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**Missouri Public
Service Commission**

Exhibit No.:
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: SR-2013-0459
Date Prepared: November 15, 2013



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DEPARTMENT

HORSESHOE BEND SEWER

STAFF ACCOUNTING SCHEDULES

LAKE REGION WATER AND SEWER COMPANY

CASE NO. SR-2013-0459

Jefferson City, Missouri

November 2013

Staff Exhibit No. 2
Date 3/18/14 **Reporter** PSG
File No. WR-2013-0461

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Rate Design Schedule - Sewer

A		B	C	D	E	F
Line Number	Description	Account Number (Optional)	Staff Annualized	Customer Charge	Commodity	Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$445,135			
Rev-3	Miscellaneous Revenues		(1) \$1,660			
Rev-4	TOTAL ANNUALIZED REVENUES		\$446,695			
1	OPERATIONS EXPENSES		(2)			
2	Purchased Wastewater Maintenance	710.100	\$0	\$0	\$0	0.00%
3	Sludge Removal	711.100	\$23,190	\$0	\$23,190	0.00%
4	Power for Treatment Plants - Other	715.000	\$0	\$0	\$0	0.00%
5	Power for Treatment Plants - HB Only	715.100	\$9,009	\$0	\$9,009	0.00%
6	Power for Liftstations - HB	716.100	\$20,439	\$0	\$20,439	0.00%
7	Chemicals	718.100	\$19,124	\$0	\$19,124	0.00%
8	Effluent Testing Expenses - HB	719.100	\$9,962	\$0	\$9,962	0.00%
9	Sewer Operating Expense	721.100	\$6,771	\$0	\$6,771	0.00%
10	PWSD#4 Labor	737.100	\$82,732	\$0	\$82,732	0.00%
11	TOTAL OPERATIONS EXPENSE		\$171,227	\$0	\$171,227	
12	MAINTENANCE EXPENSES					
13	Sewer Supplies	720.100	\$5,949	\$0	\$5,949	0.00%
14	Tools and Shop Supplies	722.100	\$899	\$0	\$899	0.00%
15	Contractual Services - Other	730.000	\$3,279	\$0	\$3,279	0.00%
16	Equipment Rental - Other	742.000	\$4,511	\$0	\$4,511	0.00%
17	Equipment Maintenance	745.900	\$3,507	\$0	\$3,507	0.00%
18	Outside Services Employed	923.000	\$0	\$0	\$0	0.00%
19	TOTAL MAINTENANCE EXPENSE		\$18,145	\$0	\$18,145	
20	CUSTOMER ACCOUNT EXPENSE					
21	Billing Expenses	921.500	\$721	\$0	\$721	0.00%
22	Bad Debt Expense	960.000	\$838	\$0	\$838	0.00%
23	TOTAL CUSTOMER ACCOUNT EXPENSE		\$1,559	\$0	\$1,559	
24	ADMINISTRATIVE & GENERAL EXPENSES					
25	Accounting Fees	732.100	\$6,582	\$0	\$6,582	0.00%
26	Contracted Legal Fees	733.100	\$1,544	\$0	\$1,544	0.00%
27	General Liability - Sewer	767.100	\$1,801	\$0	\$1,801	0.00%
28	Office Supplies	921.000	\$752	\$0	\$752	0.00%
29	Management Fees	922.000	\$11,406	\$0	\$11,406	0.00%
30	Telephone	925.000	\$897	\$0	\$897	0.00%
31	Travel and Entertainment - Other	927.000	\$133	\$0	\$133	0.00%
32	Travel and Entertainment - Lodging	927.100	\$0	\$0	\$0	0.00%
33	Transportation - Airline/Car	927.200	\$0	\$0	\$0	0.00%
34	Transportation Expense	933.000	\$20,864	\$0	\$20,864	0.00%
35	Customer Refunds	940.000	\$15	\$0	\$15	0.00%
36	Building Rental	941.000	\$5,040	\$0	\$5,040	0.00%
37	Other Misc. Expense	975.000	\$835	\$0	\$835	0.00%
38	Rate Case Expense	981.000	\$710	\$0	\$710	0.00%
39	TOTAL ADMINISTRATIVE AND GENERAL		\$50,579	\$0	\$50,579	
40	OTHER OPERATING EXPENSES					
41	PSC Assessment	767.250	\$47,053	\$0	\$47,053	0.00%
42	Licenses and Permits	779.100	\$8,760	\$0	\$8,760	0.00%
43	Discounts Taken	929.000	-\$23	\$0	-\$23	0.00%
44	Loss on Disposition of Assets	930.000	-\$513	\$0	-\$513	0.00%
45	CIAC Amortization Expense		-\$2,697	\$0	-\$2,697	0.00%
46	Depreciation		\$88,397	\$0	\$88,397	0.00%
47	TOTAL OTHER OPERATING EXPENSES		\$140,967	\$0	\$140,967	
48	TAXES OTHER THAN INCOME					
49	Real Estate Taxes	967.200	\$770	\$0	\$770	0.00%
50	TOTAL TAXES OTHER THAN INCOME		\$770	\$0	\$770	
51	TOTAL OPERATING EXPENSES		\$383,247	\$0	\$383,247	

