |
| Total Deferred Credits | | |
| Operating Reserves (261-265) | | |
| Contributions in Aid of Construction (271) | \$44,707.00 | \$44,707.00 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Balance First of Yr. | Balance End of Yr. |
|---|----------------------|--------------------|
| 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 | | |
| TOTAL LIABILITIES AND OTHER CREDITS | \$26,416.76 | \$47,438.51 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Summary of Utility Plant (Ref Page: 4)

| | Amount |
|---|--------------------|
| UTILITY PLANT | |
| In Service: | |
| Plant in Service Classified (from pg 5 line 40) (101) | \$76,579.00 |
| Completed Construction Not Classified (102) | |
| Utility Plant in Process of Reclassification (103) | |
| Utility Plant Purchased or Sold (106) | |
| Total In Service | \$76,579.00 |
| 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) | \$5,138.00 |
| Total Utility Plant (to pg 2 line 4) | \$81,717.00 |
| Less: | |
| Accumulated Provision for Depreciation and Amort. of Utility Plant (to pg 2 line 6) (110) | \$81,267.00 |
| Net Utility Plant (to pg 2 line 7) | \$450.00 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| Item | Amount |
|--|-------------|
| Balance Beginning of Year | \$80,230.00 |
| Accruals for Year: | |
| Depreciation | \$1,037.00 |
| Amortization | |
| Other Accounts (detail) | |
| | |
| Total Accruals for Year | \$1,037.00 |
| Credit Adjustments (describe) | |
| | |
| Total Credits for Year | |
| 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 | |
| Debit Adjustments (describe) | |
| | |
| Total Debit Adjustments for Year | |
| Balance End of Year | \$81,267.00 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| LAND AND STRUCTURES | | | | | | |
| Land and Land Rights (310) | | | | | | |
| Structures and Improvements (311) | | | | | | |
| Total Land and Structures | | | | | | |
| COLLECTION PLANT | | | | | | |
| Collection Sewers - Force (352.1) | | | | | | |
| Collection Sewers - Gravity (352.2) | | | | | | |
| Other Collection Plant Facilities (353) | | | | | | |
| Services to Customers (354) | | | | | | |
| Flow Measuring Devices (355) | | | | | | |
| Total Collection Plant | | | | | | |
| PUMPING PLANT | | | | | | |
| Receiving Wells and Pump Pits (362) | | | | | | |
| Pumping Equipment - Electric (363A) | | | | | | |
| Pumping Equipment - Diesel (363B) | | | | | | |
| Pumping Equipment - Other (363C) | | | | | | |
| Total Pumping Plant (364) | | | | | | |
| TREATMENT AND DISPOSAL PLANT | | | | | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Utility Plant In Service (Ref Page: 5)

| Depr Rate | Balance Beg of Year | Additions | Retirements | ReClass (Debit-Credit) | Balance End of Year |
|---|---------------------|-----------|-------------|------------------------|---------------------|
| Oxidation Lagoon (372) | | | | | |
| Treatment and Disposal Equipment (373) | \$76,579.00 | \$0.00 | \$0.00 | \$0.00 | \$76,579.00 |
| Plant Sewers (374) | | | | | |
| Outfall Sewer Lines (375) | | | | | |
| Other Treatment and Disposal Plant Equip. (376) | | | | | |
| Total Treatment and Disposal Plant (371) | \$76,579.00 | \$0.00 | \$0.00 | \$0.00 | \$76,579.00 |
| 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) | | | | | |
| Other Tangible Property (393F) | | | | | |
| Total General Plant | | | | | |
| TOTAL SEWER PLANT IN SERVICE | \$76,579.00 | \$0.00 | \$0.00 | \$0.00 | \$76,579.00 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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) |
|----------------------|-------------------------|--------------------------|-------------------------|------------------------|------------------------|
| Total | | | | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | | | |
| Total | | | | | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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)

Total

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | | | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Other Current and Accrued Liabilities (Ref Page: 7)

