

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF THE CITY OF)	
LOUISA REVISING ITS WHOLESALE WATER)	CASE NO.
SERVICE RATES TO BIG SANDY WATER)	2023-00146
DISTRICT)	

ORDER

On April 4, 2023, the city of Louisa (Louisa) filed a tariff to increase its wholesale water rate to Big Sandy Water District (Big Sandy District). Louisa proposed an effective date of May 4, 2023. Louisa’s current monthly wholesale water rate to Big Sandy District is \$3.06 per 1,000 gallons. Louisa’s proposal increases the wholesale water rate by \$0.84 per 1,000 gallons, or 27.5 percent, to \$3.90 per 1,000 gallons. Louisa responded to two requests for information from Commission Staff. Those responses are attached to this Order as Appendix B and will be included in the evidentiary record of this matter.

KRS 278.030 provides that a utility may collect fair, just and reasonable rates and that the service it provides must be adequate, efficient and reasonable. Having reviewed the proposed tariff and being otherwise sufficiently advised, the Commission finds that an investigation is necessary to determine the reasonableness of the proposed tariff and that such investigation cannot be completed by May 4, 2023. Pursuant to KRS 278.190(2), the Commission will, therefore, suspend the effective date of the proposed tariff for five months, up to and including October 3, 2023.

The Commission directs Louisa to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ in which the Commission mandated the use of electronic filing procedures listed in 807 KAR 5:001E, Section 8. The Commission finds that electronic filing procedures should be used, consistent with the filing procedures set forth in Case No. 2020-00085.

The Commission further finds that a procedural schedule should be established to review the reasonableness of the proposed tariff. The procedural schedule is attached as Appendix A to this Order.

Additionally, any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001E, Section 2, if the hearing is not concluded on the designated day, the hearing may be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing. Hearings are held in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky. Witnesses who sponsor schedules, testimony, or responses to requests for information are expected to participate in person at a hearing.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness Louisa's proposed wholesale water rate increase to Big Sandy District.

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

2. Louisa's proposed tariff is suspended for five months from May 4, 2023, up to and including October 3, 2023.

3. Louisa shall, by counsel, enter an appearance in this proceeding within seven days of the date of service of this Order. The entry of appearance shall include the name, address, telephone number, fax number, and electronic mail address of counsel.

4. Unless otherwise ordered by the Commission, the procedures set forth in 807 KAR 5:001E, Section 8, related to service and electronic filing of papers shall be followed in this proceeding.

5. Pursuant to 807 KAR 5:001E, Section 8(9), within seven days of the date of service of this Order, Louisa shall file by electronic means a written statement that it waives any right to service of Commission Orders by United States mail and that it or its authorized agent possess the facilities to receive electronic submissions.

6. Unless a party granted leave to intervene states its objection to the use of electronic filing procedures in a motion for intervention, the party shall:

a. Be deemed to have consented to the use of electronic filing procedures and the service of all papers, including Orders of the Commission, by electronic means; and

b. Within seven days of the date of service of an order of the Commission granting intervention, file with the Commission a written statement that:

(1) It or its authorized agent possesses the facilities to receive electronic transmissions; and

(2) Sets forth the electronic mail address to which all electronic notices and messages related to this proceeding shall be served.

7. If a party objects to the use of electronic filing procedures and the Commission determines that good cause exists to excuse that party from the use of electronic filing procedures, service of documents on that party and by that party shall be made in accordance with 807 KAR 5:001E, Section 4(8).

8. The procedural schedule set forth in Appendix A to this Order shall be followed.

9. Louisa shall respond to all requests for information propounded by Commission Staff, whether identified on the procedural schedule or otherwise, as provided in those requests.

10. As set forth in 807 KAR 5:001E, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding, which is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding the potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

11. Any motion to intervene after the date established in the procedural schedule shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

12. Louisa shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001E, Section 9(2). In addition, the notice of the hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov" and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listed on the PSC website, psc.ky.gov." At the time publication is requested, Louisa shall forward a duplicate of the notice and request to the Commission.

13. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

14. Any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001E, Section 2, if the hearing is not concluded on the designated day, the hearing shall be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing.

15. Witnesses who sponsor schedules, testimony, or responses to requests for information shall participate in person at any hearing scheduled in this matter.

16. Pursuant to KRS 278.360 and 807 KAR 5:001E, Section 9(9), a digital video recording shall be made of the hearing.

17. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of times with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

18. The Commission does not look favorably upon motions to excuse witnesses from testifying at Commission hearings. Accordingly, motions to excuse a witness from testifying at a Commission hearing or from testifying in person at a Commission hearing shall be made in writing and will be granted only upon a showing of good cause.

19. The Executive Director shall serve a copy of this Order upon Big Sandy District.

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PUBLIC SERVICE COMMISSION



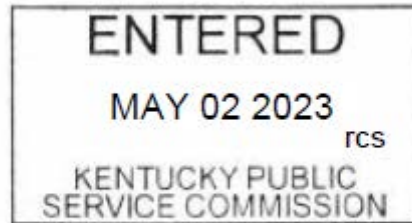
Chairman



Vice Chairman



Commissioner



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2023-00146 DATED MAY 02 2023

Requests for intervention shall be filed no later than 05/11/2023

Initial requests for information to Louisa
shall be filed no later than 05/18/2023

Louisa shall file responses to
initial requests for information no later than.....06/01/2023

All supplemental requests for information to Louisa
shall be filed no later than 06/15/2023

Louisa shall file responses to supplemental requests
for information no later than 06/29/2023

Intervenor testimony, if any, in verified prepared
form shall be filed no later than..... 07/06/2023

All requests for information to Intervenors shall
be filed no later than..... 07/20/2023

Intervenors shall file responses to requests for
information no later than..... 08/03/2023

Louisa shall file, in verified form, its rebuttal
testimony no later than.....08/10/2023

Louisa or any Intervenor shall request either a
hearing or that the case be submitted for decision
based on the record no later than.....08/17/2023

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2023-00146 DATED MAY 02 2023

SEVENTY-NINE PAGES TO FOLLOW

Hinton, Daniel E (PSC)

From: Hinton, Daniel E (PSC)
Sent: Thursday, April 6, 2023 10:30 AM
To: mayoroflouisa@gmail.com; cityoflouisa@lycomonline.com
Cc: Rogness, Benjamin (PSC)
Subject: Louisa Wholesale Rate Increase to Big Sandy Water District

Mayor Slone,

Commission Staff has the following requests regarding the proposed wholesale water rate increase to Big Sandy Water District. Responses can be emailed to us at these addresses.

1. Provide a corrected letter to Big Sandy – percent increase is incorrect in the letter filed.
2. Calculations – Provide basis for amounts utilized in calculation for each rate component.
 - a. Provide a copy of the rate calculations in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.
 - b. Provide documentation source for each item designated 1 through 7 on Louisa Support document
 - c. For \$750,000 water plant improvements 2022, state why that is included in calculation as a separate line item rather than being a component of depreciation or repair expense in the cost statement (audit?) that the calculations are based upon.
 - d. Provide amortization schedules for each loan
 - e. Explain the reasoning for why each component was calculated based on water produced v. water sold
3. Provide financial document upon which calculations are based. Assumption is audited financial statements for 20???. If amounts are not based on audit explain what they are based on and why audited amounts were not utilized. If amounts are based on audit but differ from amounts presented in audit, provide a reconciliation of each adjustment.
4. Information provided from the Kentucky Public Pensions Authority at [Participating Employer by Type.pdf \(ky.gov\)](#) on page 22 of 23 notes that Louisa is a participant in the Kentucky County Employees Retirement System (CERS).
 - a. Provide the amounts of CERS pension and Other Post-Employment Benefits (OPEB) expense in excess of the amounts contributed for the measurement year.
 - b. Provide the calculation(s) in support of the amount
 - c. Confirm whether the amount provided above is included in the rate calculation.

If you have any questions, please let us know.

Thanks.

Daniel



Harold Slone
Mayor

Louisa Public Utilities
P.O. Box 608
Louisa, KY 41230
Phone: 606-638-9322

Jesse J. Meek
Water Treatment Supervisor

April 24, 2023

Re: Mr. Daniel Hinton, KY PSC

In response to your email to Mayor Slone, dated April 6, 2023, I have attached the requested spreadsheet with unlocked cells to this email. Also attached are the source documents for the line items listed on the spreadsheet, these items include expense reports for our water treatment, distribution and administrative departments, as well as an audit document with the amounts paid in 2022 for loan accounts that are associated with each department, amortization schedules are also attached for each loan listed.

Concerning the \$750,000 in water treatment plant improvements, these were listed as a separate line item as a matter of transparency. These upgrades were deemed necessary to maintain efficiency and quality of our treatment process. The project was funded from the City's reserve accounts rather than a secondary lender. The proposed rate repays the reserve account as an amortized loan. The amortization schedule is included for your use. An interest rate of .05% was included in the calculation to account for loss of interest income on the reserve accounts.

For calculation purposes, we used the total amount of water treated for line items 1, 4, and 6, due to the fact that cost to treat each 1,000 gallons is 100% associated with the amount purchased by each customer, line items 4 and 6 are loan accounts, of which the water treatment plant was made possible, without these loans, we would not have had the capacity to sell water to BSWD.

Line items 2, 3, and 5 were calculated using the total amount of water sold to customers, of which BSWD purchases 25% of the total water sold. We used the total sold figure to account for un-billed internal use water as well as water leaks, which are costs not associated with the amount of water purchased by customers. We made the determination that this would pertain to the expense statements for our distribution and administrative departments. Additionally, administrative department expenses were halved, due to the admin department serving water and sewer. Of the amounts calculated per 1,000 gallons sold for distribution and administrative departments, 25% of it was figured as being for BSWD.

Pertaining to the inquiry if audited statements were used. They were not, we used the current accounting system reports for the most recent calendar year, as the most recent audited statements only cover through June 30, 2022. And due to high amount of inflation and skyrocketing expenses in the past year, we determined the audited amounts would not be a correct representation of current expenses.

For amounts of post employment benefits paid to retirees, there are none, and none were used in the rate calculation.

Sincerely,

Jason Helton
Water Treatment Plant Operator

Income Statement

Reporting As Of 1/1/2022 to 12/31/2022

Reporting Department: 40 - Administrative

	Period Activity	End Balance
EXPENSES		
Bad Debt	0.00	0.00
Bank Charges	60.00	4,168.30
Bank - Collection Expense	1,119.39	1,119.39
Depreciation	0.00	0.00
Dues & Subscriptions	2,007.58	2,126.58
Fuel	0.00	0.00
Insurance General	724.27	826.07
Interest	18,575.19	140,670.28
Interest on Bonds	0.00	0.00
Miscellaneous	-13,446.04	-13,446.04
Cash Short & Over	0.00	0.00
Office - Supply	3,367.04	4,098.74
Office - Postage	5,465.30	11,851.84
Office - Computer & Tech	43,817.54	50,365.98
Salaries and Wages	67,657.25	116,032.84
Overtime Wages	1,213.29	1,987.62
Employer Paid Retirement	23,400.78	42,090.50
Medical & Life Insurance	35,136.95	66,112.56
Social Security	4,646.50	7,338.13
Medicare	408.03	1,037.57
Workers Comp. Insurance	325.75	619.19
Unemployment Insurance	94.54	94.54
Other Employee Benefits	0.00	0.00
Professional Fees	41,702.57	47,313.61
Professional Laboratory Expense	0.00	0.00
Professional - Training	175.00	175.00
Rent - Truck	0.00	0.00
Rent - Equipment	1,490.10	1,490.10
Repair - Building	2,878.11	3,006.10
Repair - Truck	0.00	0.00
Repair - Equipment	568.13	568.13
Supply - Chemicals	0.00	0.00
Supply - Tools	0.00	0.00
Supply - Other	2,476.85	4,485.60
Taxes & Licenses	152.40	152.40
Fines & Violations	2,225.00	2,225.00
Travel - Lodging	0.00	0.00
Travel - Meals	28.95	28.95
Travel - Mileage	0.00	0.00
Uniforms - Clothing	0.00	0.00
Utility - Electricity	15,942.22	16,709.09
Utility - Natural Gas	0.00	0.00
Utility - Communication	5,567.44	6,956.36
Utility - Internet	0.00	0.00
Non - Operating Expense	35.00	35.00
TOTAL EXPENSES	267,815.13	520,239.43
TOTAL INCOME LESS EXPENSES	-267,815.13	-520,239.43

Income Statement

Reporting As Of 1/1/2022 to 12/31/2022

Reporting Department: 30 - Distribution

	Period Activity	End Balance
EXPENSES		
Bad Debt	49,681.21	49,681.21
Depreciation	0.00	0.00
Fuel	37,344.62	44,399.71
Insurance General	7,360.05	11,654.83
Interest	0.00	0.00
Miscellaneous	36,455.85	38,770.36
Office - Supply	0.00	0.00
Office - Postage	0.00	0.00
Office - Computer & Tech	1,890.00	3,284.99
Salaries and Wages	184,275.69	257,560.92
Overtime Wages	12,549.85	18,233.78
Employer Paid Retirement	52,559.18	73,374.58
Medical & Life Insurance	62,913.20	86,670.38
Social Security	13,320.73	17,739.70
Medicare	1,163.75	2,197.19
Workers Comp. Insurance	0.00	6,938.80
Unemployment Insurance	8,593.06	8,619.07
Other Employee Benefits	90.00	90.00
Professional Fees	2,288.92	2,474.92
Professional Laboratory Expense	0.00	0.00
Professional - Training	985.00	1,448.50
Rent - Truck	27,484.26	37,437.42
Rent - Equipment	8,540.05	20,091.14
Repair - Building	65,165.82	173,110.06
Repair - Plant & Line	48,180.33	48,180.33
Repair - Truck	20,358.35	22,256.10
Repair - Equipment	10,206.97	10,206.97
Supply - Chemicals	48.57	48.57
Supply - Tools	4,171.74	5,556.88
Supply - Other	20,635.74	31,788.16
Fines & Violations	0.00	0.00
Travel - Lodging	55.10	1,209.99
Travel - Meals	649.25	649.25
Travel - Mileage	161.04	161.04
Uniforms - Clothing	3,028.01	3,323.38
Uniforms - Boots	399.95	399.95
Utility - Electricity	133,796.31	177,179.54
Utility - Natural Gas	0.00	0.00
Utility - Communication	2,194.98	3,318.30
Utility - Internet	0.00	0.00
TOTAL EXPENSES	816,547.58	1,158,056.02
TOTAL INCOME LESS EXPENSES	-816,547.58	-1,158,056.02

**Kentucky Infrastructure Authority - Loan Amortization Schedule
City of Louisa - Loan Number F10-03**

Loan Summary					
Borrower:	City of Louisa			Approval Date:	07-01-2010
Loan ID:	0711	KIA Loan Number:	F10-03	Closing Date:	05-13-2013
Status:	Active	Amortized:	Yes	First Due Date:	12-01-2013
Loan Amount:	\$1,690,628.65	Interest Rate:	1.00%	Maturity Date:	06-01-2033
R & M Reserve:	\$42,500.00	Pmt. Frequency:	Semi-Annual	Audit on File:	05/31/2012
AA Date:	12-01-2011	Supp. AA Date:		Loan Balance:	\$1,613,866.89