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Rate Design Schedule - Sewer

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
52	Interest Expense		(3) \$47,791	\$0	\$47,791	0.00%
53	Return on Equity		(3) \$44,261	\$0	\$44,261	0.00%
54	Income Taxes		(3) \$11,308	\$0	\$11,308	0.00%
65	TOTAL INTEREST RETURN & TAXES		\$103,360	\$0	\$103,360	
56	TOTAL COST OF SERVICE		\$486,607	\$0	\$486,607	
57	Less: Miscellaneous Revenues		\$1,560	\$0	\$1,560	0.00%
58	COST TO RECOVER IN RATES		\$485,047	\$0	\$485,047	
59	INCREMENTAL INCREASE IN RATE REVENUES		<u>\$39,912</u>			
60	PERCENTAGE OF INCREASE		<u>8.93%</u>			
61	REQUESTED INCREASE IN REVENUES		\$142,392			

- (1) From Revenue Schedule
(2) From Expense Schedule
(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Rate Base Required Return on Investment Schedule - Sewer

Line Number	A Rate Base Description	B Dollar Amount
1	Plant In Service	\$2,124,399 From Plant Schedule
2	Less Accumulated Depreciation Reserve	<u>\$765,670</u> From Depreciation Reserve Schedule
3	Net Plant In Service	\$1,358,729
4	Other Rate Base Items:	\$0
	Deferred Taxes	-\$19,672
	Material and Supplies	\$644
	Contribution of Aid of Construction	-\$160,524
	CIAC Depreciation	\$95,254
5	Total Rate Base	<u>\$1,274,431</u>
6	Total Weighted Rate of Return Including Income Tax	<u>8.11%</u> From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	<u><u>\$103,360</u></u>

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Rate of Return Including Income Tax - Sewer

	A	B	formulas
1 State Income Tax Rate Statutory / Effective	6.25% (2)	6.80%	$(1 - (B2 \times .5)) \times A1$
2 Federal Income Tax Rate Statutory / Effective	15.45% (1) & (2)	14.55%	$(1 - B1) \times A2$
3 Composite Effective Income Tax Rate		20.35%	$B1 + B2$
4 Equity Tax Factor		1.2555	$1 / (1 - B3)$
5 Recommended Weighted Rate of Return on Equity - Common and Preferred		3.47%	From Capital Structure Schedule
6 Weighted Rate of Return on Equity Including Income Tax		4.36%	$B4 \times B5$
7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		3.75%	From Capital Structure Schedule
8 Total Weighted Rate of Return Including Income Tax		8.11%	$B6 + B7$

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

N

Equity Income Required \$52,348
& Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$50,000	\$7,500
\$50,001	\$75,000	25.00%	\$2,348	\$587
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$52,348	\$8,087
			Consolidated Tax Rate:	
			Average Tax Rate:	0.1545

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Capital Structure Schedule - Sewer

Line Number	A Description	B Dollar Amount	C Percentage of Total Capital Structure	D Embedded Cost of Capital	E Weighted Cost of Capital
1	Common Stock	\$658,892	25.00%	13.89%	3.473%
2	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%
4	Long Term Debt	\$1,976,675	75.00%	5.00%	3.750%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%
6	Other Security-Tax Deductible	\$0	0.00%	0.00%	0.000%
7	TOTAL CAPITALIZATION	\$2,635,567	100.00%		7.223%