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

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | (\$159,316.61) | (\$194,347.24) |
| Balance Transferred From Income (435) | (\$9,786.00) | \$35,030.63 |
| Appropriations of Retained Earnings (436) | | |
| Dividends Declared-Preferred Stock (437) | | |
| Dividends Declared-Common Stock (438) | | |
| Adjustments to Retained Earnings (439) | | |
| Balance End of Year | (\$169,102.61) | (\$159,316.61) |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|---|----------------------|--------------|
| OPERATING REVENUES | | |
| Flat Rate Revenues-General Customers: | | |
| Residential Revenues (521.1) | 203 | \$98,338.31 |
| Commercial Revenues (521.2) | | |
| Industrial Revenues (521.3) | | |
| Revenues From Public Authorities (521.4) | | |
| Total (521) | 203 | \$98,338.31 |
| 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) | | |
| Revenues From Public Authorities (523) | | |
| Revenues From Other Systems (524) | | |
| Miscellaneous Sewage Revenues (526) | | |
| Total Sewage Service Revenues (521-526) | 203 | \$98,338.31 |
| OTHER OPERATING REVENUES | | |
| Customers Forfeited Discounts (532) | | |
| Miscellaneous Operating Revenues (536) | | |
| Total Other Operating Revenues | | |
| Total Operating Revenues | | \$98,338.31 |
| OPERATING EXPENSES | | |
| Total Sewer Operation and Maint. Expenses (from pg 9) | | \$106,278.57 |
| Depreciation Expense (403) | | \$1,037.00 |
| Amortization Expense (from pg 10) (404-407) | | |
| Taxes Other Than Income taxes (from pg 10) (408.1) | | \$808.74 |
| Total Income Taxes-Utility Operations (from pg 10) | | |
| Total Sewage Operating Expenses | | \$108,124.31 |
| Net Operating Income | | (\$9,786.00) |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| Description | Number Customers (b) | Amount (c) |
|--|----------------------|---------------------|
| OTHER INCOME | | |
| Income from NonUtility Operations (417) | | |
| Interest and dividend Income (419) | | |
| Miscellaneous Nonoperating Income (421) | | |
| Other Accounts (Specify Acct. No & Title) | | |
| Total Other Income | | |
| 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 | | |
| Net Income | | (\$9,786.00) |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|--|--------------------|
| OPERATION EXPENSES | |
| Supervision and Engineering (700) : | |
| Owner/Manager-Management Fee (700-A) | \$9,600.00 |
| Other Expenses (700-B) | |
| Labor and Expenses (701): | |
| Collection System-Labor, Materials and Expenses (701-A) | \$13,260.00 |
| Pumping System-Labor, Materials and Expenses (701-B) | |
| Treatment System (701-C) : | |
| Sludge Hauling | \$1,965.00 |
| Utility Service - Water Cost | \$5,969.59 |
| Other-Labor, Materials and Expense | |
| Rents (702) | |
| Fuel and Power Purchased for Pumping and Treatment (703) | \$9,304.13 |
| Chemicals (704) | \$2,428.10 |
| Miscellaneous Supplies and Expenses (705): | |
| Collection System (705-A) | |
| Pumping System (705-B) | |
| Treatment and Disposal (705-C) | |
| Total Operation Expenses | \$42,526.82 |
| MAINTENANCE EXPENSES | |
| Supervision and Engineering (710) : | |
| Routine Maintenance Service Fee (710-A) | \$12,087.50 |
| 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) | \$26,861.69 |
| Maintenance of Other Plant Facilities (715) | |
| Total Maintenance Expenses | \$38,949.19 |
| CUSTOMER ACCOUNTS EXPENSES | |
| Supervision (901) | |
| Meter Reading Expenses and Flat Rate Inspections (902) | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Sewer Operation and Maintenance Expenses (Ref Page: 9)

| | Amount (b) |
|---|---------------------|
| Customer Records and Collection Expenses (903): | |
| Agency Collection Fee (903-A) | |
| Internal Labor, Materials and Expenses (903-B) | |
| Uncollectible Accounts (904) | \$6,361.49 |
| Miscellaneous Customer Accounts Expenses (905) | |
| Total Customer Accounts Expenses | \$6,361.49 |
| ADMINISTRATIVE AND GENERAL EXPENSES | |
| Administrative and General Salaries (920) | |
| Office Supplies and Other Expenses (921) | \$4,542.71 |
| Outside Services Employed (923) | \$11,639.00 |
| Insurance Expenses (924) | \$1,000.00 |
| Employee Pensions and Benefits (926) | |
| Regulatory Commission Expense (928) | |
| Transportation Expenses (929) | |
| Miscellaneous General Expenses (930) | \$751.86 |
| Rents (931) | \$507.50 |
| Maintenance of General Plant (932) | |
| Total Administrative and General Expenses | \$18,441.07 |
| TOTAL SEWER OPERATION AND MAINTENANCE EXPENSES (to pg 8) | \$106,278.57 |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Taxes Other Than Income Taxes (Ref Page: 10)

| | Item (a) | Amount (b) |
|--|------------|------------|
| Payroll Taxes | | |
| Property Taxes | | \$429.07 |
| Utility Regulatory Commission Assessment | | \$189.67 |
| Other (specify) | | |
| | LLET | \$175.00 |
| | Filing Fee | \$15.00 |
| Total (Same as Page 8 line 27 plus 44) | | \$808.74 |