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
12-01-2013	\$38,285.17	\$8,453.14	\$46,738.31	\$2,113.29		\$48,851.60	\$1,652,343.48	\$4,250.00	\$4,250.00
76,761.76 06-01-2014	\$38,476.59	\$8,261.72	\$46,738.31	\$2,065.43	20,893.58	\$48,803.74	\$1,613,866.89	\$0.00	\$4,250.00
12-01-2014	\$38,668.98	\$8,069.33	\$46,738.31	\$2,017.33		\$48,755.64	\$1,575,197.91	\$4,250.00	\$8,500.00
77,531.36 06-01-2015	\$38,862.32	\$7,875.99	\$46,738.31	\$1,969.00	19,931.65	\$48,707.31	\$1,536,335.59	\$0.00	\$8,500.00
12-01-2015	\$39,056.63	\$7,681.68	\$46,738.31	\$1,920.42		\$48,658.73	\$1,497,278.96	\$4,250.00	\$12,750.00
78,308.55 06-01-2016	\$39,251.92	\$7,486.39	\$46,738.31	\$1,871.60	18,960.09	\$48,609.91	\$1,458,027.04	\$0.00	\$12,750.00
12-01-2016	\$39,448.17	\$7,290.14	\$46,738.31	\$1,822.53		\$48,560.84	\$1,418,578.87	\$4,250.00	\$17,000.00
79,093.59 06-01-2017	\$39,645.42	\$7,092.89	\$46,738.31	\$1,773.22	17,978.78	\$48,511.53	\$1,378,933.45	\$0.00	\$17,000.00
12-01-2017	\$39,843.64	\$6,894.67	\$46,738.31	\$1,723.67		\$48,461.98	\$1,339,089.81	\$4,250.00	\$21,250.00
79,886.50 06-01-2018	\$40,042.86	\$6,695.45	\$46,738.31	\$1,673.86	16,987.65	\$48,412.17	\$1,299,046.95	\$0.00	\$21,250.00
12-01-2018	\$40,243.08	\$6,495.23	\$46,738.31	\$1,623.81		\$48,362.12	\$1,258,803.87	\$4,250.00	\$25,500.00
80,371.37 06-01-2019	\$40,444.29	\$6,294.02	\$46,738.31	\$1,573.50	15,986.56	\$48,311.81	\$1,218,359.58	\$0.00	\$25,500.00
12-01-2019	\$40,646.51	\$6,091.80	\$46,738.31	\$1,522.95		\$48,261.26	\$1,177,713.07	\$4,250.00	\$29,750.00
81,496.35 06-01-2020	\$40,849.74	\$5,888.57	\$46,738.31	\$1,472.14	14,995.46	\$48,210.45	\$1,136,863.33	\$0.00	\$29,750.00
12-01-2020	\$41,053.99	\$5,684.32	\$46,738.31	\$1,421.08		\$48,159.39	\$1,095,809.34	\$4,250.00	\$34,000.00
82,313.25 06-01-2021	\$41,259.26	\$5,479.05	\$46,738.31	\$1,369.76	13,954.21	\$48,108.07	\$1,054,550.08	\$0.00	\$34,000.00
12-01-2021	\$41,465.56	\$5,272.75	\$46,738.31	\$1,318.19		\$48,056.50	\$1,013,084.52	\$4,250.00	\$38,250.00
83,138.45 06-01-2022	\$41,672.89	\$5,065.42	\$46,738.31	\$1,266.36	12,922.72	\$48,004.67	\$971,411.63	\$0.00	\$38,250.00
12-01-2022	\$41,881.25	\$4,857.06	\$46,738.31	\$1,214.26		\$47,952.57	\$929,530.38	\$4,250.00	\$42,500.00
83,971.91 06-01-2023	\$42,090.66	\$4,647.65	\$46,738.31	\$1,161.91	11,880.88	\$47,900.22	\$887,439.72	\$0.00	\$42,500.00
12-01-2023	\$42,301.11	\$4,437.20	\$46,738.31	\$1,109.30		\$47,847.61	\$845,138.61	\$0.00	\$42,500.00
84,813.73 06-01-2024	\$42,512.62	\$4,225.69	\$46,738.31	\$1,056.42	10,828.61	\$47,794.73	\$802,625.99	\$0.00	\$42,500.00
12-01-2024	\$42,725.18	\$4,013.13	\$46,738.31	\$1,003.28		\$47,741.59	\$759,900.81	\$0.00	\$42,500.00
85,663.99 06-01-2025	\$42,938.81	\$3,799.50	\$46,738.31	\$949.88	9,765.79	\$47,688.19	\$716,962.00	\$0.00	\$42,500.00
12-01-2025	\$43,153.50	\$3,584.81	\$46,738.31	\$896.20		\$47,634.51	\$673,808.50	\$0.00	\$42,500.00
86,522.77 06-01-2026	\$43,369.27	\$3,369.04	\$46,738.31	\$842.26	8,692.31	\$47,580.57	\$630,439.23	\$0.00	\$42,500.00
12-01-2026	\$43,586.11	\$3,152.20	\$46,738.31	\$788.05		\$47,526.36	\$586,853.12	\$0.00	\$42,500.00
87,390.15 06-01-2027	\$43,804.04	\$2,934.27	\$46,738.31	\$733.57	7,608.09	\$47,471.88	\$543,049.08	\$0.00	\$42,500.00
12-01-2027	\$44,023.06	\$2,715.25	\$46,738.31	\$678.81		\$47,417.12	\$499,026.02	\$0.00	\$42,500.00
88,266.24 06-01-2028	\$44,243.18	\$2,495.13	\$46,738.31	\$623.78	6,512.97	\$47,362.09	\$454,782.84	\$0.00	\$42,500.00
12-01-2028	\$44,464.40	\$2,273.91	\$46,738.31	\$568.48		\$47,306.79	\$410,318.44	\$0.00	\$42,500.00
89,157.12 06-01-2029	\$44,686.72	\$2,051.59	\$46,738.31	\$512.90	5,406.88	\$47,251.21	\$365,631.72	\$0.00	\$42,500.00
12-01-2029	\$44,910.15	\$1,828.16	\$46,738.31	\$457.04		\$47,195.35	\$320,721.57	\$0.00	\$42,500.00
90,111.05 06-01-2030	\$45,134.70	\$1,603.61	\$46,738.31	\$400.90	4,289.71	\$47,139.21	\$275,586.87	\$0.00	\$42,500.00
12-01-2030	\$45,360.38	\$1,377.93	\$46,738.31	\$344.48		\$47,082.79	\$230,226.49	\$0.00	\$42,500.00
90,947.56 06-01-2031	\$45,587.18	\$1,151.13	\$46,738.31	\$287.78	3,181.32	\$47,026.09	\$184,639.31	\$0.00	\$42,500.00

**Kentucky Infrastructure Authority - Loan Amortization Schedule
City of Louisa - Loan Number F10-03**

Amortization Table									
Payment Date	Principal Due	Interest Due	Principal & Interest	Service Fee	Credit Due	Total Payment	Principal Balance	R&M Reserve Due	R&M Reserve Total
12-01-2031	\$45,815.11	\$923.20	\$46,738.31	\$230.80		\$46,969.11	\$138,824.20	\$0.00	\$42,500.00
91,959.30 06-01-2032	\$46,044.19	\$694.12	\$46,738.31	\$173.53	2,021.65	\$46,911.84	\$92,780.01	\$0.00	\$42,500.00
12-01-2032	\$46,274.41	\$463.90	\$46,738.31	\$115.98		\$46,854.29	\$46,505.60	\$0.00	\$42,500.00
92,780.01 06-01-2033	\$46,505.60	\$232.71	\$46,738.31	\$58.13	270.72	\$46,796.44	\$0.00	\$0.00	\$42,500.00
Totals:	\$1,690,628.65	\$178,903.75	\$1,869,532.40	\$44,725.88		\$1,914,258.28		\$42,500.00	

223,629.63

223,629.63

KACO Loan

City of Louisa

#1BP2017B

Utilities Upgrades Portion

Payment Schedule

Date	Principal	Interest	Total P+I	Expenses	Net New D/S	Lease Balance
06/30/2018	-	24,920.35	24,920.35	2,386.57	27,306.92	1,601,511.16
06/30/2019	89,208.84	52,273.40	141,482.24	4,577.26	146,059.50	1,512,302.32
06/30/2020	93,456.88	48,705.06	142,161.94	4,354.24	146,516.18	1,418,845.44
06/30/2021	97,704.92	44,966.78	142,671.70	4,120.60	146,792.30	1,321,140.52
06/30/2022	97,704.92	41,058.58	138,763.50	3,876.34	142,639.84	1,223,435.60
06/30/2023	106,201.00	37,150.38	143,351.38	3,632.07	146,983.45	1,117,234.60
06/30/2024	110,449.04	32,902.34	143,351.38	3,366.57	146,717.95	1,006,785.56
06/30/2025	114,697.09	28,484.38	143,181.47	3,090.45	146,271.92	892,088.47
06/30/2026	118,945.13	23,896.50	142,841.63	2,803.71	145,645.34	773,143.34
06/30/2027	118,945.13	21,517.60	140,462.73	2,506.34	142,969.07	654,198.21
06/30/2028	123,193.17	18,841.34	142,034.51	2,208.98	144,243.49	531,005.04
06/30/2029	127,441.21	15,761.50	143,202.71	1,901.00	145,103.71	403,563.83
06/30/2030	131,689.25	11,938.26	143,627.51	1,582.39	145,209.90	271,874.58
06/30/2031	131,689.25	7,987.58	139,676.83	1,253.17	140,930.00	140,185.33
06/30/2032	140,185.33	4,903.64	145,088.97	923.95	146,012.92	-
Total	\$1,601,511.16	\$415,307.69	\$2,016,818.85	\$42,583.64	\$2,059,402.49	-

8/2/2017 | 4:06 PM

KENTUCKY INFRASTRUCTURE AUTHORITY
REPAYMENT SCHEDULE
LOAN #F02-06
LOUISA, CITY OF
SUBJECT TO CHANGE WITH ADDITIONAL DRAWS

1.00% Rate
\$100,791.65 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	TOTAL INTEREST SERV FEE	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
12/01/04	\$82,538.63	\$18,224.06	1.0000%	\$100,762.69		\$4,556.01	\$0.00	\$105,318.71	\$3,644,811.10	\$50,000.00	\$50,000.00
06/01/05	\$82,951.33	\$17,811.36	1.0000%	\$100,762.69		\$4,452.84	\$0.00	\$105,215.53	\$3,480,321.13	\$0.00	\$50,000.00
12/01/05	\$83,390.04	\$17,400.36	1.0000%	\$100,790.40	21,750.76	\$4,350.40	\$0.00	\$105,140.81	\$3,396,931.09	\$50,000.00	\$100,000.00
06/01/06	\$83,806.99	\$16,984.66	1.0000%	\$100,791.65		\$4,246.16	\$0.00	\$105,037.82	\$3,313,124.10	\$0.00	\$100,000.00
12/01/06	\$84,226.03	\$16,565.62	1.0000%	\$100,791.65	41,737.85	\$4,141.41	\$0.00	\$104,933.06	\$3,228,898.06	\$50,000.00	\$150,000.00
06/01/07	\$84,647.16	\$16,144.49	1.0000%	\$100,791.65		\$4,036.12	\$0.00	\$104,827.78	\$3,144,250.90	\$0.00	\$150,000.00
12/01/07	\$85,070.39	\$15,721.26	1.0000%	\$100,791.65	39,832.18	\$3,930.31	\$0.00	\$104,721.97	\$3,059,180.51	\$50,000.00	\$200,000.00
06/01/08	\$85,495.75	\$15,295.90	1.0000%	\$100,791.65		\$3,823.98	\$0.00	\$104,615.63	\$2,973,684.75	\$0.00	\$200,000.00
12/01/08	\$85,923.23	\$14,868.42	1.0000%	\$100,791.65	37,709.41	\$3,717.11	\$0.00	\$104,508.76	\$2,887,761.52	\$50,000.00	\$250,000.00
06/01/09	\$86,352.84	\$14,438.81	1.0000%	\$100,791.65		\$3,609.70	\$0.00	\$104,401.36	\$2,801,408.67	\$0.00	\$250,000.00
12/01/09	\$86,784.61	\$14,007.04	1.0000%	\$100,791.65	35,557.31	\$3,501.76	\$0.00	\$104,293.41	\$2,714,624.06	\$50,000.00	\$300,000.00
06/01/10	\$87,218.53	\$13,573.12	1.0000%	\$100,791.65		\$3,393.28	\$0.00	\$104,184.93	\$2,627,405.53	\$0.00	\$300,000.00
12/01/10	\$87,654.63	\$13,137.02	1.0000%	\$100,791.65	33,387.68	\$3,284.26	\$0.00	\$104,075.91	\$2,539,750.89	\$50,000.00	\$350,000.00
06/01/11	\$88,092.89	\$12,698.76	1.0000%	\$100,791.65		\$3,174.69	\$0.00	\$103,966.34	\$2,451,658.00	\$0.00	\$350,000.00
12/01/11	\$88,533.36	\$12,258.29	1.0000%	\$100,791.65	31,196.31	\$3,064.57	\$0.00	\$103,856.23	\$2,363,124.64	\$50,000.00	\$400,000.00
06/01/12	\$88,976.03	\$11,815.62	1.0000%	\$100,791.65		\$2,953.91	\$0.00	\$103,745.56	\$2,274,148.60	\$0.00	\$400,000.00
12/01/12	\$89,420.90	\$11,370.75	1.0000%	\$100,791.65	28,982.87	\$2,842.69	\$0.00	\$103,634.34	\$2,184,727.70	\$50,000.00	\$450,000.00
06/01/13	\$89,868.01	\$10,923.64	1.0000%	\$100,791.65		\$2,730.91	\$0.00	\$103,522.56	\$2,094,859.68	\$0.00	\$450,000.00
12/01/13	\$90,317.35	\$10,474.30	1.0000%	\$100,791.65	26,747.47	\$2,618.57	\$0.00	\$103,410.23	\$2,004,542.33	\$50,000.00	\$500,000.00
06/01/14	\$90,768.94	\$10,022.71	1.0000%	\$100,791.65		\$2,505.68	\$0.00	\$103,297.33	\$1,913,773.39	\$0.00	\$500,000.00
12/01/14	\$91,222.78	\$9,568.87	1.0000%	\$100,791.65	24,477.00	\$2,392.22	\$0.00	\$103,183.87	\$1,822,550.60	\$0.00	\$500,000.00
06/01/15	\$91,678.90	\$9,112.75	1.0000%	\$100,791.65	23,352.03	\$2,278.19	\$0.00	\$103,069.84	\$1,730,871.70	\$0.00	\$500,000.00
12/01/15	\$92,137.29	\$8,654.36	1.0000%	\$100,791.65		\$2,163.59	\$0.00	\$102,955.24	\$1,638,734.41	\$0.00	\$500,000.00
06/01/16	\$92,597.98	\$8,193.67	1.0000%	\$100,791.65	21,060.04	\$2,048.42	\$0.00	\$102,840.07	\$1,546,136.42	\$0.00	\$500,000.00
12/01/16	\$93,060.97	\$7,730.68	1.0000%	\$100,791.65	19,000.00	\$1,932.67	\$0.00	\$102,724.32	\$1,453,075.45	\$0.00	\$500,000.00
06/01/17	\$93,526.27	\$7,265.38	1.0000%	\$100,791.65	18,745.07	\$1,816.34	\$0.00	\$102,608.00	\$1,359,549.18	\$0.00	\$500,000.00
12/01/17	\$93,993.91	\$6,797.74	1.0000%	\$100,791.65		\$1,699.44	\$0.00	\$102,491.09	\$1,265,555.26	\$0.00	\$500,000.00
06/01/18	\$94,463.87	\$6,327.78	1.0000%	\$100,791.65	16,466.90	\$1,581.94	\$0.00	\$102,373.60	\$1,171,091.39	\$0.00	\$500,000.00
12/01/18	\$94,936.20	\$5,855.45	1.0000%	\$100,791.65		\$1,463.86	\$0.00	\$102,255.52	\$1,076,155.18	\$0.00	\$500,000.00
06/01/19	\$95,410.87	\$5,380.78	1.0000%	\$100,791.65	14,045.28	\$1,345.19	\$0.00	\$102,136.85	\$980,744.31	\$0.00	\$500,000.00
12/01/19	\$95,887.93	\$4,903.72	1.0000%	\$100,791.65		\$1,225.93	\$0.00	\$102,017.58	\$884,856.38	\$0.00	\$500,000.00
06/01/20	\$96,367.37	\$4,424.28	1.0000%	\$100,791.65	11,660.00	\$1,106.07	\$0.00	\$101,897.72	\$788,489.00	\$0.00	\$500,000.00
12/01/20	\$96,849.21	\$3,942.44	1.0000%	\$100,791.65		\$985.61	\$0.00	\$101,777.26	\$691,639.79	\$0.00	\$500,000.00
06/01/21	\$97,333.45	\$3,458.20	1.0000%	\$100,791.65	9,250.90	\$864.55	\$0.00	\$101,656.20	\$594,306.34	\$0.00	\$500,000.00
12/01/21	\$97,820.12	\$2,971.53	1.0000%	\$100,791.65		\$742.88	\$0.00	\$101,534.54	\$496,486.21	\$0.00	\$500,000.00
06/01/22	\$98,309.22	\$2,482.43	1.0000%	\$100,791.65	6,817.45	\$620.61	\$0.00	\$101,412.26	\$398,176.99	\$0.00	\$500,000.00
12/01/22	\$98,800.77	\$1,990.88	1.0000%	\$100,791.65		\$497.72	\$0.00	\$101,289.37	\$299,376.21	\$0.00	\$500,000.00
06/01/23	\$99,294.77	\$1,496.88	1.0000%	\$100,791.65	4,359.70	\$374.22	\$0.00	\$101,165.87	\$200,081.44	\$0.00	\$500,000.00
12/01/23	\$99,791.24	\$1,000.41	1.0000%	\$100,791.65		\$250.10	\$0.00	\$101,041.76	\$100,290.20	\$0.00	\$500,000.00
06/01/24	\$100,286.43	\$501.46	1.0000%	\$100,791.65	1,877.33	\$125.36	\$0.00	\$100,917.02	\$0.00	\$0.00	\$500,000.00
Totals	\$3,645,811.10	\$385,795.88		\$4,031,606.98		\$96,449.28	\$0.00	\$4,128,056.26		\$500,000.00	

5/1/05 3,480,321.13

247,807

407,888 5,700.92

KA 3,313,124.10

50,000 304,000

KENTUCKY INFRASTRUCTURE AUTHORITY
PAYMENT SCHEDULE
PLAN #FO2-06
MUNICIPALITY, CITY OF
SUBJECT TO CHANGE WITH ADDITIONAL DRAWS