To PreTax Return Rate Schedule

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Plant In Service - Sewer

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$22,970			27.77%	\$6,379
3		TOTAL INTANGIBLE PLANT	\$22,970		\$0		\$6,379
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$5,985			27.77%	\$1,662
6	351.000	Structures & Improvements	\$4,650			100.00%	\$4,650
7		TOTAL SOURCE OF SUPPLY PLANT	\$10,635		\$0		\$6,312
8		COLLECTION PLANT					
9	352.110	Collection Sewers - Force - HB	\$349,553	P-9	\$59,774	100.00%	\$409,327
10	352.210	Collection Sewers - Gravity - HB	\$164,187	P-10	\$207,341	100.00%	\$371,528
11	353.100	Services to Customers HB	\$80,963			100.00%	\$80,963
12	354.100	Flow Measuring Devices HB	\$30,747	P-12	-\$5,993	100.00%	\$24,754
13		TOTAL COLLECTION PLANT	\$625,450		\$261,122		\$886,572
14		PUMPING PLANT					
15	362.100	Receiving Wells and Pump Pits HB	\$10,861	P-15	\$76,866	100.00%	\$87,727
16	363.100	Pumping Equipment HB	\$497,402	P-16	-\$312,466	100.00%	\$184,936
17		TOTAL PUMPING PLANT	\$508,263		-\$235,600		\$272,663
18		TREATMENT & DISPOSAL PLANT					
19	372.100	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	\$1,188,597	P-19	-\$318,344	100.00%	\$870,253
20	372.110	Grandview Treatment Plant - HB	\$40,932			100.00%	\$40,932
21	372.120	Palisades Point Treatment Plant - HB	\$7,437			100.00%	\$7,437
22	372.130	Maywood Condo Treatment Plant - HB	\$1,378	P-22	\$812	100.00%	\$2,190
23		TOTAL TREATMENT & DISPOSAL PLANT	\$1,238,344		-\$317,532		\$920,812
24		GENERAL PLANT					
25	391.000	Office Furniture & Equipment	\$11,172			15.89%	\$1,775
26	391.100	Office Electronic Equipment	\$15,443			15.89%	\$2,454
27	392.000	Transportation Equipment - GP	\$10,579			27.77%	\$2,938
28	392.100	Transportation Equipment - Pump Truck	\$36,520			27.77%	\$10,142
29	392.200	Transportation Equipment - Sierra Truck	\$19,703			15.89%	\$3,131
30	394.000	Tools, Shop and Garage Equipment	\$6,727			15.89%	\$1,069
31	395.000	Laboratory Equipment	\$1,284			27.77%	\$357
32	396.000	Power Operated Equipment - Company Owned	\$11,523			27.77%	\$3,200
33	397.000	Communication Equipment	\$6,596			100.00%	\$6,596
34		TOTAL GENERAL PLANT	\$119,547		\$0		\$31,661
35		TOTAL PLANT IN SERVICE	\$2,525,209		-\$292,010		\$2,124,399

To Rate Base & Depreciation Schedules

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-9	Collection Sewers - Force - HB	352.110		\$59,774
	1 - Reclass from "Plant Sewers" account. A. Rice		\$59,774	
P-10	Collection Sewers - Gravity - HB	352.210		\$207,341
	1 - Reclass \$207,341 from "Plant Sewers" account. A. Rice		\$207,341	
P-12	Flow Measuring Devices HB	354.100		-\$5,993
	1 - Transfer plant to Shawnee Bend Sewer, improperly booked to Horseshoe Bend Sewer, Staff last case. A. Rice		-\$5,993	
P-15	Receiving Wells and Pump Pits HB	362.100		\$76,866
	1 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$5,471	
	2 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$949	
	3 - Transfer (reclass) plant of CC Cove project from Acct. 363.10 HB Pumping Equip. A. Rice		\$53,659	
	4 - Transfer (reclass) plant from Acct. 372.10 HB Treatment & Disposal Equip. A. Rice		\$167	
	5 - Transfer from Acct. 363.10 Pumping Equip., portion of Duck Head plant from previous case. A. Rice		\$16,620	
P-16	Pumping Equipment HB	363.100		-\$312,466
	1 - Transfer (reclass) plant from Acct. 362.10. A. Rice		-\$5,471	