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) | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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) | |

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? | |
| What percentage of Sewer Utility Plant in Service was recovered, by the developer of hte subdivision, through the sale of lots? | 100.0000 |
| 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 | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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?

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

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

| | |
|---|-------------------|
| Date of Construction of original Plant | 1972 |
| Type of treatment process | Aeration |
| Date and additional GPD Capacity of subsequent additions to plant | |
| Population for which plant is designed including population equivalent of industrial waste load | 201 Single Family |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Total | Cost |
|---|---------------|----------|
| Total gallons received during the year | | |
| Total gallons received on maximum day | 35,000 | |
| Maximum G.P.D. Capacity of the sewage treatment plant | | |
| Routine maintenance service fee | | |
| Cost per month | | |
| Contract Expires | Open Contract | |
| Sludge hauling | | |
| Cost per load | | \$330.00 |
| Average number of gallons per load | | |
| Number of loads this year | 6 | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | 203 | Monthly | 12 |
| Apartments/Condominiums | | | |
| Commercial | | | |
| Industrial | | | |
| Other | | | |
| Total | 203 | | 12 |

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

| Name | Type of Industry | Gallons | Pretreatment of Wastes |
|------|------------------|---------|------------------------|
|------|------------------|---------|------------------------|

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| Location | Size of Motor | Type of Motor | Gals per Day |
|----------|---------------|---------------|--------------|
| | | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| Kind of Pipe | Diameter | Num of Feet | additions | removed | Feet End of Year |
|--------------|----------|-------------|-----------|---------|------------------|
|--------------|----------|-------------|-----------|---------|------------------|

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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

| | Count |
|--|-------|
| Number of service laterals owned by the utility at end of year | |
| Number of stubs as of end of year | |
| Number of service laterals owned by others | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

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 | 81717.00 | 81717.00 | OK | |
| Balance Sheet (ref pg 2) Line Less: Acct 110 agrees with Sched Summary of Utility Plant (ref pg 4) Line Total Utility Plant | 81267.00 | 81267.00 | OK | |
| Balance Sheet (ref pg 2) Line Net Utility Plant agrees with Summary of Utility Plant (ref pg 4) Line Net Utility Plant | 450.00 | 450.00 | 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 | 76579.00 | 76579.00 | 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. | 81267.00 | 81267.00 | 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 | OK | |
| Balance Sheeet (ref pg 3) Unappropriated Retained Earnings (216) agrees with Sched Statement of Retained Earnings (ref pg 7) Balance End of Year | -169102.61 | -169102.61 | OK | |
| Balance Sheet (ref pg 3) Total Long Term Debt (224) agrees with Sched Long Term Debt (ref pg 6) Total col d | 0 | 0 | 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 | 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 | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

| Item | CheckList | | | Explain |
|---|-----------|-----------|-------|---------|
| | Value 1 | Value 2 | Agree | |
| Balance Sheet (ref pg 3) Total Liabilities and Other Credits agrees with Balance Sheet (ref pg 2) Total Assets and Other Debits | 47438.51 | 47438.51 | 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) | 1037.00 | 1037.00 | 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 | 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 | 106278.57 | 106278.57 | 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) | 808.74 | 808.74 | 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 | | | | |

9002400 Airview Utilities, LLC 01/01/2018 - 12/31/2018

Upload supporting documents

Document

Description

Supports

OATH

Commonwealth of Kentucky)
County of Oldham) ss:

Lawrence W Smither makes oath and says
(Name of Officer)

that he/she is Member of
(Official title of officer)

Airview Utilities, LLC
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to have the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2018 , to and including December 31, 2018

[Signature]
(Signature of Officer)

subscribed and sworn to before me, a Notary , in and for
the State and County named in the above this April 29, 2019

My Commission expires Nov. 30, 2021



[Signature]
(Signature of officer authorized to administer oath)

STITES & HARBISON PLLC

ATTORNEYS

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June 16, 2016

Robert C. Moore
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rmoore@stites.com

Aaron D. Greenwell
Acting Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

JUN 16 2016

**PUBLIC SERVICE
COMMISSION**

RE: Airview Utilities, LLC

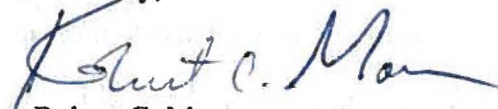
Case No. 2016-00207

Dear Mr. Greenwell:

Please find enclosed and accept for filing an original and ten (10) copies of Airview Utilities, LLC's Notice of Surrender and Abandonment of Utility Property.