1.00% Rate
 \$100,791.65 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	TOTAL INTEREST SERV FEE	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
									\$3,644,811.10		
12/01/04									\$3,644,811.10		
06/01/05	PD 5/19/05 \$82,538.63	\$18,224.06	1.0000%	\$100,762.69		\$4,556.01	\$0.00	\$105,318.71	\$3,562,272.47	\$50,000.00	\$50,000.00
12/01/05	83,390.04 \$82,951.33	\$17,811.36	1.0000%	\$100,762.69		\$4,452.84	\$0.00	\$105,215.53	\$3,480,321.13	\$0.00	\$50,000.00
06/01/06	83,390.04 \$83,390.04	\$17,400.36	1.0000%	\$100,790.40	21,750.76	\$4,350.40	\$0.00	\$105,140.81	\$3,396,931.09	\$50,000.00	\$100,000.00
12/01/06	168,033.02 \$83,806.99	\$16,984.66	1.0000%	\$100,791.65		\$4,246.16	\$0.00	\$105,037.82	\$3,313,124.10	\$0.00	\$100,000.00
06/01/07	169,717.55 \$84,226.03	\$16,565.62	1.0000%	\$100,791.65	41,737.85	\$4,141.41	\$0.00	\$104,933.06	\$3,228,898.06	\$50,000.00	\$150,000.00
12/01/07	171,418.98 \$84,647.16	\$16,144.49	1.0000%	\$100,791.65		\$4,036.12	\$0.00	\$104,827.78	\$3,144,250.90	\$0.00	\$150,000.00
06/01/08	173,137.45 \$85,070.39	\$15,721.26	1.0000%	\$100,791.65	39,832.18	\$3,930.31	\$0.00	\$104,721.97	\$3,059,180.51	\$50,000.00	\$200,000.00
12/01/08	176,026.25 \$85,495.75	\$15,295.90	1.0000%	\$100,791.65		\$3,823.98	\$0.00	\$104,615.63	\$2,973,684.75	\$0.00	\$200,000.00
06/01/09	177,874.45 \$85,923.23	\$14,868.42	1.0000%	\$100,791.65	37,709.41	\$3,717.11	\$0.00	\$104,508.76	\$2,887,761.52	\$50,000.00	\$250,000.00
12/01/09	179,837.45 \$86,352.84	\$14,438.81	1.0000%	\$100,791.65		\$3,609.70	\$0.00	\$104,401.36	\$2,801,408.67	\$0.00	\$250,000.00
06/01/10	180,885.36 \$86,784.61	\$14,007.04	1.0000%	\$100,791.65	35,557.31	\$3,501.76	\$0.00	\$104,293.41	\$2,714,624.06	\$50,000.00	\$300,000.00
12/01/10	182,916.16 \$87,218.53	\$13,573.12	1.0000%	\$100,791.65		\$3,393.28	\$0.00	\$104,184.93	\$2,627,405.53	\$0.00	\$300,000.00
06/01/11	185,026.25 \$87,654.63	\$13,137.02	1.0000%	\$100,791.65	33,387.68	\$3,284.26	\$0.00	\$104,075.91	\$2,539,750.89	\$50,000.00	\$350,000.00
12/01/11	187,196.93 \$88,092.89	\$12,698.76	1.0000%	\$100,791.65		\$3,174.69	\$0.00	\$103,966.34	\$2,451,658.00	\$0.00	\$350,000.00
06/01/12	189,440.07 \$88,533.36	\$12,258.29	1.0000%	\$100,791.65	31,196.31	\$3,064.57	\$0.00	\$103,856.23	\$2,363,124.64	\$50,000.00	\$400,000.00
12/01/12	191,778.80 \$88,976.03	\$11,815.62	1.0000%	\$100,791.65		\$2,953.91	\$0.00	\$103,745.56	\$2,274,148.60	\$0.00	\$400,000.00
06/01/13	194,209.07 \$89,420.90	\$11,370.75	1.0000%	\$100,791.65	28,982.87	\$2,842.69	\$0.00	\$103,634.34	\$2,184,727.70	\$50,000.00	\$450,000.00
12/01/13	196,729.25 \$89,868.01	\$10,923.64	1.0000%	\$100,791.65		\$2,730.91	\$0.00	\$103,522.56	\$2,094,859.68	\$0.00	\$450,000.00
06/01/14	199,349.93 \$90,317.35	\$10,474.30	1.0000%	\$100,791.65	26,747.42	\$2,618.57	\$0.00	\$103,410.23	\$2,004,542.33	\$50,000.00	\$500,000.00
12/01/14	202,070.12 \$90,768.94	\$10,022.71	1.0000%	\$100,791.65		\$2,505.68	\$0.00	\$103,297.33	\$1,913,773.39	\$0.00	\$500,000.00
06/01/15	204,890.31 \$91,222.78	\$9,568.87	1.0000%	\$100,791.65	24,489.48	\$2,392.22	\$0.00	\$103,183.87	\$1,822,550.60	\$0.00	\$500,000.00
12/01/15	207,800.50 \$91,678.90	\$9,112.75	1.0000%	\$100,791.65		\$2,278.19	\$0.00	\$103,069.84	\$1,730,871.70	\$0.00	\$500,000.00
06/01/16	210,800.69 \$92,137.29	\$8,654.36	1.0000%	\$100,791.65	22,208.87	\$2,163.59	\$0.00	\$102,955.24	\$1,638,734.41	\$0.00	\$500,000.00
12/01/16	213,890.88 \$92,597.98	\$8,193.67	1.0000%	\$100,791.65		\$2,048.42	\$0.00	\$102,840.07	\$1,546,136.42	\$0.00	\$500,000.00
06/01/17	217,071.07 \$93,060.97	\$7,730.68	1.0000%	\$100,791.65	19,905.44	\$1,932.67	\$0.00	\$102,724.32	\$1,453,075.45	\$0.00	\$500,000.00
12/01/17	220,341.26 \$93,526.27	\$7,265.38	1.0000%	\$100,791.65		\$1,816.34	\$0.00	\$102,608.00	\$1,359,549.18	\$0.00	\$500,000.00
06/01/18	223,701.45 \$93,993.91	\$6,797.74	1.0000%	\$100,791.65	17,578.90	\$1,699.44	\$0.00	\$102,491.09	\$1,265,555.26	\$0.00	\$500,000.00
12/01/18	227,151.64 \$94,463.87	\$6,327.78	1.0000%	\$100,791.65		\$1,581.94	\$0.00	\$102,373.60	\$1,171,091.39	\$0.00	\$500,000.00
06/01/19	230,691.83 \$94,936.20	\$5,855.45	1.0000%	\$100,791.65	15,229.03	\$1,463.86	\$0.00	\$102,255.52	\$1,076,155.18	\$0.00	\$500,000.00
12/01/19	234,322.02 \$95,410.87	\$5,380.78	1.0000%	\$100,791.65		\$1,345.19	\$0.00	\$102,136.85	\$980,744.31	\$0.00	\$500,000.00
06/01/20	238,042.21 \$95,887.93	\$4,903.72	1.0000%	\$100,791.65	12,855.62	\$1,225.93	\$0.00	\$102,017.58	\$884,856.38	\$0.00	\$500,000.00
12/01/20	241,852.40 \$96,367.37	\$4,424.28	1.0000%	\$100,791.65		\$1,106.07	\$0.00	\$101,897.72	\$788,489.00	\$0.00	\$500,000.00
06/01/21	245,752.59 \$96,849.21	\$3,942.44	1.0000%	\$100,791.65	10,458.40	\$985.61	\$0.00	\$101,777.26	\$691,639.79	\$0.00	\$500,000.00
12/01/21	250,742.78 \$97,333.45	\$3,458.20	1.0000%	\$100,791.65		\$864.55	\$0.00	\$101,656.20	\$594,306.34	\$0.00	\$500,000.00
06/01/22	255,822.97 \$97,820.12	\$2,971.53	1.0000%	\$100,791.65	8,037.16	\$742.88	\$0.00	\$101,534.54	\$496,486.21	\$0.00	\$500,000.00
12/01/22	261,003.16 \$98,309.22	\$2,482.43	1.0000%	\$100,791.65		\$620.61	\$0.00	\$101,412.26	\$398,176.99	\$0.00	\$500,000.00
06/01/23	266,283.35 \$98,800.77	\$1,990.88	1.0000%	\$100,791.65	5,591.64	\$497.72	\$0.00	\$101,289.37	\$299,376.21	\$0.00	\$500,000.00
12/01/23	271,763.54 \$99,294.77	\$1,496.88	1.0000%	\$100,791.65		\$374.22	\$0.00	\$101,165.87	\$200,081.44	\$0.00	\$500,000.00
06/01/24	277,343.73 \$99,791.24	\$1,000.41	1.0000%	\$100,791.65	3,121.61	\$250.10	\$0.00	\$101,041.76	\$100,290.20	\$0.00	\$500,000.00
12/01/24	283,023.92 \$100,290.19	\$501.46	1.0000%	\$100,791.65	26.82	\$125.36	\$0.00	\$100,917.02	\$0.00	\$0.00	\$500,000.00
Totals	\$3,645,811.10	\$385,795.88		\$4,031,606.98		\$96,449.28	\$0.00	\$4,128,056.26		\$500,000.00	

Created by KIA on 11/3/2005

469 3,480,321.13

349,760.46

437,200.88 87,440.42

5/31/06 3,313,124.10

5/31/06 394,219.28



MyCalculators.com

Amortization Schedule

\$750,000.00 Loan with Monthly Payments

0.05% Interest Rate -Compounded Monthly

\$3,140.72 Monthly Payment beginning Apr 2023

240 Payments

<u>Month</u>	<u>Payment</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Remaining Balance</u>
1 Apr	\$ 3,140.72	\$ 3,109.47	\$ 31.25	\$ 746,890.53
2 May	\$ 3,140.72	\$ 3,109.60	\$ 31.12	\$ 743,780.93
3 June	\$ 3,140.72	\$ 3,109.73	\$ 30.99	\$ 740,671.20
4 July	\$ 3,140.72	\$ 3,109.86	\$ 30.86	\$ 737,561.34
5 Aug	\$ 3,140.72	\$ 3,109.99	\$ 30.73	\$ 734,451.35
6 Sept	\$ 3,140.72	\$ 3,110.12	\$ 30.60	\$ 731,341.23
7 Oct	\$ 3,140.72	\$ 3,110.25	\$ 30.47	\$ 728,230.98
8 Nov	\$ 3,140.72	\$ 3,110.38	\$ 30.34	\$ 725,120.60
9 Dec	\$ 3,140.72	\$ 3,110.51	\$ 30.21	\$ 722,010.09
Totals Paid in 2023	\$ 28,266.48	\$ 27,989.91	\$ 276.57	
10 Jan	\$ 3,140.72	\$ 3,110.64	\$ 30.08	\$ 718,899.45
11 Feb	\$ 3,140.72	\$ 3,110.77	\$ 29.95	\$ 715,788.68
12 Mar	\$ 3,140.72	\$ 3,110.90	\$ 29.82	\$ 712,677.78
13 Apr	\$ 3,140.72	\$ 3,111.03	\$ 29.69	\$ 709,566.75
14 May	\$ 3,140.72	\$ 3,111.15	\$ 29.57	\$ 706,455.60
15 June	\$ 3,140.72	\$ 3,111.28	\$ 29.44	\$ 703,344.32
16 July	\$ 3,140.72	\$ 3,111.41	\$ 29.31	\$ 700,232.91
17 Aug	\$ 3,140.72	\$ 3,111.54	\$ 29.18	\$ 697,121.37
18 Sept	\$ 3,140.72	\$ 3,111.67	\$ 29.05	\$ 694,009.70
19 Oct	\$ 3,140.72	\$ 3,111.80	\$ 28.92	\$ 690,897.90
20 Nov	\$ 3,140.72	\$ 3,111.93	\$ 28.79	\$ 687,785.97
21 Dec	\$ 3,140.72	\$ 3,112.06	\$ 28.66	\$ 684,673.91
Totals Paid in 2024	\$ 37,688.64	\$ 37,336.18	\$ 352.46	
22 Jan	\$ 3,140.72	\$ 3,112.19	\$ 28.53	\$ 681,561.72

23	Feb	\$ 3,140.72	\$ 3,112.32	\$ 28.40	\$ 678,449.40
24	Mar	\$ 3,140.72	\$ 3,112.45	\$ 28.27	\$ 675,336.95
25	Apr	\$ 3,140.72	\$ 3,112.58	\$ 28.14	\$ 672,224.37
26	May	\$ 3,140.72	\$ 3,112.71	\$ 28.01	\$ 669,111.66
27	June	\$ 3,140.72	\$ 3,112.84	\$ 27.88	\$ 665,998.82
28	July	\$ 3,140.72	\$ 3,112.97	\$ 27.75	\$ 662,885.85
29	Aug	\$ 3,140.72	\$ 3,113.10	\$ 27.62	\$ 659,772.75
30	Sept	\$ 3,140.72	\$ 3,113.23	\$ 27.49	\$ 656,659.52
31	Oct	\$ 3,140.72	\$ 3,113.36	\$ 27.36	\$ 653,546.16
32	Nov	\$ 3,140.72	\$ 3,113.49	\$ 27.23	\$ 650,432.67
33	Dec	\$ 3,140.72	\$ 3,113.62	\$ 27.10	\$ 647,319.05
Totals Paid in 2025		\$ 37,688.64	\$ 37,354.86	\$ 333.78	

34	Jan	\$ 3,140.72	\$ 3,113.75	\$ 26.97	\$ 644,205.30
35	Feb	\$ 3,140.72	\$ 3,113.88	\$ 26.84	\$ 641,091.42
36	Mar	\$ 3,140.72	\$ 3,114.01	\$ 26.71	\$ 637,977.41
37	Apr	\$ 3,140.72	\$ 3,114.14	\$ 26.58	\$ 634,863.27
38	May	\$ 3,140.72	\$ 3,114.27	\$ 26.45	\$ 631,749.00
39	June	\$ 3,140.72	\$ 3,114.40	\$ 26.32	\$ 628,634.60
40	July	\$ 3,140.72	\$ 3,114.53	\$ 26.19	\$ 625,520.07
41	Aug	\$ 3,140.72	\$ 3,114.66	\$ 26.06	\$ 622,405.41
42	Sept	\$ 3,140.72	\$ 3,114.79	\$ 25.93	\$ 619,290.62
43	Oct	\$ 3,140.72	\$ 3,114.92	\$ 25.80	\$ 616,175.70
44	Nov	\$ 3,140.72	\$ 3,115.05	\$ 25.67	\$ 613,060.65
45	Dec	\$ 3,140.72	\$ 3,115.18	\$ 25.54	\$ 609,945.47
Totals Paid in 2026		\$ 37,688.64	\$ 37,373.58	\$ 315.06	

46	Jan	\$ 3,140.72	\$ 3,115.31	\$ 25.41	\$ 606,830.16
47	Feb	\$ 3,140.72	\$ 3,115.44	\$ 25.28	\$ 603,714.72
48	Mar	\$ 3,140.72	\$ 3,115.57	\$ 25.15	\$ 600,599.15
49	Apr	\$ 3,140.72	\$ 3,115.70	\$ 25.02	\$ 597,483.45
50	May	\$ 3,140.72	\$ 3,115.82	\$ 24.90	\$ 594,367.63
51	June	\$ 3,140.72	\$ 3,115.95	\$ 24.77	\$ 591,251.68
52	July	\$ 3,140.72	\$ 3,116.08	\$ 24.64	\$ 588,135.60
53	Aug	\$ 3,140.72	\$ 3,116.21	\$ 24.51	\$ 585,019.39

54	Sept	\$ 3,140.72	\$ 3,116.34	\$ 24.38	\$ 581,903.05
55	Oct	\$ 3,140.72	\$ 3,116.47	\$ 24.25	\$ 578,786.58
56	Nov	\$ 3,140.72	\$ 3,116.60	\$ 24.12	\$ 575,669.98
57	Dec	\$ 3,140.72	\$ 3,116.73	\$ 23.99	\$ 572,553.25
Totals Paid in 2027		\$ 37,688.64	\$ 37,392.22	\$ 296.42	

58	Jan	\$ 3,140.72	\$ 3,116.86	\$ 23.86	\$ 569,436.39
59	Feb	\$ 3,140.72	\$ 3,116.99	\$ 23.73	\$ 566,319.40
60	Mar	\$ 3,140.72	\$ 3,117.12	\$ 23.60	\$ 563,202.28
61	Apr	\$ 3,140.72	\$ 3,117.25	\$ 23.47	\$ 560,085.03
62	May	\$ 3,140.72	\$ 3,117.38	\$ 23.34	\$ 556,967.65
63	June	\$ 3,140.72	\$ 3,117.51	\$ 23.21	\$ 553,850.14
64	July	\$ 3,140.72	\$ 3,117.64	\$ 23.08	\$ 550,732.50
65	Aug	\$ 3,140.72	\$ 3,117.77	\$ 22.95	\$ 547,614.73
66	Sept	\$ 3,140.72	\$ 3,117.90	\$ 22.82	\$ 544,496.83
67	Oct	\$ 3,140.72	\$ 3,118.03	\$ 22.69	\$ 541,378.80
68	Nov	\$ 3,140.72	\$ 3,118.16	\$ 22.56	\$ 538,260.64
69	Dec	\$ 3,140.72	\$ 3,118.29	\$ 22.43	\$ 535,142.35
Totals Paid in 2028		\$ 37,688.64	\$ 37,410.90	\$ 277.74	

70	Jan	\$ 3,140.72	\$ 3,118.42	\$ 22.30	\$ 532,023.93
71	Feb	\$ 3,140.72	\$ 3,118.55	\$ 22.17	\$ 528,905.38
72	Mar	\$ 3,140.72	\$ 3,118.68	\$ 22.04	\$ 525,786.70
73	Apr	\$ 3,140.72	\$ 3,118.81	\$ 21.91	\$ 522,667.89
74	May	\$ 3,140.72	\$ 3,118.94	\$ 21.78	\$ 519,548.95
75	June	\$ 3,140.72	\$ 3,119.07	\$ 21.65	\$ 516,429.88
76	July	\$ 3,140.72	\$ 3,119.20	\$ 21.52	\$ 513,310.68
77	Aug	\$ 3,140.72	\$ 3,119.33	\$ 21.39	\$ 510,191.35
78	Sept	\$ 3,140.72	\$ 3,119.46	\$ 21.26	\$ 507,071.89
79	Oct	\$ 3,140.72	\$ 3,119.59	\$ 21.13	\$ 503,952.30
80	Nov	\$ 3,140.72	\$ 3,119.72	\$ 21.00	\$ 500,832.58
81	Dec	\$ 3,140.72	\$ 3,119.85	\$ 20.87	\$ 497,712.73
Totals Paid in 2029		\$ 37,688.64	\$ 37,429.62	\$ 259.02	

82	Jan	\$ 3,140.72	\$ 3,119.98	\$ 20.74	\$ 494,592.75
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83	Feb	\$ 3,140.72	\$ 3,120.11	\$ 20.61	\$ 491,472.64
84	Mar	\$ 3,140.72	\$ 3,120.24	\$ 20.48	\$ 488,352.40
85	Apr	\$ 3,140.72	\$ 3,120.37	\$ 20.35	\$ 485,232.03
86	May	\$ 3,140.72	\$ 3,120.50	\$ 20.22	\$ 482,111.53
87	June	\$ 3,140.72	\$ 3,120.63	\$ 20.09	\$ 478,990.90
88	July	\$ 3,140.72	\$ 3,120.76	\$ 19.96	\$ 475,870.14
89	Aug	\$ 3,140.72	\$ 3,120.89	\$ 19.83	\$ 472,749.25
90	Sept	\$ 3,140.72	\$ 3,121.02	\$ 19.70	\$ 469,628.23
91	Oct	\$ 3,140.72	\$ 3,121.15	\$ 19.57	\$ 466,507.08
92	Nov	\$ 3,140.72	\$ 3,121.28	\$ 19.44	\$ 463,385.80
93	Dec	\$ 3,140.72	\$ 3,121.41	\$ 19.31	\$ 460,264.39
Totals Paid in 2030		\$ 37,688.64	\$ 37,448.34	\$ 240.30	