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	2 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$949	
	3 - Transfer (reclass) of CC Cove project to Acct. 362.10. A. Rice		-\$53,659	
	4 - Transfer to Receiving Wells Acct. 362.10 - Duck Head plant from previous case. A. Rice		-\$16,620	
	5 - Transfer (reclass) to Acct. 363.20 SB Pumping Equip. from HB. A. Rice		-\$240,000	
	6 - Transfer (reclass) from HB Acct. 372.10. A. Rice		\$54	
	7 - Transfer from SB Receiving Wells Acct. 362.20. A. Rice		\$2,383	
	8 - Transfer to HB Acct. 372.10 - Charleston Blower. A. Rice		-\$2,677	
	9 - Plant not included in previous case true-up. A. Rice		\$2,374	
	10 - Capitalize pumps and controls from previous case. A. Rice		\$2,099	
P-19	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	372.100		-\$318,344
	1 - Reclass "Plant Sewers" from previous case to adjustments P-9 and P-10 above. A. Rice		-\$267,115	
	2 - Transfer \$38,535 of improperly recorded SB Force Mains as HB "Plant Sewers". A. Rice		-\$38,535	
	3 - Transfer (reclass) to HB Acct. 363.10, Pumping Equip. A. Rice		-\$54	
	4 - Transfer (reclass) plant to Acct. 362.10 HB Receiving Wells. A. Rice		-\$167	

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	5 - Transfer from HB Acct. 363.10 - Charleston Blower. A. Rice		\$2,677	
	6 - Reverse Company 12/31/2000 entry of \$15,150 of "Plant Sewers" est. cost for the Villages recorded as HB "Plant Sewer" rather than SB Gravity associated with the SBDC law suit. A. Rice		-\$15,150	
P-22	Maywood Condo Treatment Plant - HB	372.130		\$812
	1 - Payne and Jones additional fees. A. Rice		\$812	
Total Plant Adjustments				<u><u>-\$292,010</u></u>

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Depreciation Expense - Sewer

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	\$6,379	0.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$6,379		\$0
4		SOURCE OF SUPPLY PLANT			
5	350.000	Land & Land Rights	\$1,662	0.00%	\$0
6	351.000	Structures & Improvements	\$4,650	4.00%	\$186
7		TOTAL SOURCE OF SUPPLY PLANT	\$6,312		\$186
8		COLLECTION PLANT			
9	352.110	Collection Sewers - Force - HB	\$409,327	2.00%	\$8,187
10	352.210	Collection Sewers - Gravity - HB	\$371,528	2.00%	\$7,431
11	353.100	Services to Customers HB	\$80,963	2.00%	\$1,619
12	354.100	Flow Measuring Devices HB	\$24,754	3.30%	\$817
13		TOTAL COLLECTION PLANT	\$886,572		\$18,054
14		PUMPING PLANT			
15	362.100	Receiving Wells and Pump Pits HB	\$87,727	4.00%	\$3,509
16	363.100	Pumping Equipment HB	\$184,936	10.00%	\$18,494
17		TOTAL PUMPING PLANT	\$272,663		\$22,003
18		TREATMENT & DISPOSAL PLANT			
19	372.100	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	\$870,253	5.00%	\$43,513
20	372.110	Grandview Treatment Plant - HB	\$40,932	5.00%	\$2,047
21	372.120	Palisades Point Treatment Plant - HB	\$7,437	5.00%	\$372
22	372.130	Maywood Condo Treatment Plant - HB	\$2,190	5.00%	\$110
23		TOTAL TREATMENT & DISPOSAL PLANT	\$920,812		\$46,042
24		GENERAL PLANT			
25	391.000	Office Furniture & Equipment	\$1,775	5.00%	\$89
26	391.100	Office Electronic Equipment	\$2,454	14.30%	\$351
27	392.000	Transportation Equipment - GP	\$2,938	0.00%	\$0
28	392.100	Transportation Equipment - Pump Truck	\$10,142	5.30%	\$538
29	392.200	Transportation Equipment - Sierra Truck	\$3,131	13.00%	\$407
30	394.000	Tools, Shop and Garage Equipment	\$1,069	5.00%	\$53
31	395.000	Laboratory Equipment	\$357	5.00%	\$18
32	396.000	Power Operated Equipment - Company Owned	\$3,200	6.70%	\$214
33	397.000	Communication Equipment	\$6,596	6.70%	\$442
34		TOTAL GENERAL PLANT	\$31,661		\$2,112
35		Total Depreciation	\$2,124,399		\$88,397