Please contact me if you have any questions concerning this filing.

Sincerely,



Robert C. Moore

RCM:pjt
Enclosures

EC69:46570:25712:1:FRANKFORT

RECEIVED

JUN 16 2016

PUBLIC SERVICE
COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

AIRVIEW UTILITIES, LLC'S NOTICE OF
SURRENDER AND ABANDONMENT OF
UTILITY PROPERTY

)
) Case No. 2016- 00207
)

**AIRVIEW UTILITIES, LLC'S NOTICE OF SURRENDER
AND ABANDONMENT OF UTILITY PROPERTY**

Comes Airview Utilities, LLC, (hereinafter "Airview"), by counsel, and hereby provides notice to the Public Service Commission ("Commission") of its surrender, pursuant to KRS 278.021(2)(a), of all of its property interests and rights in and to the property owned by Airview, necessary to provide utility service, which property is located in Hardin County, Kentucky. Airview is surrendering this property based on the following factors.

1) Petitioner, a Kentucky Limited Liability Company, is a "utility" which owns a facility for the treatment of sewage as defined in KRS 224.010(3)(f); its only facility is a Wastewater Treatment Plant ("WWTP") and collection system located in Hardin County, Kentucky serving portions of Hardin County and the City of Elizabethtown, and it is located near the Elizabethtown, Kentucky city limits.

2) Petitioner hereby notifies the Commission that it is surrendering and abandoning all of its property interests and rights in and to the property owned by Airview, necessary to provide service to its customers because it is unable to meet its financial obligations to its vendors, suppliers and service entities. Additionally, the Airview WWTP is currently over forty (40) years old and needs significant upgrades, including but not limited to a new chlorine contact tank, dechlorination equipment, a new flow-meter and the tertiary lagoon needs to be cleaned. Due to the cost of these upgrades, it appears economically prudent to dismantle the Airview

WWTP and connect it to an existing sanitary sewer system instead of requiring Airview's ratepayers to bear the cost of these upgrades. Due to Airview Utilities' current economic condition, it is unable to adequately serve its ratepayers and will be unable to protect the waters of the Commonwealth of Kentucky from degradation when the Airview WWTP deteriorates.

3) Airview is a small utility company that provides sanitary sewage treatment for approximately 203 customers located in Hardin County, Kentucky. These customers are to pay a monthly fee of \$41.36 for sanitary sewage treatment for a total possible monthly revenue to Airview of approximately \$8,396.08, and a total possible annual gross revenue of approximately \$100,752.96. As a privately owned utility, Airview has suffered significant difficulty in obtaining payment for its services, and this difficulty has contributed substantially to Airview's inability to pay for the needed upgrades to the Airview WWTP.

4) Airview's monthly expenses significantly exceed its monthly revenue, and it is unable to make needed upgrades to the Airview WWTP.

5) Airview therefore, pursuant to KRS 278.021(2)(a), surrenders and abandons to the Commission all of its property interests and rights in and to the property owned by the utility that is necessary to provide utility service.

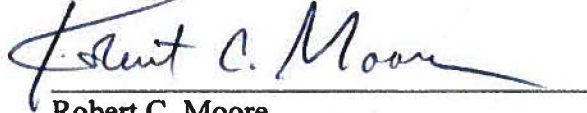
WHEREFORE the Petitioner moves the Public Service Commission to enter an order which finds:

a) That the Petitioner has surrendered and abandoned its Airview wastewater treatment plant and collection system located in Hardin County, Kentucky pursuant to KRS 278.021(2)(a); and

b) That the Airview WWTP and collection system operated by the Petitioner in Hardin County, Kentucky is surrendered and abandoned and Commission Staff is authorized to file an

action in the Franklin Circuit Court seeking an Order attaching the assets of that WWTP and placing those assets under the sole responsibility of a Receiver in accordance with KRS 278.021(1).

Respectfully submitted,



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