94	Jan	\$ 3,140.72	\$ 3,121.54	\$ 19.18	\$ 457,142.85
95	Feb	\$ 3,140.72	\$ 3,121.67	\$ 19.05	\$ 454,021.18
96	Mar	\$ 3,140.72	\$ 3,121.80	\$ 18.92	\$ 450,899.38
97	Apr	\$ 3,140.72	\$ 3,121.93	\$ 18.79	\$ 447,777.45
98	May	\$ 3,140.72	\$ 3,122.06	\$ 18.66	\$ 444,655.39
99	June	\$ 3,140.72	\$ 3,122.19	\$ 18.53	\$ 441,533.20
100	July	\$ 3,140.72	\$ 3,122.32	\$ 18.40	\$ 438,410.88
101	Aug	\$ 3,140.72	\$ 3,122.45	\$ 18.27	\$ 435,288.43
102	Sept	\$ 3,140.72	\$ 3,122.58	\$ 18.14	\$ 432,165.85
103	Oct	\$ 3,140.72	\$ 3,122.71	\$ 18.01	\$ 429,043.14
104	Nov	\$ 3,140.72	\$ 3,122.84	\$ 17.88	\$ 425,920.30
105	Dec	\$ 3,140.72	\$ 3,122.97	\$ 17.75	\$ 422,797.33
Totals Paid in 2031		\$ 37,688.64	\$ 37,467.06	\$ 221.58	

106	Jan	\$ 3,140.72	\$ 3,123.10	\$ 17.62	\$ 419,674.23
107	Feb	\$ 3,140.72	\$ 3,123.23	\$ 17.49	\$ 416,551.00
108	Mar	\$ 3,140.72	\$ 3,123.36	\$ 17.36	\$ 413,427.64
109	Apr	\$ 3,140.72	\$ 3,123.49	\$ 17.23	\$ 410,304.15
110	May	\$ 3,140.72	\$ 3,123.62	\$ 17.10	\$ 407,180.53
111	June	\$ 3,140.72	\$ 3,123.75	\$ 16.97	\$ 404,056.78
112	July	\$ 3,140.72	\$ 3,123.88	\$ 16.84	\$ 400,932.90
113	Aug	\$ 3,140.72	\$ 3,124.01	\$ 16.71	\$ 397,808.89

114	Sept	\$ 3,140.72	\$ 3,124.14	\$ 16.58	\$ 394,684.75
115	Oct	\$ 3,140.72	\$ 3,124.27	\$ 16.45	\$ 391,560.48
116	Nov	\$ 3,140.72	\$ 3,124.40	\$ 16.32	\$ 388,436.08
117	Dec	\$ 3,140.72	\$ 3,124.54	\$ 16.18	\$ 385,311.54
Totals Paid in 2032		\$ 37,688.64	\$ 37,485.79	\$ 202.85	

118	Jan	\$ 3,140.72	\$ 3,124.67	\$ 16.05	\$ 382,186.87
119	Feb	\$ 3,140.72	\$ 3,124.80	\$ 15.92	\$ 379,062.07
120	Mar	\$ 3,140.72	\$ 3,124.93	\$ 15.79	\$ 375,937.14
121	Apr	\$ 3,140.72	\$ 3,125.06	\$ 15.66	\$ 372,812.08
122	May	\$ 3,140.72	\$ 3,125.19	\$ 15.53	\$ 369,686.89
123	June	\$ 3,140.72	\$ 3,125.32	\$ 15.40	\$ 366,561.57
124	July	\$ 3,140.72	\$ 3,125.45	\$ 15.27	\$ 363,436.12
125	Aug	\$ 3,140.72	\$ 3,125.58	\$ 15.14	\$ 360,310.54
126	Sept	\$ 3,140.72	\$ 3,125.71	\$ 15.01	\$ 357,184.83
127	Oct	\$ 3,140.72	\$ 3,125.84	\$ 14.88	\$ 354,058.99
128	Nov	\$ 3,140.72	\$ 3,125.97	\$ 14.75	\$ 350,933.02
129	Dec	\$ 3,140.72	\$ 3,126.10	\$ 14.62	\$ 347,806.92
Totals Paid in 2033		\$ 37,688.64	\$ 37,504.62	\$ 184.02	

130	Jan	\$ 3,140.72	\$ 3,126.23	\$ 14.49	\$ 344,680.69
131	Feb	\$ 3,140.72	\$ 3,126.36	\$ 14.36	\$ 341,554.33
132	Mar	\$ 3,140.72	\$ 3,126.49	\$ 14.23	\$ 338,427.84
133	Apr	\$ 3,140.72	\$ 3,126.62	\$ 14.10	\$ 335,301.22
134	May	\$ 3,140.72	\$ 3,126.75	\$ 13.97	\$ 332,174.47
135	June	\$ 3,140.72	\$ 3,126.88	\$ 13.84	\$ 329,047.59
136	July	\$ 3,140.72	\$ 3,127.01	\$ 13.71	\$ 325,920.58
137	Aug	\$ 3,140.72	\$ 3,127.14	\$ 13.58	\$ 322,793.44
138	Sept	\$ 3,140.72	\$ 3,127.27	\$ 13.45	\$ 319,666.17
139	Oct	\$ 3,140.72	\$ 3,127.40	\$ 13.32	\$ 316,538.77
140	Nov	\$ 3,140.72	\$ 3,127.53	\$ 13.19	\$ 313,411.24
141	Dec	\$ 3,140.72	\$ 3,127.66	\$ 13.06	\$ 310,283.58
Totals Paid in 2034		\$ 37,688.64	\$ 37,523.34	\$ 165.30	

142	Jan	\$ 3,140.72	\$ 3,127.79	\$ 12.93	\$ 307,155.79
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143	Feb	\$ 3,140.72	\$ 3,127.92	\$ 12.80	\$ 304,027.87
144	Mar	\$ 3,140.72	\$ 3,128.05	\$ 12.67	\$ 300,899.82
145	Apr	\$ 3,140.72	\$ 3,128.18	\$ 12.54	\$ 297,771.64
146	May	\$ 3,140.72	\$ 3,128.31	\$ 12.41	\$ 294,643.33
147	June	\$ 3,140.72	\$ 3,128.44	\$ 12.28	\$ 291,514.89
148	July	\$ 3,140.72	\$ 3,128.57	\$ 12.15	\$ 288,386.32
149	Aug	\$ 3,140.72	\$ 3,128.70	\$ 12.02	\$ 285,257.62
150	Sept	\$ 3,140.72	\$ 3,128.83	\$ 11.89	\$ 282,128.79
151	Oct	\$ 3,140.72	\$ 3,128.96	\$ 11.76	\$ 278,999.83
152	Nov	\$ 3,140.72	\$ 3,129.10	\$ 11.62	\$ 275,870.73
153	Dec	\$ 3,140.72	\$ 3,129.23	\$ 11.49	\$ 272,741.50
Totals Paid in 2035		\$ 37,688.64	\$ 37,542.08	\$ 146.56	

154	Jan	\$ 3,140.72	\$ 3,129.36	\$ 11.36	\$ 269,612.14
155	Feb	\$ 3,140.72	\$ 3,129.49	\$ 11.23	\$ 266,482.65
156	Mar	\$ 3,140.72	\$ 3,129.62	\$ 11.10	\$ 263,353.03
157	Apr	\$ 3,140.72	\$ 3,129.75	\$ 10.97	\$ 260,223.28
158	May	\$ 3,140.72	\$ 3,129.88	\$ 10.84	\$ 257,093.40
159	June	\$ 3,140.72	\$ 3,130.01	\$ 10.71	\$ 253,963.39
160	July	\$ 3,140.72	\$ 3,130.14	\$ 10.58	\$ 250,833.25
161	Aug	\$ 3,140.72	\$ 3,130.27	\$ 10.45	\$ 247,702.98
162	Sept	\$ 3,140.72	\$ 3,130.40	\$ 10.32	\$ 244,572.58
163	Oct	\$ 3,140.72	\$ 3,130.53	\$ 10.19	\$ 241,442.05
164	Nov	\$ 3,140.72	\$ 3,130.66	\$ 10.06	\$ 238,311.39
165	Dec	\$ 3,140.72	\$ 3,130.79	\$ 9.93	\$ 235,180.60
Totals Paid in 2036		\$ 37,688.64	\$ 37,560.90	\$ 127.74	

166	Jan	\$ 3,140.72	\$ 3,130.92	\$ 9.80	\$ 232,049.68
167	Feb	\$ 3,140.72	\$ 3,131.05	\$ 9.67	\$ 228,918.63
168	Mar	\$ 3,140.72	\$ 3,131.18	\$ 9.54	\$ 225,787.45
169	Apr	\$ 3,140.72	\$ 3,131.31	\$ 9.41	\$ 222,656.14
170	May	\$ 3,140.72	\$ 3,131.44	\$ 9.28	\$ 219,524.70
171	June	\$ 3,140.72	\$ 3,131.57	\$ 9.15	\$ 216,393.13
172	July	\$ 3,140.72	\$ 3,131.70	\$ 9.02	\$ 213,261.43
173	Aug	\$ 3,140.72	\$ 3,131.83	\$ 8.89	\$ 210,129.60

174	Sept	\$ 3,140.72	\$ 3,131.96	\$ 8.76	\$ 206,997.64
175	Oct	\$ 3,140.72	\$ 3,132.10	\$ 8.62	\$ 203,865.54
176	Nov	\$ 3,140.72	\$ 3,132.23	\$ 8.49	\$ 200,733.31
177	Dec	\$ 3,140.72	\$ 3,132.36	\$ 8.36	\$ 197,600.95
Totals Paid in 2037		\$ 37,688.64	\$ 37,579.65	\$ 108.99	

178	Jan	\$ 3,140.72	\$ 3,132.49	\$ 8.23	\$ 194,468.46
179	Feb	\$ 3,140.72	\$ 3,132.62	\$ 8.10	\$ 191,335.84
180	Mar	\$ 3,140.72	\$ 3,132.75	\$ 7.97	\$ 188,203.09
181	Apr	\$ 3,140.72	\$ 3,132.88	\$ 7.84	\$ 185,070.21
182	May	\$ 3,140.72	\$ 3,133.01	\$ 7.71	\$ 181,937.20
183	June	\$ 3,140.72	\$ 3,133.14	\$ 7.58	\$ 178,804.06
184	July	\$ 3,140.72	\$ 3,133.27	\$ 7.45	\$ 175,670.79
185	Aug	\$ 3,140.72	\$ 3,133.40	\$ 7.32	\$ 172,537.39
186	Sept	\$ 3,140.72	\$ 3,133.53	\$ 7.19	\$ 169,403.86
187	Oct	\$ 3,140.72	\$ 3,133.66	\$ 7.06	\$ 166,270.20
188	Nov	\$ 3,140.72	\$ 3,133.79	\$ 6.93	\$ 163,136.41
189	Dec	\$ 3,140.72	\$ 3,133.92	\$ 6.80	\$ 160,002.49
Totals Paid in 2038		\$ 37,688.64	\$ 37,598.46	\$ 90.18	

190	Jan	\$ 3,140.72	\$ 3,134.05	\$ 6.67	\$ 156,868.44
191	Feb	\$ 3,140.72	\$ 3,134.18	\$ 6.54	\$ 153,734.26
192	Mar	\$ 3,140.72	\$ 3,134.31	\$ 6.41	\$ 150,599.95
193	Apr	\$ 3,140.72	\$ 3,134.45	\$ 6.27	\$ 147,465.50
194	May	\$ 3,140.72	\$ 3,134.58	\$ 6.14	\$ 144,330.92
195	June	\$ 3,140.72	\$ 3,134.71	\$ 6.01	\$ 141,196.21
196	July	\$ 3,140.72	\$ 3,134.84	\$ 5.88	\$ 138,061.37
197	Aug	\$ 3,140.72	\$ 3,134.97	\$ 5.75	\$ 134,926.40
198	Sept	\$ 3,140.72	\$ 3,135.10	\$ 5.62	\$ 131,791.30
199	Oct	\$ 3,140.72	\$ 3,135.23	\$ 5.49	\$ 128,656.07
200	Nov	\$ 3,140.72	\$ 3,135.36	\$ 5.36	\$ 125,520.71
201	Dec	\$ 3,140.72	\$ 3,135.49	\$ 5.23	\$ 122,385.22
Totals Paid in 2039		\$ 37,688.64	\$ 37,617.27	\$ 71.37	

202	Jan	\$ 3,140.72	\$ 3,135.62	\$ 5.10	\$ 119,249.60
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203	Feb	\$ 3,140.72	\$ 3,135.75	\$ 4.97	\$ 116,113.85
204	Mar	\$ 3,140.72	\$ 3,135.88	\$ 4.84	\$ 112,977.97
205	Apr	\$ 3,140.72	\$ 3,136.01	\$ 4.71	\$ 109,841.96
206	May	\$ 3,140.72	\$ 3,136.14	\$ 4.58	\$ 106,705.82
207	June	\$ 3,140.72	\$ 3,136.27	\$ 4.45	\$ 103,569.55
208	July	\$ 3,140.72	\$ 3,136.40	\$ 4.32	\$ 100,433.15
209	Aug	\$ 3,140.72	\$ 3,136.54	\$ 4.18	\$ 97,296.61
210	Sept	\$ 3,140.72	\$ 3,136.67	\$ 4.05	\$ 94,159.94
211	Oct	\$ 3,140.72	\$ 3,136.80	\$ 3.92	\$ 91,023.14
212	Nov	\$ 3,140.72	\$ 3,136.93	\$ 3.79	\$ 87,886.21
213	Dec	\$ 3,140.72	\$ 3,137.06	\$ 3.66	\$ 84,749.15
Totals Paid in 2040		\$ 37,688.64	\$ 37,636.07	\$ 52.57	

214	Jan	\$ 3,140.72	\$ 3,137.19	\$ 3.53	\$ 81,611.96
215	Feb	\$ 3,140.72	\$ 3,137.32	\$ 3.40	\$ 78,474.64
216	Mar	\$ 3,140.72	\$ 3,137.45	\$ 3.27	\$ 75,337.19
217	Apr	\$ 3,140.72	\$ 3,137.58	\$ 3.14	\$ 72,199.61
218	May	\$ 3,140.72	\$ 3,137.71	\$ 3.01	\$ 69,061.90
219	June	\$ 3,140.72	\$ 3,137.84	\$ 2.88	\$ 65,924.06
220	July	\$ 3,140.72	\$ 3,137.97	\$ 2.75	\$ 62,786.09
221	Aug	\$ 3,140.72	\$ 3,138.10	\$ 2.62	\$ 59,647.99
222	Sept	\$ 3,140.72	\$ 3,138.23	\$ 2.49	\$ 56,509.76
223	Oct	\$ 3,140.72	\$ 3,138.37	\$ 2.35	\$ 53,371.39
224	Nov	\$ 3,140.72	\$ 3,138.50	\$ 2.22	\$ 50,232.89
225	Dec	\$ 3,140.72	\$ 3,138.63	\$ 2.09	\$ 47,094.26
Totals Paid in 2041		\$ 37,688.64	\$ 37,654.89	\$ 33.75	

226	Jan	\$ 3,140.72	\$ 3,138.76	\$ 1.96	\$ 43,955.50
227	Feb	\$ 3,140.72	\$ 3,138.89	\$ 1.83	\$ 40,816.61
228	Mar	\$ 3,140.72	\$ 3,139.02	\$ 1.70	\$ 37,677.59
229	Apr	\$ 3,140.72	\$ 3,139.15	\$ 1.57	\$ 34,538.44
230	May	\$ 3,140.72	\$ 3,139.28	\$ 1.44	\$ 31,399.16
231	June	\$ 3,140.72	\$ 3,139.41	\$ 1.31	\$ 28,259.75
232	July	\$ 3,140.72	\$ 3,139.54	\$ 1.18	\$ 25,120.21
233	Aug	\$ 3,140.72	\$ 3,139.67	\$ 1.05	\$ 21,980.54

234	Sept	\$ 3,140.72	\$ 3,139.80	\$.92	\$ 18,840.74
235	Oct	\$ 3,140.72	\$ 3,139.93	\$.79	\$ 15,700.81
236	Nov	\$ 3,140.72	\$ 3,140.07	\$.65	\$ 12,560.74
237	Dec	\$ 3,140.72	\$ 3,140.20	\$.52	\$ 9,420.54
Totals Paid in 2042		\$ 37,688.64	\$ 37,673.72	\$ 14.92	
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238	Jan	\$ 3,140.72	\$ 3,140.33	\$.39	\$ 6,280.21
239	Feb	\$ 3,140.72	\$ 3,140.46	\$.26	\$ 3,139.75
240	Mar	\$ 3,139.88	\$ 3,139.75	\$.13	\$.0
Totals Paid in 2043		\$ 9,421.32	\$ 9,420.54	\$.78	
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<u>Totals</u>		\$ 753,771.96	\$ 750,000.00	\$ 3,771.96	

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Income Statement

Reporting As Of 1/1/2022 to 12/31/2022

Reporting Department: 10 - Water

	Period Activity	End Balance
INCOME		
Water Sales	2,060,886.47	3,092,270.26
Other Water Sold	1,032.82	1,058.57
Water Taps	14,400.00	20,000.00
Service Charges	12,445.00	18,305.00
Water Interest	-16.35	-6.41
Water Penalties	58,258.68	100,452.61
Bad Debt Recovery - Water	1,213.71	2,048.97
Water Depreciation Revenue	0.00	0.00
Water Transfer O&M	0.00	0.00
Water Depr Interest Earned	0.00	0.00
<hr/>	<hr/>	<hr/>
TOTAL INCOME	2,148,220.33	3,234,129.00
EXPENSES		
Bad Debt	0.00	0.00
Bank Charges	0.00	0.00
Bank - Collection Expense	0.00	0.00
Depreciation	0.00	0.00
Dues & Subscriptions	0.00	0.00
Fuel	3,465.21	6,001.37
Insurance General	27,137.60	46,291.87
Interest	0.00	0.00
Interest on Bonds	0.00	0.00
Miscellaneous	0.00	0.00
Cash Short & Over	0.00	0.00
Office - Supply	1,864.32	2,202.86
Office - Postage	0.00	0.00
Office - Computer & Tech	7,377.10	9,556.66
Salaries and Wages	171,511.13	262,765.80
Overtime Wages	45,313.32	63,699.33
Employer Paid Retirement	46,187.58	61,712.92
Medical & Life Insurance	38,425.43	54,825.66
Social Security	14,909.05	21,372.85
Medicare	1,324.83	2,836.52
Workers Comp. Insurance	8,333.85	15,272.65
Unemployment Insurance	172.80	172.80
Other Employee Benefits	0.00	0.00
Professional Fees	26,667.08	28,887.08
Professional Laboratory Expense	5,849.00	10,730.95
Professional - Training	8,748.10	9,248.10
Rent - Truck	6,294.81	7,680.30
Rent - Equipment	0.00	0.00
Repair - Building	76,160.02	139,840.07
Repair - Plant & Line	31,275.26	31,275.26
Repair - Truck	835.87	1,917.26
Repair - Equipment	935.75	935.75
Supply - Chemicals	254,874.16	350,946.42
Supply - Tools	425.80	1,360.82
Supply - Other	10,602.61	16,497.77
Taxes & Licenses	0.00	0.00
Fines & Violations	0.00	0.00

Louisa Public Utilities

Income Statement

Reporting As Of 1/1/2022 to 12/31/2022

Reporting Department: 10 - Water

	Period Activity	End Balance
Travel - Lodging	3,335.51	4,493.60
Travel - Meals	442.54	442.54
Travel - Mileage	0.00	0.00
Uniforms - Clothing	1,649.54	2,099.94
Uniforms - Boots	730.38	730.38
Utility - Electricity	167,982.51	238,034.06
Utility - Natural Gas	16,010.53	18,023.77
Utility - Communication	3,615.64	5,877.73
Utility - Internet	0.00	0.00
Non - Operating Expense	17.94	17.94
<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	982,475.27	1,415,751.03
<hr/>	<hr/>	<hr/>
TOTAL INCOME LESS EXPENSES	1,165,745.06	1,818,377.97

Hinton, Daniel E (PSC)

From: Harold Slone <mayoroflouisa@gmail.com>
Sent: Thursday, April 27, 2023 8:02 AM
To: Hinton, Daniel E (PSC)
Subject: Re: Requested Information- Louisa Water

This Message Originated from Outside the Organization

This Message Is From an External Sender.