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Accumulated Depreciation Reserve - Sewer

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$0			100.00%	\$0
6	351.000	Structures & Improvements	\$1,237			100.00%	\$1,237
7		TOTAL SOURCE OF SUPPLY PLANT	\$1,237		\$0		\$1,237
8		COLLECTION PLANT					
9	352.110	Collection Sewers - Force - HB	\$29,913	R-9	\$14,794	100.00%	\$44,707
10	352.210	Collection Sewers - Gravity - HB	\$35,994	R-10	\$51,317	100.00%	\$87,311
11	353.100	Services to Customers HB	\$11,255			100.00%	\$11,255
12	354.100	Flow Measuring Devices HB	\$2,876	R-12	-\$2,373	100.00%	\$503
13		TOTAL COLLECTION PLANT	\$80,038		\$63,738		\$143,776
14		PUMPING PLANT					
15	362.100	Receiving Wells and Pump Pits HB	\$1,510	R-15	\$18,624	100.00%	\$20,134
16	363.100	Pumping Equipment HB	\$367,687	R-16	-\$318,995	100.00%	\$48,692
17		TOTAL PUMPING PLANT	\$369,197		-\$300,371		\$68,826
18		TREATMENT & DISPOSAL PLANT					
19	372.100	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	\$601,178	R-19	-\$74,015	100.00%	\$527,163
20	372.110	Grandview Treatment Plant - HB	\$1,842			100.00%	\$1,842
21	372.120	Palisades Point Treatment Plant - HB	\$527			100.00%	\$527
22	372.130	Maywood Condo Treatment Plant - HB	\$62			100.00%	\$62
23		TOTAL TREATMENT & DISPOSAL PLANT	\$603,609		-\$74,015		\$529,594
24		GENERAL PLANT					
25	391.000	Office Furniture & Equipment	\$7,349			15.89%	\$1,168
26	391.100	Office Electronic Equipment	\$6,823			15.89%	\$1,084
27	392.000	Transportation Equipment - GP	\$29,748			27.77%	\$8,261
28	392.100	Transportation Equipment - Pump Truck	\$25,261			27.77%	\$7,015
29	392.200	Transportation Equipment - Sierra Truck	\$4,851			15.89%	\$771
30	394.000	Tools, Shop and Garage Equipment	\$4,274			15.89%	\$679
31	395.000	Laboratory Equipment	\$874			27.77%	\$243
32	396.000	Power Operated Equipment - Company Owned	\$6,435			27.77%	\$1,787
33	397.000	Communication Equipment	\$1,229			100.00%	\$1,229
34		TOTAL GENERAL PLANT	\$86,844		\$0		\$22,237
35		TOTAL DEPRECIATION RESERVE	\$1,140,925		-\$310,648		\$765,670

To Rate Base Schedule

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Reserve Adjustment Number	Accumulated Depreciation Reserve Adjustments Description	Account Number	Adjustment Amount	Total Adjustment Amount
R-9	Collection Sewers - Force - HB	352.110		\$14,794
	1 - Reclass from Plant Sewers. A. Rice		\$14,794	
R-10	Collection Sewers - Gravity - HB	352.210		\$51,317
	1 - Reclass from Plant Sewers. A. Rice		\$51,317	
R-12	Flow Measuring Devices HB	354.100		-\$2,373
	1 - Transfer plant improperly booked to Horseshoe Bend Sewer. A. Rice		-\$2,373	
R-15	Receiving Wells and Pump Pits HB	362.100		\$18,624
	1 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$7,932	
	2 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$699	
	3 - Transfer (reclass) plant in CC Cove Project from Acct. 363.10 HB Pumping Equip. A. Rice		\$29,513	
	4 - Transfer (reclass) plant from Acct. 372.10 Treatment and Disposal Equipment. A. Rice		\$78	
	5 - Transfer from Pumping Equip. Acct. 363.10, portion of Duck Head plant from previous case. A. Rice		\$5,402	

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

A Reserve Adjustment Number	B Accumulated Depreciation Reserve Adjustments Description	C Account Number	D Adjustment Amount	E Total Adjustment Amount
	6 - Transfer of depreciation reserves between Receiving Wells and Pumping Equipment Acct. 363.10 is prudent action to correct for past description accruals having been distorted due to recording of plant in improper accounts. A. Rice		-\$25,000	
R-16	Pumping Equipment HB	363.100		-\$318,995
	1 - Transfer (reclass) plant to Acct. 372.10. A. Rice		\$26	
	2 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$699	
	3 - Transfer (reclass) of CC Cove project to Acct. 362.10. A. Rice		-\$29,513	
	4 - Transfer to Receiving Wells Acct. 362.10 - Duck Head plant from previous case. A. Rice		-\$5,402	
	5 - Transfer (reclass) to Acct. 363.20 SB Receiving Wells from HB. A. Rice		\$1,262	
	6 - Transfer to HB Acct. 372.10 - Charleston Blower. A. Rice		-\$1,737	
	7 - Transfer (reclass) to Acct. 363.20 SB from HB. A. Rice		-\$300,000	
	8 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$7,932	
	9 - Transfer of depreciation reserves between Receiving Wells 362.10 and Pumping Equipment HB is prudent action to correct for past description accruals having been distorted due to recording of plant in improper accounts. A. Rice		\$25,000	

Lake Region Water and Sewer Company
 Horseshoe Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013
 Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

A	B	C	D	E
Reserve Adjustment Number	Accumulated Depreciation Reserve Adjustments Description	Account Number	Adjustment Amount	Total Adjustment Amount
R-19	Treatment and Disposal Equipment (Lodge, RC,	372.100		-\$74,015
	1 - Reclass Plant Sewers from previous case. (Horseshoe Bend adjustment No. R-9 \$14,794; R-10 \$51,317; and Shawnee Bend Sewer adjustment No. R-9 \$9,537) A. Rice		-\$75,648	
	2 - Transfer (reclass) plant to Acct. 363.10. A. Rice		-\$26	
	3 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$78	
	4 - Transfer to HB Acct. 363.10 - Charleston Blower. A. Rice		\$1,737	
Total Reserve Adjustments				-\$310,648

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Revenue Schedule - Sewer

Line Number	A Account Number (Optional)	B Revenue Description	C Company/ Test Year Amount	D Adjustment Number	E Jurisdictional Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$435,417	Rev-2	\$9,718	100.00%	\$445,135
Rev-3		Miscellaneous Revenues	\$1,560	Rev-3	\$0	100.00%	\$1,560
Rev-4		TOTAL ANNUALIZED REVENUES	\$436,977		\$9,718		\$446,695

Lake Region Water and Sewer Company
 Horseshoe Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013
 Revenue Adjustment Schedule - Sewer

A	B	C	D	E
Revenue Adj Number	Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
Rev-2	Annualized Rate Revenues			\$9,718
	1. To Annualize Rate Revenues		\$9,718	
	2. Description		\$0	
	3. Description		\$0	
Rev-3	Miscellaneous Revenues			\$0
	1. To Annualize Miscellaneous Revenues		\$0	
	2. Description		\$0	
Total Revenue Adjustments				\$9,718

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Revenue Summary Schedule - Sewer

Line Number	A Description	Residential Sewer		Commercial Sewer	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	225		18	
3	Bills Per Year	12		12	
4	Customer Bills Per year	2,700		216	
5	Current Customer Charge	<u>\$29.39</u>		<u>\$29.39</u>	
6	Annualized Customer Charge Revenues		\$79,353		\$6,348
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		68,333,521	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>0</u>	
10	Commodity Gallons	0		68,333,521	
11	Block 1, Commodity Gallons per Block	0		68,333,521	
12	Block 1, Number of Commodity Gallons per Unit	<u>0</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	0.00		68,333.52	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$5.26</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$359,434
16	Total Annualized Sewer Rate Revenues		<u>\$79,353</u>		<u>\$365,782</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Revenue Summary Schedule - Sewer

Line Number	A Description	Total	
		E Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	243	
3	Bills Per Year		
4	Customer Bills Per year	2,916	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$85,701
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	68,333,521	
9	Less: Base Gallons Included In Customer Charge	0	
10	Commodity Gallons	68,333,521	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$369,434
16	Total Annualized Sewer Rate Revenues		\$445,135