[Report Suspicious](#)

Mr, Hinton, The City of Louisa has an ordinance that adds a CPI increase to our retail customers twice per year. January and July each year. So while BSWD has not had an increase since 2015 our retail customers are increased twice each year with one exception, we froze the increase in 2020 due to covid. To know the exact amount we would have to add up all CPI increases since 2015. Our last increase to retail customers was Jan 23 at a rate of 5.2%.



Harold E. Slone, Mayor
City of Louisa, Kentucky
215 North Main Cross Street

606-638-4038 Office

On Apr 27, 2023, at 7:03 AM, Hinton, Daniel E (PSC) <dehinton@ky.gov> wrote:

Mr. Helton,

In addition to the highlighted request below, Staff has requested the following:

1. A copy of the most recent completed audit of Louisa Water; and
2. When were the water treatment plant improvements of \$750,000 installed (start, complete and in service).

If you could have that information to us by noon today, that would be best as the effective date of the proposed rates is May 4, and thus Staff will need time to review the information in order to make a recommendation.

If you have any questions, please let me know.

Thanks.

Daniel

From: Hinton, Daniel E (PSC)
Sent: Wednesday, April 26, 2023 11:25 AM
To: Louisa Water Plant
Subject: RE: Requested Information- Louisa Water

Were rates to Louisa's retail customers revised too? If so, were they changed by the same percentage as the rates to Big Sandy? If not, what was the retail rate percentage change?

CITY OF LOUISA, KENTUCKY
FINANCIAL STATEMENTS,
INDEPENDENT AUDITOR'S REPORTS, AND
SUPPLEMENTARY INFORMATION

June 30, 2022



WELLS & COMPANY, P.S.C.

Certified Public Accountants

865 South Mayo Trail
Paintsville, Kentucky 41240-1215

(606) 789-3588
Fax (606) 789-3326

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INDEPENDENT AUDITOR'S REPORT

The Honorable Harold Slone, Mayor
Members of the City Council
City of Louisa, Kentucky

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisa, Kentucky as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Louisa, Kentucky's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisa, Kentucky, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Louisa, Kentucky and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note H to the financial statements, effective July 1, 2021, the City of Louisa, Kentucky adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Louisa, Kentucky's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material

misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Louisa, Kentucky's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Louisa, Kentucky's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 40-43 and the County Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions, on pages 44 and 45, respectively, and the County Employees' Retirement System's Schedules of the Proportionate Share of the Net OPEB Liability and Contributions, on pages 46 and 47, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Louisa, Kentucky's basic financial statements. The schedule of operating expenses-proprietary funds is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting

and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of operating expenses – proprietary fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023, on our consideration of the City of Louisa, Kentucky's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Louisa, Kentucky's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Louisa, Kentucky's internal control over financial reporting and compliance.

Wells & Company, PSC

Certified Public Accountants
Paintsville, Kentucky
February 10, 2023

**CITY OF LOUISA, KENTUCKY
STATEMENT OF NET POSITION
JUNE 30, 2022**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 889,390	\$ 551,122	\$ 1,440,512
Taxes receivable	164,814	-	164,814
Grants receivable	31,179	-	31,179
Sanitation fees receivable	45,142	-	45,142
Other receivables	271	-	271
Accounts receivable, net	-	374,685	374,685
Unbilled receivables	-	114,083	114,083
Inventory	-	95,713	95,713
Prepaid items	19,517	30,001	49,518
Capital assets:			
Land and construction-in-progress	590,197	692,679	1,282,876
Other capital assets, net of accumulated depreciation	2,168,169	23,246,675	25,414,844
Total Assets	3,908,679	25,104,958	29,013,637
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows related to pensions & OPEB	437,599	429,600	867,199
LIABILITIES			
Accounts payable	38,027	182,590	220,617
Accrued expenses	81,633	75,119	156,752
Accrued compensated absences	26,951	25,037	51,988
Accrued interest payable	3,288	43,929	47,217
Customer deposits	-	65,188	65,188
Due to City of Louisa - sanitation fees	-	42,622	42,622
Long-term liabilities:			
Net pension liability	1,382,015	1,203,876	2,585,891
Net OPEB liability	414,861	361,391	776,252
Due within one year	518,620	805,293	1,323,913
Due in more than one year	128,275	8,120,596	8,248,871
Total Liabilities	2,593,670	10,925,641	13,519,311
DEFERRED INFLOW OF RESOURCES			
Deferred inflows related to pensions & OPEB	391,394	375,467	766,861
NET POSITION			
Net investment in capital assets	2,111,471	15,013,465	17,124,936
Restricted for:			
Debt service	11,847	76,936	88,783
Capital asset repair and replacement	-	390,161	390,161
Special revenue	11,092	-	11,092
Public safety	48,775	-	48,775
Unrestricted (deficit)	(821,971)	(1,247,112)	(2,069,083)
Total Net Position	\$ 1,361,214	\$ 14,233,450	\$ 15,594,664

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary Government:							
Governmental activities:							
General government	\$ 355,810	\$ -	\$ 613,128	\$ -	\$ 257,318	\$ -	\$ 257,318
Public safety	827,774	30,120	-	10,800	(786,854)	-	(786,854)
Streets	430,310	-	-	22,979	(407,331)	-	(407,331)
Sanitation	489,510	434,913	-	-	(54,597)	-	(54,597)
Alcohol Beverage Control	10,349	-	-	-	(10,349)	-	(10,349)
Youth programs	2,225	-	-	-	(2,225)	-	(2,225)
Interest on long-term debt	19,991	-	-	-	(19,991)	-	(19,991)
Total governmental activities	<u>2,135,969</u>	<u>465,033</u>	<u>613,128</u>	<u>33,779</u>	<u>(1,024,029)</u>	<u>-</u>	<u>(1,024,029)</u>
Business-type activities:							
Water and sewer	3,491,777	3,361,343	-	1,105,482	-	975,048	975,048
Swimming pool	44,494	40,358	-	-	-	(4,136)	(4,136)
Total business-type activities	<u>3,536,271</u>	<u>3,401,701</u>	<u>-</u>	<u>1,105,482</u>	<u>-</u>	<u>970,912</u>	<u>970,912</u>
Total primary government	<u>\$ 5,672,240</u>	<u>\$ 3,866,734</u>	<u>\$ 613,128</u>	<u>\$ 1,139,261</u>	<u>(1,024,029)</u>	<u>970,912</u>	<u>(53,117)</u>
General revenues:							
Property taxes					390,162	-	390,162
Motor vehicle taxes					39,988	-	39,988
Insurance premium taxes					544,010	-	544,010
Telecommunication taxes					21,894	-	21,894
Occupational licenses					12,703	-	12,703
Franchise fees					52,294	-	52,294
ABC fees					162,044	-	162,044
Intergovernmental revenue					180,665	-	180,665
Rental income					1,351	-	1,351
Interest income					508	696	1,204
Gain on disposal of capital assets					-	-	-
Insurance proceeds					4,805	-	4,805
Miscellaneous					140,976	-	140,976
Transfers:					<u>(65,661)</u>	<u>65,661</u>	<u>-</u>
Total general revenues and transfers					<u>1,485,739</u>	<u>66,357</u>	<u>1,552,096</u>
Change in net position					461,710	1,037,269	1,498,979
Net position - beginning, restated					<u>899,504</u>	<u>13,196,181</u>	<u>14,095,685</u>
Net position - ending					<u>\$ 1,361,214</u>	<u>\$ 14,233,450</u>	<u>\$ 15,594,664</u>

See accompanying notes to basic financial statements.

**CITY OF LOUISA, KENTUCKY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

6

	<u>General Fund</u>	<u>Youth Programs Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 878,298	\$ 11,092	\$ 889,390
Receivables:			
Taxes	164,814	-	164,814
Grants	31,179	-	31,179
Sanitation fees	45,142	-	45,142
Other	271	-	271
Prepaid items	19,517	-	19,517
Total Assets	<u>\$ 1,139,221</u>	<u>\$ 11,092</u>	<u>\$ 1,150,313</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 38,027	\$ -	\$ 38,027
Accrued payroll	29,324	-	29,324
Accrued payroll taxes	2,119	-	2,119
Accrued compensated absences	26,951	-	26,951
Other accrued liabilities	37,924	-	37,924
Total Liabilities	<u>134,345</u>	<u>-</u>	<u>134,345</u>
Fund Balances:			
Restricted for:			
Public safety	48,775	-	48,775
Youth programs	-	11,092	11,092
Debt service	11,847	-	11,847
Unassigned	944,254	-	944,254
Total Fund Balances	<u>1,004,876</u>	<u>11,092</u>	<u>1,015,968</u>
Total Liabilities and Fund Balances	<u>\$ 1,139,221</u>	<u>\$ 11,092</u>	<u>\$ 1,150,313</u>

See accompanying notes to basic financial statements.

**CITY OF LOUISA, KENTUCKY
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF NET POSITION
 JUNE 30, 2022**

Fund Balances - Total Governmental Funds	\$ 1,015,968
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Governmental capital assets	5,485,118
Less: accumulated depreciation	(2,726,752)
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.	(3,288)
Pension contributions after measurement date are reported as a deferred outflow of resources:	170,727
Net pension & net OPEB liability is not due and payable in the current period and, therefore, is not reported in governmental funds:	(1,796,876)
Other OPEB related accruals	(12,266)
Pension & OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore are not reported in the governmental funds, as follows:	
Deferred pension & OPEB outflows of resources	266,872
Deferred pension & OPEB inflows of resources	(391,394)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	<u>(646,895)</u>
Net Position of Governmental Activities	<u><u>\$ 1,361,214</u></u>

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Youth Programs Fund	Total Governmental Funds
Revenues:			
Taxes:			
Property	\$ 390,162	\$ -	\$ 390,162
Motor vehicle	39,988	-	39,988
Insurance premium	544,010	-	544,010
Telecommunication	21,894	-	21,894
Occupational licenses	12,703	-	12,703
Franchise fees	52,294	-	52,294
ABC fees	162,044	-	162,044
Intergovernmental revenues	180,665	-	180,665
Grants	646,907	-	646,907
Charges for services	465,033	-	465,033
Rental income	1,351	-	1,351
Interest income	508	-	508
Donations	8,996	4,810	13,806
Miscellaneous revenues	127,170	-	127,170
Total revenues	<u>2,653,725</u>	<u>4,810</u>	<u>2,658,535</u>
Expenditures:			
Current:			
General government	333,361	-	333,361
Public safety	674,051	-	674,051
Streets	369,107	-	369,107
Sanitation	416,480	-	416,480
Alcohol beverage control	10,349	-	10,349
Youth programs	-	2,225	2,225
Debt service:			
Interest	20,338	-	20,338
Principal retirement	248,438	-	248,438
Capital outlay	<u>373,630</u>	<u>-</u>	<u>373,630</u>
Total expenditures	<u>2,445,754</u>	<u>2,225</u>	<u>2,447,979</u>
Excess (deficiency) of revenues over expenditures	207,971	2,585	210,556
Other financing sources (uses):			
Proceeds from borrowing	344,637	-	344,637
Proceeds from insurance	4,805	-	4,805
Transfers Out	<u>(65,661)</u>	<u>-</u>	<u>(65,661)</u>
Total other financing sources (uses)	<u>283,781</u>	<u>-</u>	<u>283,781</u>
Net change in fund balances	491,752	2,585	494,337
Fund balances - beginning	<u>513,124</u>	<u>8,507</u>	<u>521,631</u>
Fund balances - ending	<u><u>\$ 1,004,876</u></u>	<u><u>\$ 11,092</u></u>	<u><u>\$ 1,015,968</u></u>

See accompanying notes to basic financial statements.

**CITY OF LOUISA, KENTUCKY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$ 494,337
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:</p>	
Capital asset purchases capitalized	373,630
Depreciation expense	(268,869)
<p>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable.</p>	
	347
<p>The net effect of various miscellaneous transactions involving capital assets:</p>	
	-
<p>Changes in pension expense are reported only in the statement of activities</p>	
	(41,536)
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. The details of these differences in the treatment of long-term debt and related items are as follows:</p>	
Loan proceeds	(344,637)
Principal paid	248,438
	<hr/>
Change in Net Position of Governmental Activities	<u>\$ 461,710</u>

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water & Sewer</u>	<u>Swimming Pool</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 68,008	\$ 16,017	\$ 84,025
Customer accounts receivable, net	374,685	-	374,685
Unbilled receivables	114,083	-	114,083
Grant receivables	-	-	-
Inventory	95,713	-	95,713
Prepaid items	30,001	-	30,001
Total current assets	682,490	16,017	698,507
Non-current assets:			
Restricted assets:			
Cash and cash equivalents	467,097	-	467,097
Capital assets:			
Land	177,452	25,000	202,452
Construction work in progress	490,227	-	490,227
Capital assets, net of depreciation	23,158,255	88,420	23,246,675
Total non-current assets	24,293,031	113,420	24,406,451
Total assets	24,975,521	129,437	25,104,958
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows related to pensions	222,582		222,582
Deferred outflows related to OPEB	207,018	-	207,018
Total deferred outflows of resources	429,600	-	429,600
LIABILITIES			
Current liabilities:			
Accounts payable	168,729	13,861	182,590
Compensated absences	25,037	-	25,037
Accrued interest payable	43,929	-	43,929
Other accrued liabilities	69,387	5,732	75,119
Customer deposits	65,188	-	65,188
Due to City of Louisa - sanitation fees	42,622	-	42,622
Total current liabilities	414,892	19,593	434,485
Payable from restricted assets:			
Current portion of long term liabilities	805,293	-	805,293
Total liabilities payable from restricted assets	805,293	-	805,293

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water & Sewer</u>	<u>Swimming Pool</u>	<u>Totals</u>
Long-term liabilities:			
Net pension liability	1,203,876	-	1,203,876
Net OPEB liability	361,391	-	361,391
Bonds, notes and leases payable	8,925,889	-	8,925,889
	<u>10,491,156</u>	<u>-</u>	<u>10,491,156</u>
Less current portion	(805,293)	-	(805,293)
	<u>9,685,863</u>	<u>-</u>	<u>9,685,863</u>
Total long-term liabilities	<u>9,685,863</u>	<u>-</u>	<u>9,685,863</u>
Total liabilities	<u>10,906,048</u>	<u>19,593</u>	<u>10,925,641</u>
DEFERRED INFLOW OF RESOURCES			
Deferred inflows related to pensions	189,222	-	189,222
Deferred inflows related to OPEB	186,245	-	186,245
	<u>375,467</u>	<u>-</u>	<u>375,467</u>
Total deferred inflows of resources	<u>375,467</u>	<u>-</u>	<u>375,467</u>
NET POSITION			
Net investment in capital assets	14,900,045	113,420	15,013,465
Restricted			
Debt service	76,936	-	76,936
Capital asset repair and replacement	390,161	-	390,161
Unrestricted	(1,243,536)	(3,576)	(1,247,112)
	<u>\$ 14,123,606</u>	<u>\$ 109,844</u>	<u>\$ 14,233,450</u>
Total net position	<u>\$ 14,123,606</u>	<u>\$ 109,844</u>	<u>\$ 14,233,450</u>

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water & Sewer</u>	<u>Swimming Pool</u>	<u>Total</u>
Operating revenues:			
Water revenues	\$ 2,054,802	\$ -	\$ 2,054,802
Sewer revenues	1,135,488	-	1,135,488
Pool receipts	-	40,358	40,358
Other operating revenues	171,053	-	171,053
Total operating revenues	3,361,343	40,358	3,401,701
Operating expenses:			
Water	2,151,578	-	2,151,578
Sewer	1,196,125	-	1,196,125
Swimming Pool	-	44,494	44,494
Total operating expenses	3,347,703	44,494	3,392,197
Operating income (loss)	13,640	(4,136)	9,504
Non-operating revenues (expenses):			
Interest income	696	-	696
Interest expense	(144,074)	-	(144,074)
Total non-operating revenues (expenses)	(143,378)	-	(143,378)
Income (loss) before contributions and transfers	(129,738)	(4,136)	(133,874)
Contributions in aid of construction	1,105,482	-	1,105,482
Transfers from General Fund	-	65,661	65,661
Total contributions and transfers	1,105,482	65,661	1,171,143
Change in net position	975,744	61,525	1,037,269
Net position, beginning of year, restated	13,147,862	48,319	13,196,181
Net position, end of year	\$ 14,123,606	\$ 109,844	\$ 14,233,450

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water & Sewer</u>	<u>Swimming Pool</u>	<u>Total</u>
Cash flows from operating activities:			
Cash inflows:			
Payments received from customers	\$ 3,438,743	\$ 40,358	\$ 3,479,101
Total cash provided	<u>3,438,743</u>	<u>40,358</u>	<u>3,479,101</u>
Cash outflows:			
Payments for salaries and benefits	933,236	20,643	953,879
Payments to suppliers for goods and services	1,751,574	8,439	1,760,013
Total cash used	<u>2,684,810</u>	<u>29,082</u>	<u>2,713,892</u>
Net cash provided (used) by operating activities	<u>753,933</u>	<u>11,276</u>	<u>765,209</u>
Cash flows from noncapital financing activities:			
Transfers from General Fund	-	65,661	65,661
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>65,661</u>	<u>65,661</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(791,124)	(75,201)	(866,325)
Capital contributions received	131,242	-	131,242
Principal payments on debt	(745,421)	-	(745,421)
Proceeds from borrowings	287,382	-	287,382
Interest paid on long-term debt	(146,584)	-	(146,584)
Net cash provided (used) by capital and related financing activities	<u>(1,264,505)</u>	<u>(75,201)</u>	<u>(1,339,706)</u>
Cash flows from investing activities:			
Interest received	696	-	696
Net cash provided (used) by investing activities	<u>696</u>	<u>-</u>	<u>696</u>
Net cash inflow (outflow) from all activities	(509,876)	1,736	(508,140)
Cash and cash equivalents at beginning of period	1,044,981	14,281	1,059,262
Cash and cash equivalents at end of period	<u>\$ 535,105</u>	<u>\$ 16,017</u>	<u>\$ 551,122</u>

See accompanying notes to basic financial statements.

CITY OF LOUISA, KENTUCKY
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water & Sewer</u>	<u>Swimming Pool</u>	<u>Total</u>
Reconciliation of utility operating income to net cash provided by operating activities:			
Operating income	\$ 13,640	\$ (4,136)	\$ 9,504
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	705,907	3,444	709,351
(Increase) decrease in:			
Customer accounts receivable	46,381	-	46,381
Unbilled revenue	31,019	-	31,019
Inventory	(6,316)	-	(6,316)
Other assets and deferred outflows	(45,816)	-	(45,816)
Increase (decrease) in:			
Accounts payable	(35,615)	12,088	(23,527)
Other liabilities and deferred inflows	226,403	(120)	226,283
Net pension and OPEB liability	(181,670)	-	(181,670)
Net cash provided (used) by operating activities	<u>\$ 753,933</u>	<u>\$ 11,276</u>	<u>\$ 765,209</u>
Schedule of cash and cash equivalents:			
Beginning of period:			
Unrestricted cash and cash equivalents	\$ 138,507	\$ 14,281	\$ 152,788
Restricted cash and cash equivalents	906,474	-	906,474
	<u>\$ 1,044,981</u>	<u>\$ 14,281</u>	<u>\$ 1,059,262</u>
End of period:			
Unrestricted cash and cash equivalents	\$ 68,008	\$ 16,017	\$ 84,025
Restricted cash and cash equivalents	467,097	-	467,097
	<u>\$ 535,105</u>	<u>\$ 16,017</u>	<u>\$ 551,122</u>

See accompanying notes to basic financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Louisa, Kentucky (“City”), operates under a council-mayor form of government. The City receives funding from Local, State and Federal government sources and must comply with the commitment requirements of these funding source entities. However, the City is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. The council members and mayor are elected by the public and have decision making authority, the power to designate management, the responsibility to develop policies which may influence operations and primary accountability for fiscal matters.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The basic – but not the only – criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibility. Based upon the application of these criteria the Louisa Swimming Pool and Louisa Water and Sewer have been included in the government’s reporting entity and their financial transactions have been blended with the primary government unit.

Basis of Presentation

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the changes in net total assets. Proprietary funds are reported using the economic resources measurement focus. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

The City has the following funds:

I. Governmental Fund Types

A.) The General Fund is the main operating fund of the City. It accounts for financial resources used for public safety (police and fire), streets, sanitation, alcohol beverage control, and general administrative services. This is a budgeted fund, and any fund balances are considered as resources available for use. This is a major fund of the City.

B.) Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments) that are legally restricted to expenditure for specified purposes. Special revenue funds for the year ended June 30, 2020 are considered nonmajor funds. The Youth Programs Fund was the only special revenue fund.

II. Proprietary Fund Types (Enterprise Fund)

Louisa Water and Sewer and the Louisa Swimming Pool account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing services to the general public on a continuing basis is financed through user charges.

The City applies all GASB pronouncements to proprietary funds as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of the fiscal year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resource are required to be used or the fiscal year when used is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before it can be recognized.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Property Taxes

Property Tax Revenues – Property taxes are levied each September on the assessed value listed as of the prior January 1, for all real and personal property in the City. The billings are considered due upon receipt by the taxpayer; however, the actual date is based on a period ending 30 days after the tax bill mailing. Property taxes collected are recorded as revenues in the fiscal year for which they were levied.

The property tax rates assessed for the year ended June 30, 2022, to finance the General Fund operations were \$.240 per \$100 valuation for property, and \$.200 per \$100 valuation for motor vehicles.

The City also levies an insurance premium tax in the amount of 8% on all insurance premiums within City limits.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Capitalization Policy for the City is as follows:

- Land, land improvement, right of ways (easements) and buildings are capitalized regardless of cost.
- Infrastructure, works of art and historical treasures and intangible assets are capitalized if valued at \$50,000 and above. Infrastructure acquired prior to July 1, 2003 has not been accounted for as allowed by GASB No. 34.
- Equipment is capitalized if valued at \$2,500 and above.

All reported capital assets, except land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives for both general capital assets and proprietary fund assets:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and improvements	25-50 years
Land improvements	20 years
Technology equipment	5 years
Vehicles	5-10 years
Other	7-10 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables”. These amounts are eliminated in the governmental and business-type activities columns of the statements of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

Full time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees to specified maximums. Sick pay does not vest with employees. If they don’t use it, they lose it.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The estimated current portion of the liability for vested vacation benefits attributable to the City's governmental funds is recorded as an expenditure and liability in the respective funds. The entire estimated liability is estimated to be current. The amounts attributable to proprietary funds and similar component units are charged to expense and a corresponding liability in the applicable fund or component unit. The estimated liabilities include required salary-related payments.

Budgetary Process

Budgetary Basis of Accounting: The City's budgetary process accounts for certain transactions on a basis other than Generally Accepted Accounting Principles (GAAP). The major differences between the budgetary basis and the GAAP basis are:

Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Once the budget is approved, it can be amended.

Each budget is prepared and controlled by the City Clerk at the revenue and expenditure level. All budget appropriations lapse at year-end.

Cash and Cash Equivalents

The City considers demand deposits, money market funds, and other investments with an original maturity of 90 days or less, to be cash equivalents.

Allowance for Uncollectible Accounts

Water and Sewer receivables at June 30, 2022, are net of allowance for uncollectable. The allowance for uncollectable was \$29,799 at June 30, 2022.

Inventories

Purchases of material and supplies, by governmental fund types, are recorded as expenditures when the liability is incurred. Inventories of these materials and supplies are not maintained and recorded as an asset since the amounts are immaterial.

Proprietary fund types maintain inventories, which are stated at cost. Cost is determined on the first-in, first-out (FIFO) basis. The Louisa Swimming Pool did not maintain inventory records since the amounts are immaterial.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the noncurrent portion of capital leases, accumulated vacation days, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Fund Balances

As of June 30, 2022, fund balances of the governmental funds are classified as follows:

- **Non-spendable** – permanently nonspendable by decree of the donor, such as an endowment, or items, which may not be used for another purpose, such as amounts used to prepay future expenses or already-purchased inventory on hand.
- **Restricted** – legally restricted under federal or state law, bond authority, or grantor contract.
- **Committed** – commitments passed by the board.
- **Assigned** – funds assigned to management priority including issued encumbrances.
- **Unassigned** – funds available for future operations.

GASB statement 54 provides that when governments have not established a spending policy, the committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those classifications could be used.

Encumbrances are not liabilities and, therefore are not recorded as expenditures until receipt of material or service. Encumbrances remaining open at the end of the fiscal year are automatically re-budgeted in governmental funds balance sheet. There were no open encumbrances at June 30, 2022.

Whenever a budget for the subsequent year is adopted where a portion of existing fund balance is included as a budgetary resource to eliminate a projected excess of expected expenditures over expected revenues, that portion of fund balance is considered assigned. The current year fund balance was not included as a budgetary resource in the subsequent year budget.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the sanitation fund and the Louisa swimming pool.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the City has deferred outflows of resources that relate to pension plan and OPEB reporting, see Note F and Note G.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. The City has deferred inflows of resources that relate to pension plan and OPEB reporting, see Note F and Note G.

NOTE B – ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the City's management to make estimates and assumptions that affect reported amounts of assets, liabilities, fund balances, and disclosure of contingent assets and liabilities at the date of the general purpose financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE C – CASH AND CASH EQUIVALENTS

At year-end, the carrying amount of the City’s total cash and cash equivalents was \$1,440,512. Cash was secured by \$768,754 of Federal Depository Insurance, with an additional \$859,032 covered by collateral agreements and collateral held by the pledging banks’ trust departments in the City’s name. Cash equivalents are funds temporarily invested in securities with maturity of 90 days or less.

	<u>Bank Balance</u>	<u>Book Balance</u>
Bank	\$ 1,627,786	\$ 1,439,362
Cash on hand		1,150
Total		<u>\$ 1,440,512</u>
Breakdown per financial statements:		
Governmental funds		\$ 889,390
Proprietary funds		551,122
Total		<u>\$ 1,440,512</u>

NOTE D – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2022, consisted of the following:

Governmental Activities

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2022</u>
Capital assets, not being depreciated:				
Land and land improvements	\$ 536,118	\$ -	\$ -	\$ 536,118
Construction in progress	52,921	1,158	-	54,079
Total capital assets, not being depreciated	<u>589,039</u>	<u>1,158</u>	<u>-</u>	<u>590,197</u>
Capital assets, being depreciated:				
Buildings and improvements	1,219,441	-	-	1,219,441
Infrastructure (streets & sidewalks)	700,502	49,705	-	750,207
Vehicles	1,807,902	257,700	-	2,065,602
Equipment	794,604	65,067	-	859,671
Total capital assets being depreciated	4,522,449	372,472	-	4,894,921
Less accumulated depreciation for:				
Buildings and improvements	(576,391)	(37,236)	-	(613,627)
Infrastructure (streets)	(73,227)	(28,204)	-	(101,431)
Vehicles	(1,322,514)	(155,356)	-	(1,477,870)
Equipment	(485,751)	(48,073)	-	(533,824)
Total accumulated depreciation	<u>(2,457,883)</u>	<u>(268,869)</u>	<u>-</u>	<u>(2,726,752)</u>
Total capital assets being depreciated, net	<u>2,064,566</u>	<u>103,603</u>	<u>-</u>	<u>2,168,169</u>
Total capital assets, net	<u>\$2,653,605</u>	<u>\$ 104,761</u>	<u>\$ -</u>	<u>\$2,758,366</u>

NOTE D – CAPITAL ASSETS – CONTINUED

Depreciation was charged to governmental functions as follows:

General government	\$ 23,252
Public safety	130,282
Streets	49,686
Sanitation	<u>65,649</u>
	<u>\$ 268,869</u>

Business-Type Activities

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2022</u>
Capital assets, not being depreciated:				
Land and land improvements	\$ 202,452	\$ -	\$ -	\$ 202,452
Construction in progress	<u>3,674,548</u>	<u>786,430</u>	<u>3,970,751</u>	<u>490,227</u>
Total capital assets, not being depreciated	<u>3,877,000</u>	<u>786,430</u>	<u>3,970,751</u>	<u>692,679</u>
Capital assets, being depreciated:				
Water plant and equipment	19,704,751	-	-	19,704,751
Sewer plant and equipment	11,419,538	3,970,751	-	15,390,289
Swimming pool buildings	45,136	-	-	45,136
Swimming pool equipment	135,050	75,201	-	210,251
Office equipment	105,540	-	-	105,540
Trucks and equipment	<u>646,291</u>	<u>4,694</u>	<u>-</u>	<u>650,985</u>
Total capital assets being depreciated	32,056,306	4,050,646	-	36,106,952
Less accumulated depreciation for:				
Water plant and equipment	(6,434,694)	(375,871)	-	(6,810,565)
Sewer plant and equipment	(4,961,466)	(285,705)	-	(5,247,171)
Swimming pool buildings	(41,213)	(997)	-	(42,210)
Swimming pool equipment	(122,310)	(2,447)	-	(124,757)
Office equipment	(105,469)	(73)	-	(105,542)
Trucks and equipment	<u>(485,774)</u>	<u>(44,258)</u>	<u>-</u>	<u>(530,032)</u>
Total accumulated depreciation	<u>(12,150,926)</u>	<u>(709,351)</u>	<u>-</u>	<u>(12,860,277)</u>
Total capital assets being depreciated, net	<u>19,905,380</u>	<u>3,341,295</u>	<u>-</u>	<u>23,246,675</u>
Total capital assets, net	<u>\$23,782,380</u>	<u>\$ 4,127,725</u>	<u>\$ 3,970,751</u>	<u>\$23,939,354</u>

NOTE D – CAPITAL ASSETS – CONTINUED

Depreciation was charged to business-type activities as follows:

Water and sewer	\$ 705,907
Swimming pool	3,444
	<u>\$ 709,351</u>

NOTE E – LONG – TERM DEBT

The City's long term debt at June 30, 2022 consisted of the following:

Governmental Activities

- 1) On May 3, 2008, the City borrowed \$100,000 from the Kentucky League of Cities for the City garage lot. The agreement provides for 181 monthly payments of variable amounts to be made beginning June 1, 2007 with final payment due on June 1, 2022. The debt bears variable interest with interest computed at .187% at June 15, 2013. The average payment is around \$700 per month.
- 2) On December 17, 2021, the City borrowed \$242,797 from Truist Governmental Finance for a 2021 Freightliner garbage truck and to refinance the remaining balance of the 2016 Freightliner garbage truck. The agreement provides for 84 monthly payments of \$3,102 to be made beginning January 17, 2022 with final payment due on December 17, 2028. The debt bears interest at 2.02%.
- 3) On August 9, 2017, the City entered into an agreement with KACO Finance Services for \$1,885,000 for energy improvement upgrades. The City's portion is \$283,489 while the Water & Sewer department's portion is for \$1,601,511. The agreement provides for interest to be paid each July and interest and various escalating principal amounts to be paid each January. The debt bears interest at 3.00%. Final payment is due January 1, 2032.

	<u>Balances</u> <u>6/30/2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>6/30/2022</u>	<u>Due Within</u> <u>One Year</u>
Truist (garbage truck)	\$ 102,552	\$ -	\$ (102,552)	\$ -	\$ -
Truist (garbage truck)	-	242,797	(16,228)	226,569	32,952
KLC (city garage lot)	9,649	-	(8,890)	759	759
Lemaster loan (Vinson property)	19,512	-	(19,512)	-	-
KACO Finance (energy improvements)	233,860	-	(17,295)	216,565	18,799
Compensated absences	28,318	26,951	(28,318)	26,951	26,951
Net pension liability	1,650,566	-	(268,551)	1,382,015	-
Net OPEB liability	519,498	-	(104,637)	414,861	-
Total governmental activities	<u>\$ 2,563,955</u>	<u>\$ 269,748</u>	<u>\$ (565,983)</u>	<u>\$ 2,267,720</u>	<u>\$ 79,461</u>

Repayment of principal and interest maturities is principally made from various taxes and service fees collected. Also, for governmental activities, the pension obligations and other post-employment benefit obligations are generally liquidated by the general fund.

NOTE E – LONG – TERM DEBT – CONTINUED

Principal and interest payments to be made on all long-term debt at June 30, 2022, for each of the next five years and thereafter are as follows:

<u>Year Ending</u> <u>6/30</u>	<u>Notes</u>	<u>Total</u> <u>Principal</u>	<u>Total</u> <u>Interest</u>	<u>Total</u>
2023	\$ 52,510	\$ 52,510	\$ 10,475	\$ 62,985
2024	53,175	53,175	9,034	62,209
2025	54,612	54,612	7,551	62,163
2026	56,063	56,063	6,235	62,298
2027	56,777	56,777	5,074	61,851
2028-2032	<u>170,756</u>	<u>170,756</u>	<u>9,736</u>	<u>180,492</u>
	<u>\$ 443,893</u>	<u>\$ 443,893</u>	<u>\$ 48,105</u>	<u>\$491,998</u>

Business – Type Activities

	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>
Bonds:			
Water Revenue Bond, Series 1989 Issue. Principal installments due in January of each year, interest payable semi-annually in January and July of each year.	\$ 33,630	5.00%	01/2029
Water and Sewer Revenue Bond, Series 2002 Issue. Principal installments due in January of each year, interest payable semi-annually in January and July of each year.	673,500	3.25%	01/2042
Water and Sewer Revenue Bond, Series 2007 Issue. Principal installments due in January of each year, interest payable semi-annually in January and July of each year.	333,500	4.125%	01/2046
Public Projects Refunding and Improvement Revenue Bonds, Series 2010D. Principal installments due in January of each year, interest payable semi-annually in January and July of each year.	<u>135,000</u>	.8% to 4.2%	01/2025
	1,175,630		
Notes:			
Notes payable to Kentucky Infrastructure Authority for sewer upgrades, due in monthly installments of principal and interest. (F19-02)	3,100,197	0.50%	12/2041

NOTE E – LONG – TERM DEBT – CONTINUED

	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Notes payable to Kentucky Infrastructure Authority for sewer upgrades, due in monthly installments of principal and interest. (A11-02)	610,954	1.00%	06/2034
Note payable to Kentucky Infrastructure Authority for water project upgrades, due in semi-annual installments of principal and interest, in June and December of each year. (F02-06)	398,177	1.00%	06/2024
Note payable to Kentucky Infrastructure Authority for sewer line project, due in semi-annual installments of principal and interest, in June and December of each year. (A209-10)	245,381	1.00%	12/2030
Note payable to KACO Financial Services for water meter and pump station upgrades, due in semi-annual installments of principal and interest in January of each year, and interest only in July of each year. (1BP2017B)	1,223,436	3.00%	01/2032
Note payable to Kentucky Infrastructure Authority for sewer and water interconnect project, due in semi-annual installments of principal and interest, in June and December of each year. (B08-07)	560,347	1.07%	06/2033
Note payable to Kentucky Infrastructure Authority for water improvement project, due in semi-annual installments of principal and interest, in June and December of each year. (F10-03)	971,412	1.00%	06/2033
Note payable to Kentucky Infrastructure Authority for waterline improvement project, due in semi-annual installments of principal and interest, in June and December of each year. (F18-018)	545,310	0.50%	06/2040
	<u>7,655,214</u>		
	<u>\$8,830,844</u>		

NOTE E – LONG – TERM DEBT – CONTINUED

	<u>Balance</u> <u>6/30/2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2022</u>	<u>Due Within</u> <u>One Year</u>
Bond payable – 1989 issue	\$ 37,560	\$ -	\$ (3,930)	\$ 33,630	\$ 4,130
Bond payable – 2002 issue	697,000	-	(23,500)	673,500	24,500
Bond payable – 2007 issue	341,000	-	(7,500)	333,500	8,000
Bond payable – 2010D issue	175,000	-	(40,000)	135,000	40,000
Note payable – KIA (C98-02)	30,000	-	(30,000)	-	-
Note payable – KIA (A11-02)	658,642	-	(47,688)	610,954	48,166
Note payable – KIA (F02-06)	594,306	-	(196,129)	398,177	198,096
Note payable – KIA (A209-10)	272,905	-	(27,524)	245,381	27,800
Note payable – KIA (B08-07)	608,101	-	(47,754)	560,347	48,266
Note payable – KIA (F10-03)	1,054,551	-	(83,139)	971,412	83,972
Note payable – KIA (F18-018)	574,192	-	(28,882)	545,310	29,026
Note payable – KIA (F19-02)	-	3,175,787	(75,590)	3,100,197	151,748
Note payable – KACO (1BP2017B)	1,321,141	-	(97,705)	1,223,436	106,201
Compensated absences	24,962	25,037	(24,962)	25,037	25,037
Net pension liability	1,328,736	-	(124,860)	1,203,876	-
Net OPEB liability	418,201	-	(56,810)	361,391	-
Total business-type activities	<u>\$8,136,297</u>	<u>\$3,200,824</u>	<u>\$ (915,973)</u>	<u>\$10,421,148</u>	<u>\$ 794,942</u>

Future water and sewer revenues, net of specified operating expenses, will repay these revenue bonds and loans payable.

Principal and interest payments to be made on all long-term debt at June 30, 2022, for each of the next five years and thereafter are as follows:

<u>Year Ending</u> <u>6/30</u>	<u>Bonds</u>	<u>Notes</u>	<u>Total</u> <u>Principal</u>	<u>Total</u> <u>Interest</u>	<u>Total</u>
2023	\$ 76,630	\$ 693,275	\$ 769,905	\$ 131,814	\$ 901,719
2024	82,830	702,536	785,366	119,247	904,613
2025	89,050	509,755	598,805	106,076	704,881
2026	40,780	517,081	557,861	95,377	653,238
2027	42,020	520,187	562,207	87,842	650,049
2028-2032	218,320	2,662,434	2,880,754	311,626	3,192,380
2033-2037	246,500	1,213,168	1,459,668	137,059	1,596,727
2038-2042	297,000	836,778	1,133,778	60,054	1,193,832
2043-2046	82,500	-	82,500	8,683	91,183
	<u>\$1,175,630</u>	<u>\$7,655,214</u>	<u>\$8,830,844</u>	<u>\$1,057,778</u>	<u>\$9,888,622</u>

NOTE F – DEFINED PENSION

General Information about the Pension Plan

Plan Description

Employees of the City of Louisa, Kentucky are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the County Employee’s Retirement System. Section 61.645 of the Kentucky Revised Statutes grants to CERS Board of Trustees and the Kentucky Legislature the authority to review administration, benefit terms, investments, and funding of the plan. The plan, created under Kentucky Revised Statute (KRS) 78.520, provides for retirement, disability, and death benefits to plan members. CERS issues a publicly available financial report that can be obtained at kyret.ky.gov.

Benefits Provided

CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years’ service. For retirement purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date Unreduced retirement Reduced retirement	Before September 1, 2008 27 years service or 65 years old At least 5 years service and 55 years old At least 25 years service and any age
Tier 2	Participation date Unreduced retirement Reduced retirement	September 1, 2008 – December 31, 2013 At least 5 years service and 65 years old Or age 57+ and the sum of service years plus age equal 87 At least 10 years service and 60 years old
Tier 3	Participation date Unreduced retirement Reduced retirement	After December 31, 2013 At least 5 years service and 65 years old Or age 57+ and the sum of service years plus age equal 87 Not available

Cost of living adjustments are provided at the discretion of the General Assembly. Retirement is based on a factor of the number of years’ service and hire date multiplied by the average of the highest five years’ earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. Five years’ service is required for death benefits prior to retirement and the employee must have suffered a duty-related death. The decedent’s beneficiary will receive the higher of the normal death benefit and \$10,000 plus 25% of the decedent’s monthly final rate of pay and any dependent child will receive 10% of the decedent’s monthly final rate of pay up to 40% for all dependent children. Five years’ service is required for nonservice-related disability benefits.

NOTE F – DEFINED PENSION – CONTINUED

Contributions

Per State Statutes, contribution requirements of the active employees are established and may be amended by the CERS Board. Employees hired before 9/1/08 are required to contribute 5.00 percent of their annual pay and employees hired after 9/1/08 are required to contribute 6.00 percent of their annual pay. The City’s contractually required contribution rate for the year ended June 30, 2022, was 21.17 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the City were \$250,670 for the year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the City reported a liability of \$2,585,891 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the City’s proportion was 0.041 percent, which was an increase of 0.002 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City recognized pension expense of \$288,907. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 29,694	\$ 25,097
Changes of assumptions	34,705	-
Net difference between projected and actual earnings on pension plan investments	-	344,656
Changes in proportion and differences between City contributions and proportionate share of contributions	117,725	18,359
City contributions subsequent to the measurement date	<u>250,670</u>	<u>-</u>
Total	<u>\$ 432,794</u>	<u>\$ 388,112</u>

\$250,670 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE F – DEFINED PENSION – CONTINUED

Year ended June 30:	
2023	\$ 14,891
2024	(38,358)
2025	(74,592)
2026	(107,929)
2027	-
Thereafter	-

Actuarial Methods and Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

Inflation	2.30%
Payroll Growth Rate	2.0% for CERS non-hazardous
Salary Increases	3.30% to 10.30%, varies by service for CERS non-hazardous
Investment Rate of Return	6.25% for CERS non-hazardous

The mortality table used for active members was a Pub-2010 General Mortality table, for the Non-Hazardous System, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for non-disabled retired members was a system-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019. The mortality table used for the disabled members was PUB-2010 Disabled Mortality table, with a 4-year set forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

The long-term expected rate of return was determined by using a building-block method in which best-estimate ranges of expected future real rate of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Growth	68.50%	
US Equity	21.75%	5.70%
Non-US Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
Liquidity	11.50%	
Core Bonds	10.00%	0.00%
Cash	1.50%	-0.60%

NOTE F – DEFINED PENSION – CONTINUED

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Diversifying Strategies	20.00%	
Real Estate	10.00%	5.40%
Opportunistic	0.00%	N/A
Real Return	10.00%	4.55%
Expected Real Rate	100.00%	<u>5.00%</u>
Long Term Inflation Assumption		<u>2.30%</u>
Expected Nominal Return for Portfolio		7.30%

Discount Rate

The projection of cash flows used to determine the discount rate of 6.25% for CERS non-hazardous and CERS hazardous assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy established in Statue as amended by House Bill 362 (passed in 2018) over the remaining 30 years (closed) amortization period of the unfunded actuarial accrued liability.

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the Net Pension Liability using the discount rate of 6.25%, as well as what the City’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.25%) or one percentage-point higher (7.25%) than the current rate:

	<u>1.0% Decrease (5.25%)</u>	<u>Current Discount Rate (6.25%)</u>	<u>1.0% Increase (7.25%)</u>
City’s proportionate share of the net pension liability	\$3,316,528	\$2,585,891	\$1,981,306

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued KRS 2021 Comprehensive Annual Financial Report at kyret.ky.gov.

Payable to the Pension Plan

At June 30, 2022, the City reported a payable of \$29,670 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2022. The payable includes both the pension and insurance contribution allocation.

NOTE G – OPEB PLAN

General Information about the OPEB plan

Plan Description and Benefits Provided

The City of Louisa, Kentucky participates in the County Employees Retirement System (CERS) Insurance Fund, a multiple-employer defined benefit Other Post-Employment Benefits (OPEB) plan for members that cover all regular full-time members employed by the City. The plan provides for health insurance benefits to plan members. OPEB may be extended to beneficiaries of plan members under certain circumstances.

Contributions

The City’s contractually required contribution rate for the year ended June 30, 2022, was 5.78 percent of covered payroll. Contributions to the OPEB plan from the City were \$68,440 for the year ended June 30, 2022.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the City reported a liability of \$776,252 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The City’s proportion of the net OPEB liability was based on the City’s share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2021, the City’s proportion was 0.041 percent, which was an increase of 0.002 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City recognized OPEB expense of \$102,736. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 122,066	\$ 231,763
Changes of assumptions	205,800	722
Net difference between projected and actual earnings On OPEB plan investments	-	121,433
Changes in proportion and differences between City contributions and proportionate share of contributions	38,099	24,831
City contributions subsequent to the measurement date	<u>68,440</u>	-
Total	<u>\$ 434,405</u>	<u>\$ 378,749</u>

NOTE G – OPEB PLAN – CONTINUED

\$68,440 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ended June 30:

2023	\$	21,907
2024		3,455
2025		2,800
2026		(40,946)
2027		-
Thereafter		-

Actuarial Methods and Assumptions

A summary of the actuarial methods and assumptions used in determining the total OPEB liability as of June 30, 2021 are as follows:

Inflation	2.30%
Payroll Growth Rate	2.00% for CERS non-hazardous
Salary Increase	3.30% to 10.30%, varies by service for CERS non-hazardous
Investment Rate of Return	6.25% for CERS non-hazardous
Healthcare Trend Rates	
Pre - 65	Initial trend starting at 6.30% at January 1, 2023, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years.
Post - 65	Initial trend starting at 6.30% at January 1, 2023, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years.
Mortality	
Pre-retirement	PUB-2010 General Mortality table, for the Non-Hazardous Systems, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.
Post-retirement (non-disabled)	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Post-retirement (disabled)	PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

NOTE G – OPEB PLAN – CONTINUED

The long-term expected rate of return was determined by using a building-block method in which best-estimate ranges of expected future real rate of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Growth	68.50%	
US Equity	21.75%	5.70%
Non-US Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
Liquidity	11.50%	
Core Bonds	10.00%	0.00%
Cash	1.50%	-0.60%
Diversifying Strategies	20.00%	
Real Estate	10.00%	5.40%
Opportunistic	0.00%	N/A
Real Return	10.00%	4.55%
Expected Real Rate	100.00%	5.00%
Long Term Inflation Assumption		2.30%
Expected Nominal Return for Portfolio		7.30%

Sensitivity of the Employer’s Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend

	<u>1.0% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1.0% Increase</u>
City’s proportionate share of the net OPEB liability	\$558,809	\$776,252	\$1,038,709

Discount Rate

Single discount rates of 5.20% for CERS non-hazardous system was used to measure the total OPEB liability as of June 30, 2021. The single discount rates are based on the expected rate of return on OPEB plan investments of 6.25%, and a municipal bond rate of 1.92%, as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of June 30, 2020. Based on the stated assumptions and the projection of cash flows as of each fiscal year ending, the plan’s fiduciary net position and future contributions were projected to be sufficient to finance the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on insurance plan investments was applied to all periods of the projected benefit payments paid from the retirement system.

NOTE G – OPEB PLAN – CONTINUED

However, the cost associated with the implicit employer subsidy was not included in the calculation of the plans actuarial determined contributions, and any cost associated with the implicit subsidy will not be paid out of the plans trusts. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the ACFR.

Sensitivity of the Employer’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the Net OPEB Liability using the discount rate of 5.20%, as well as what the City’s proportionate share of the Net OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower (4.20%) or one percentage-point higher (6.20%) than the current rate:

	<u>1.0% Decrease (4.20%)</u>	<u>Current Discount Rate (5.20%)</u>	<u>1.0% Increase (6.20%)</u>
City’s proportionate share of the net OPEB liability	\$1,065,788	\$776,252	\$538,639

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued KRS 2021 Comprehensive Annual Financial Report at kyret.ky.gov.

NOTE H – CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2021, the City elected to adopt Government Accounting Standards Board (“GASB”) Statement No. 87, *Leases*, as it relates to accounting and financial reporting for leases. This statement increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases.

GASB 87 required retrospective application. Since the City only presents one year of financial information, the beginning net position balance was adjusted to reflect the retrospective application. The adjustment resulted in a \$1,541 decrease in the beginning net position of the business-type activities proprietary fund, and a \$3,160 decrease in the beginning net position of the governmental activities.

NOTE I – CONTINGENCIES

The City receives funding from Federal, State and Local government agencies and private contributions. These funds are to be used for designated purposes only. For government agency grants, if based upon the grantor’s review, the funds are considered not to have been used for the intended purpose, the grantors may request a refund of monies advanced, or refuse to reimburse the City for its disbursements. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the City’s grant programs is predicated upon the grantors’ satisfaction that the funds provided are being spent as intended and the grantors’ intent to continue their programs.

NOTE J – LITIGATION

The City is subject to legal actions in various stages of litigation, the outcome of which is not determinable at this time. Administration officials and legal council do not anticipate that there will be any material effect on the financial statements as a result of the cases presently in process.

NOTE K – INSURANCE AND RELATED ACTIVITIES

The City is exposed to various forms of loss of assets associated with the risks of fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, etc. Each of these risk areas is covered through the purchase of commercial insurance. The City has purchased certain policies, which are retrospectively rated which include Workers’ Compensation insurance. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

NOTE L – COBRA

Under COBRA, employers are mandated to notify terminated employees of available continuing insurance coverage. Failure to comply with this requirement may put the City at risk for a substantial loss (contingency).

NOTE M – TRANSFER OF FUNDS/ASSETS

The following transfers were made during the year:

<u>Type</u>	<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
Operating	General	Swimming Pool	Expenses	\$ 65,661

NOTE N – CAPITAL LEASES

The City has entered into lease agreements with Magnolia Bank, Enterprise Management and the Kentucky Bond Corporation for various equipment. The lease agreements qualify as capital leases for accounting purposes, therefore they have been recorded at the present value of their future minimum lease payments as of the inception date.

The future minimum lease obligations and net present value of these minimum lease payments as of June 30, 2022, were as follows:

<u>Fiscal Year</u>	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
2023	\$ 38,034	\$ 82,088
2024	34,466	66,094
2025	25,085	43,471
2026	2,023	23,939
2027	-	-

NOTE N – CAPITAL LEASES – CONTINUED

Total minimum lease payments	99,608	215,592
Less amount representing interest	<u>(4,563)</u>	<u>(12,590)</u>
Present value of net minimum lease payments	<u>\$ 95,045</u>	<u>\$ 203,002</u>

Following is a summary of the property held by the City under the capital lease at June 30, 2022:

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
Fire trucks (Kentucky Bond Corporation)	\$ -	\$ 235,998
Police vehicles (Magnolia Bank)	-	197,505
Vehicles (Enterprise Management)	193,913	167,950
Less accumulated depreciation	<u>(100,954)</u>	<u>(382,980)</u>
	<u>\$ 92,959</u>	<u>\$ 218,473</u>

	<u>Amount Outstanding 6/30/2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Amount Outstanding 6/30/2022</u>	<u>Amounts Due Within One Year</u>
Business – Type activities leases	\$ 126,432	\$ 4,693	\$ (36,080)	\$ 95,045	\$ 35,388
Governmental activities leases	\$ 185,124	\$ 101,839	\$ (83,961)	\$ 203,002	\$ 75,765

NOTE P – SUBSEQUENT EVENTS

Management has evaluated and has not recognized any subsequent events through February 10, 2023, the date the financial statements were available to be issued.

AUDITOR'S REPORTS



WELLS & COMPANY, P.S.C.

Certified Public Accountants

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

The Honorable Harold Slone, Mayor
Members of the City Council
City of Louisa, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisa, Kentucky, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Louisa, Kentucky's basic financial statements and have issued our report thereon dated February 10, 2023, which included an explanatory paragraph regarding the omission of required Management Discussion and Analysis.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Louisa, Kentucky's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Louisa, Kentucky's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Louisa, Kentucky's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in 2022-001 below, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

2022-001 Segregation of Duties

Condition: Presently, the City has an absence of appropriate segregation of duties consistent with appropriate internal control objectives.

Criteria: The City should have appropriate segregation of duties to provide reasonable assurance that the safeguarding of assets and financial records be maximized.

Cause of Condition: Due to its small size and budget restrictions the City has limited options for establishing an adequate segregation of duties.

Effect: An improper segregation of duties can subject the City to intentional or unintentional losses due to errors or irregularities.

Recommendation: The City should continue to review the internal control structure and segregate duties where possible.

Management Comment: Management of the City concurs with the finding and will continue strong oversight.

Report On Compliance and Other Matters

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

City of Louisa, Kentucky's Response to Findings

The City of Louisa, Kentucky's response to the findings identified in our audit is described above. The City of Louisa, Kentucky's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Paintsville, Kentucky
February 10, 2023

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF LOUISA, KENTUCKY
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Property taxes	\$ 381,000	\$ 390,263	\$ 390,162	\$ (101)
Motor vehicle tax	28,700	28,700	39,988	11,288
Taxes on insurance premiums	398,800	398,800	544,010	145,210
Occupational licenses	12,500	12,500	12,703	203
Franchise fees	52,400	52,400	52,294	(106)
Telecommunication tax	26,250	26,250	21,894	(4,356)
ABC fees	146,300	146,300	162,044	15,744
Law enforcement fees	6,500	6,500	6,998	498
Municipal road aid	55,000	55,000	48,835	(6,165)
Police incentive	29,774	29,774	33,975	4,201
Fire state aid	11,000	11,000	-	(11,000)
Coal and mineral severance	38,000	73,200	90,857	17,657
Other grants	4,500	503,901	646,907	143,006
Sanitation fees	433,000	433,000	434,913	1,913
Fire district contract	39,400	39,400	29,400	(10,000)
Arrest fees	600	600	720	120
Interest	200	200	508	308
Rent	2,000	2,000	1,351	(649)
Donations	7,500	7,500	8,996	1,496
Other receipts	357,665	357,665	127,170	(230,495)
Total Revenues	<u>2,031,089</u>	<u>2,574,953</u>	<u>2,653,725</u>	<u>78,772</u>
Expenditures:				
General government:				
Salaries and wages	121,028	121,028	138,351	(17,323)
Payroll taxes	9,459	9,459	9,701	(242)
Retirement	32,617	32,617	32,222	395
Life and health insurance	58,863	58,863	63,961	(5,098)
Insurance	7,300	7,300	9,889	(2,589)
Advertising and printing	2,500	2,500	1,633	867
Professional fees	20,000	20,000	14,421	5,579
Repairs and maintenance	1,000	1,000	382	618
Utilities and communications	11,600	11,600	12,050	(450)
Other contractual services	16,700	16,700	16,448	252
Community center expenses	3,000	3,000	3,440	(440)
Materials and supplies	9,400	9,400	4,739	4,661
Other expenses	19,000	320,299	26,124	294,175
Debt service:				
Interest expense	8,443	8,443	8,442	1
Principal retirement	36,807	36,807	36,807	-
Capital outlays	-	-	-	-
Total General Government	<u>357,717</u>	<u>659,016</u>	<u>378,610</u>	<u>280,406</u>

CITY OF LOUISA, KENTUCKY
 BUDGETARY COMPARISON SCHEDULE (CONTINUED)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Police:				
Salaries and wages	274,875	274,875	293,251	(18,376)
Payroll taxes	19,100	19,100	21,313	(2,213)
Retirement	66,055	66,055	75,454	(9,399)
Life and health insurance	102,556	102,556	104,648	(2,092)
Insurance	26,200	26,200	27,706	(1,506)
Professional fees	250	250	343	(93)
Repairs and maintenance	3,000	3,000	4,868	(1,868)
Utilities and communications	7,700	7,700	6,629	1,071
Other contractual services	700	700	45	655
Materials and supplies	35,950	35,950	31,522	4,428
Other expenses	36,524	46,524	18,044	28,480
Debt service:				
Interest expense	949	949	1,168	(219)
Principal retirement	20,606	20,606	20,606	-
Capital outlays	15,946	15,946	63,985	(48,039)
Total Police	<u>610,411</u>	<u>620,411</u>	<u>669,582</u>	<u>(49,171)</u>
Fire:				
Insurance	25,000	25,000	33,272	(8,272)
Repairs and maintenance	15,000	15,000	9,422	5,578
Utilities and communications	14,500	14,500	14,526	(26)
Other contractual services	750	750	-	750
Materials and supplies	21,500	21,500	15,329	6,171
Other expenses	17,715	17,715	17,679	36
Debt service:				
Interest expense	4,536	4,536	3,936	600
Principal retirement	37,159	37,159	37,159	-
Capital outlays	14,285	14,285	17,768	(3,483)
Total Fire	<u>150,445</u>	<u>150,445</u>	<u>149,091</u>	<u>1,354</u>
Street:				
Salaries and wages	111,545	111,545	116,709	(5,164)
Payroll taxes	8,732	8,732	8,407	325
Retirement	30,061	30,061	37,073	(7,012)
Life and health insurance	58,090	58,090	51,451	6,639
Insurance	16,500	16,500	16,671	(171)
Repairs and maintenance	5,000	5,000	10,837	(5,837)
Utilities and communications	66,300	66,300	74,896	(8,596)
Other contractual services	3,000	67,212	11,112	56,100
Materials and supplies	45,000	45,000	41,211	3,789

CITY OF LOUISA, KENTUCKY
 BUDGETARY COMPARISON SCHEDULE (CONTINUED)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other expenses	1,500	1,500	740	760
Debt service:				
Interest expense	-	-	1,699	(1,699)
Principal retirement	14,624	14,624	15,226	(602)
Capital outlays	<u>105,000</u>	<u>105,000</u>	<u>60,188</u>	<u>44,812</u>
 Total Street	 <u>465,352</u>	 <u>529,564</u>	 <u>446,220</u>	 <u>83,344</u>
Sanitation:				
Salaries and wages	118,031	118,031	124,281	(6,250)
Payroll taxes	9,179	9,179	8,385	794
Retirement	31,809	31,809	23,749	8,060
Life and health insurance	58,090	58,090	61,497	(3,407)
Insurance	22,600	27,451	24,037	3,414
Repairs and maintenance	6,000	12,500	21,552	(9,052)
Utilities and communications	5,100	5,100	2,383	2,717
Other contractual services	82,000	82,000	96,035	(14,035)
Materials and supplies	29,000	35,000	53,021	(18,021)
Other expenses	1,500	1,500	1,540	(40)
Debt service:				
Interest expense	-	-	4,843	(4,843)
Principal retirement	44,932	44,932	128,427	(83,495)
Capital outlays	<u>12,000</u>	<u>192,426</u>	<u>183,650</u>	<u>8,776</u>
 Total Sanitation	 <u>420,241</u>	 <u>618,018</u>	 <u>733,400</u>	 <u>(115,382)</u>
Alcohol Beverage Control:				
Insurance	1,000	1,000	1,524	(524)
Repairs and maintenance	2,000	2,000	45	1,955
Utilities and communications	2,000	2,000	941	1,059
Materials and supplies	6,500	6,500	7,062	(562)
Other expenses	3,100	3,100	777	2,323
Debt service:				
Interest expense	32	32	250	(218)
Principal retirement	10,213	10,213	10,213	-
Capital outlays	<u>5,000</u>	<u>5,000</u>	<u>48,039</u>	<u>(43,039)</u>
 Total Alcohol Beverage Control	 <u>29,845</u>	 <u>29,845</u>	 <u>68,851</u>	 <u>(39,006)</u>
 Total Expenditures	 <u>2,034,011</u>	 <u>2,607,299</u>	 <u>2,445,754</u>	 <u>200,551</u>
 Excess of revenues over (under) expenditures	 (2,922)	 (32,346)	 207,971	 (121,779)

CITY OF LOUISA, KENTUCKY
 BUDGETARY COMPARISON SCHEDULE (CONTINUED)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing Sources/(Uses):				
Proceeds from borrowing	-	-	344,637	344,637
Proceeds from insurance	-	-	4,805	4,805
Transfers to Swimming Pool	<u>(2,000)</u>	<u>(2,000)</u>	<u>(65,661)</u>	<u>(63,661)</u>
Total Other Financing Uses	<u>(2,000)</u>	<u>(2,000)</u>	<u>283,781</u>	<u>285,781</u>
Revenues Over/(Under) Expenditures and Other Financing Sources/(Uses)	<u>\$ (4,922)</u>	<u>\$ (34,346)</u>	491,752	<u>\$ 526,098</u>
Fund balance - beginning			<u>513,124</u>	
Fund balance - ending			<u>\$ 1,004,876</u>	

**CITY OF LOUISA, KENTUCKY
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
 THE NET PENSION LIABILITY (CERS)
 JUNE 30, 2022**

	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>
City's proportion of the net pension liability (asset)	0.042992%	0.041392%	0.042613%
City's proportionate share of the net pension liability (asset)	\$ 1,394,000	\$ 1,779,668	\$ 2,098,096
City's covered-employee payroll	\$ 965,733	\$ 1,016,536	\$ 967,848
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	144.35%	175.07%	216.78%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	59.97%	55.50%
	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
City's proportion of the net pension liability (asset)	0.039751%	0.039134%	0.038146%
City's proportionate share of the net pension liability (asset)	\$ 2,326,749	\$ 2,383,501	\$ 2,682,825
City's covered-employee payroll	\$ 969,990	\$ 969,955	\$ 1,051,384
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	239.87%	245.73%	255.17%
Plan fiduciary net position as a percentage of the total pension liability	53.30%	53.54%	50.45%
	<u>6/30/2021</u>	<u>6/30/2022</u>	
City's proportion of the net pension liability (asset)	0.038844%	0.040558%	
City's proportionate share of the net pension liability (asset)	\$ 2,979,302	\$ 2,585,891	
City's covered-employee payroll	\$ 1,087,569	\$ 1,184,081	
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	273.94%	218.39%	
Plan fiduciary net position as a percentage of the total pension liability	47.81%	57.33%	

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**CITY OF LOUISA, KENTUCKY
SCHEDULE OF CITY PENSION CONTRIBUTIONS (CERS)
JUNE 30, 2022**

	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>
Contractually required contribution	\$ 123,131	\$ 126,254	\$ 135,015
Contributions in relation to the contractually required contribution	<u>123,131</u>	<u>126,254</u>	<u>135,015</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 965,733	\$ 1,016,536	\$ 967,848
Contributions as a percentage of covered-employee payroll	12.75%	12.42%	13.95%
	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
Contractually required contribution	\$ 140,454	\$ 157,326	\$ 202,917
Contributions in relation to the contractually required contribution	<u>140,454</u>	<u>157,326</u>	<u>202,917</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 969,990	\$ 969,955	\$ 1,051,384
Contributions as a percentage of covered-employee payroll	14.48%	16.22%	19.30%
	<u>6/30/2021</u>	<u>6/30/2022</u>	
Contractually required contribution	\$ 209,901	\$ 250,670	
Contributions in relation to the contractually required contribution	<u>209,901</u>	<u>250,670</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
City's covered-employee payroll	\$ 1,087,569	\$ 1,184,081	
Contributions as a percentage of covered-employee payroll	19.30%	21.17%	

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**CITY OF LOUISA, KENTUCKY
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY (CERS)
JUNE 30, 2022**

	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
City's proportion of the net OPEB liability (asset)	0.039751%	0.039134%	0.038135%
City's proportionate share of the net OPEB liability (asset)	\$ 799,131	\$ 694,816	\$ 641,414
City's covered-employee payroll	\$ 969,990	\$ 969,955	\$ 1,051,384
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	82.39%	71.63%	61.01%
Plan fiduciary net position as a percentage of the total OPEB liability	52.40%	57.62%	60.44%
	<u>6/30/2021</u>	<u>6/30/2022</u>	
City's proportion of the net OPEB liability (asset)	0.038833%	0.040547%	
City's proportionate share of the net OPEB liability (asset)	\$ 937,699	\$ 776,252	
City's covered-employee payroll	\$ 1,087,569	\$ 1,184,081	
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	86.22%	65.56%	
Plan fiduciary net position as a percentage of the total OPEB liability	51.67%	62.91%	

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**CITY OF LOUISA, KENTUCKY
SCHEDULE OF CITY OPEB CONTRIBUTIONS (CERS)
JUNE 30, 2022**

	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>
Contractually required contribution	\$ 45,590	\$ 51,020	\$ 50,046
Contributions in relation to the contractually required contribution	<u>45,590</u>	<u>51,020</u>	<u>50,046</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 969,990	\$ 969,955	\$ 1,051,384
Contributions as a percentage of covered-employee payroll	4.70%	5.26%	4.76%
	<u>6/30/2021</u>	<u>6/30/2022</u>	
Contractually required contribution	\$ 51,768	\$ 68,440	
Contributions in relation to the contractually required contribution	<u>51,768</u>	<u>68,440</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
City's covered-employee payroll	\$ 1,087,569	\$ 1,184,081	
Contributions as a percentage of covered-employee payroll	4.76%	5.78%	

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NOTE A – GENERAL INFORMATION

Contributions

Contractually required employer contributions reported on the Schedule of Pension Contributions exclude the portion of contributions paid to CERS but allocated to the insurance fund of the CERS. The insurance contributions are reported on the Schedule of OPEB Contributions.

Payroll

The City's covered payroll reported on the Proportionate Share of the Net Pension Liability and the Proportionate Share of the Net OPEB Liability Schedules is one year prior to the City's fiscal year payroll as reported on the Schedule of Contributions for Pension and OPEB.

NOTE B – CHANGES OF ASSUMPTIONS

June 30, 2021 – Pension and OPEB – Non-hazardous

The following change in assumptions was made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2021, for OPEB:

- The initial healthcare trend rate for pre-65 was changed from 6.40% to 6.30%, which gradually decreases to an ultimate trend rate of 4.05% over a period of 13 years. The initial healthcare trend rate for post-65 was changed from 2.90% to 6.30%, which gradually decreases to an ultimate trend rate of 4.05% over a period of 13 years.

There were no changes in assumptions made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2021, for pension.

June 30, 2020 – Pension and OPEB – Non-hazardous

The following change in assumptions was made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2020, for OPEB:

- The initial healthcare trend rate for pre-65 was changed from 7% to 6.40%, which gradually decreases to an ultimate trend rate of 4.05% over a period of 14 years. The initial healthcare trend rate for post-65 was changed from 5% to 2.90%, which increases to 6.30% in 2023 and then gradually decreases to an ultimate trend rate of 4.05% over a period of 14 years.

There were no changes in assumptions made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2020, for pension.

June 30, 2019 – Pension and OPEB Non-hazardous

The following changes in assumptions were made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2019, for both pension and OPEB:

- The assumed rate of salary increases was increased from 3.05% to 3.3% to 10.3% on average.

NOTE B – CHANGES OF ASSUMPTIONS (Continued)

June 30, 2018 – Pension and OPEB – Non-hazardous

There were no changes in assumptions made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2018, for either pension or OPEB.

June 30, 2017 – Pension – Non-hazardous

The following changes in assumptions were made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2017:

- The assumed rate of return was decreased from 7.5% to 6.25%.
- The assumed rate of inflation was reduced from 3.25% to 2.3%.
- Payroll growth assumption was reduced from 4% to 2%.

June 30, 2016 – Pension and OPEB – Non-hazardous

There were no changes in assumptions made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2016, for either pension or OPEB.

June 30, 2015 – Pension – Non-hazardous

The following changes in assumptions were made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2015:

- The assumed rate of return was decreased from 7.75% to 7.5%.
- The assumed rate of inflation was reduced from 3.5% to 3.25%.
- The assumed rate of wage inflation was reduced from 1% to .75%.
- Payroll growth assumption was reduced from 4.5% to 4%.
- Mortality rates were based on the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females).
- For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females).
- For Disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) is used for the period after disability retirement.
- The assumed rates of retirement, withdrawal, and disability were updated to reflect experience more accurately.

June 30, 2014 – Pension – Non-hazardous

There were no changes in assumptions made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2014.

June 30, 2013 – Pension – Non-hazardous

The following assumptions were made by the Kentucky Legislature and reflected in the initial valuation performed as of June 30, 2013:

**CITY OF LOUISA, KENTUCKY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CERS)
FOR THE YEAR ENDED JUNE 30, 2022**

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NOTE B – CHANGES OF ASSUMPTIONS (Continued)

- The assumed rate of return was 7.75%.
- The assumed rate of inflation was 3.5%.
- The assumed rate of wage inflation was 1%.
- Payroll growth assumption was 4.5%.
- Mortality rates were based on the 1983 Group Annuity Mortality Table for all retired members and beneficiaries as of June 30, 2006. The 1994 Group Annuity Mortality Table was used for all other members.

SUPPLEMENTAL AND OTHER INFORMATION

**CITY OF LOUISA, KENTUCKY
SCHEDULE OF OPERATING EXPENSES
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

Business-type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Swimming Pool</u>	<u>Total</u>
Salaries and wages	\$ 423,833	\$ 137,911	\$ 19,155	\$ 580,899
Payroll taxes	30,835	9,836	1,427	42,098
Employee benefits	252,720	102,942	-	355,662
Insurance	37,537	25,278	-	62,815
Lab tests	11,110	16,863	-	27,973
Legal and professional	46,392	15,051	-	61,443
Materials and supplies	252,687	48,440	11,426	312,553
Miscellaneous	91,925	65,983	2,423	160,331
Office expense	37,067	17,115	988	55,170
Repairs and maintenance	256,969	239,193	3,393	499,555
Telephone	7,017	2,645	454	10,116
Truck expense	29,679	13,083	-	42,762
Utilities	270,158	199,527	1,784	471,469
Depreciation	403,649	302,258	3,444	709,351
TOTAL OPERATING EXPENSES	<u><u>\$ 2,151,578</u></u>	<u><u>\$ 1,196,125</u></u>	<u><u>\$ 44,494</u></u>	<u><u>\$ 3,392,197</u></u>

Hinton, Daniel E (PSC)

From: Louisa Water Plant
Sent: Thursday, April 27, 2023 10:36 AM
To: Hinton, Daniel E (PSC)
Subject: Re: Requested Information- Louisa Water

This Message Originated from Outside the Organization

This Message Is From an External Sender.

[Report Suspicious](#)

Mr. Hinton,

Mayor Slone has advised that he has sent you the most recent audit already. As for item number two, the improvements began in September 2022, it is currently partially in-service, with a full completion date estimated to be May 31, 2023. These improvements were deemed necessary as the water treatment plant is nearing 20 years old and the automation equipment was nearly all unusable due to being outdated and defective. These improvements will ensure water quality is maintained at high standards and with maximum efficiency.

Jason Helton
Louisa Water Treatment Plant

*Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129

*City of Louisa
Municipal Building
215 N. Main Cross
Louisa, KY 41230

*Harold Slone
,