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Miscellaneous Revenues Feeder - Sewer

<u>A</u>		<u>B</u>
Line Number	Description	Amount
1	To annualize late fees	<u>\$1,560</u>
2	Total Miscellaneous Revenues	<u><u>\$1,560</u></u>

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Schedule - Sewer

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2	710.100	Purchased Wastewater Maintenance	\$8	S-2	-\$8	100.00%	\$0
3	711.100	Sludge Removal	\$23,190			100.00%	\$23,190
4	715.000	Power for Treatment Plants - Other	\$155	S-4	-\$155	100.00%	\$0
5	715.100	Power for Treatment Plants - HB Only	\$7,890	S-5	\$1,119	100.00%	\$9,009
6	716.100	Power for Liftstations - HB	\$18,993	S-6	\$1,446	100.00%	\$20,439
7	718.100	Chemicals	\$19,124			100.00%	\$19,124
8	719.100	Effluent Testing Expenses - HB	\$8,961	S-8	\$1,001	100.00%	\$9,962
9	721.100	Sewer Operating Expense	\$6,314	S-9	\$457	100.00%	\$6,771
10	737.100	PWSD#4 Labor	\$126,269	S-10	-\$43,527	100.00%	\$82,732
11		TOTAL OPERATIONS EXPENSE	\$210,894		-\$39,667		\$171,227
12		MAINTENANCE EXPENSES					
13	720.100	Sewer Supplies	\$6,792	S-13	-\$843	100.00%	\$5,949
14	722.100	Tools and Shop Supplies	\$549	S-14	\$350	100.00%	\$899
15	730.000	Contractual Services - Other	\$9,750			33.63%	\$3,279
16	742.000	Equipment Rental - Other	\$13,647	S-16	-\$1,832	38.18%	\$4,511
17	745.900	Equipment Maintenance	\$3,170	S-17	\$337	100.00%	\$3,507
18	923.000	Outside Services Employed	\$1,407			0.00%	\$0
19		TOTAL MAINTENANCE EXPENSE	\$35,315		-\$1,988		\$18,145
20		CUSTOMER ACCOUNT EXPENSE					
21	921.500	Billing Expenses	\$4,889	S-21	-\$352	15.90%	\$721
22	950.000	Bad Debt Expense	\$2,205	S-22	-\$396	46.35%	\$838
23		TOTAL CUSTOMER ACCOUNT EXPENSE	\$7,094		-\$748		\$1,559
24		ADMINISTRATIVE & GENERAL EXPENSES					
25	732.100	Accounting Fees	\$6,771	S-25	-\$189	100.00%	\$6,582
26	733.100	Contracted Legal Fees	\$4,312	S-26	-\$2,768	100.00%	\$1,544
27	757.100	General Liability - Sewer	\$4,414	S-27	-\$2,613	100.00%	\$1,801
28	921.000	Office Supplies	\$12,969	S-28	-\$8,237	15.90%	\$752
29	922.000	Management Fees	\$211,000	S-29	-\$181,125	38.18%	\$11,406
30	925.000	Telephone	\$3,694	S-30	-\$1,769	46.35%	\$897
31	927.000	Travel and Entertainment - Other	\$17,516	S-31	-\$17,229	46.35%	\$133
32	927.100	Travel and Entertainment - Lodging	\$85	S-32	-\$85	46.35%	\$0
33	927.200	Transportation - Airline/Car	\$227	S-33	-\$227	46.35%	\$0
34	933.000	Transportation Expense	\$46,778	S-34	-\$1,764	46.35%	\$20,864
35	940.000	Customer Refunds	\$96			15.90%	\$15
36	941.000	Building Rental	\$13,200			38.18%	\$5,040
37	975.000	Other Misc. Expense	\$4,516	S-37	-\$2,715	46.35%	\$835
38	981.000	Rate Case Expense	\$322	S-38	\$388	100.00%	\$710
39		TOTAL ADMINISTRATIVE AND GENERAL	\$325,900		-\$218,323		\$60,579
40		OTHER OPERATING EXPENSES					
41	767.250	PSC Assessment	\$35,641	S-41	\$11,412	100.00%	\$47,053
42	779.100	Licenses and Permits	\$10,179	S-42	-\$1,429	100.00%	\$8,750
43	929.000	Discounts Taken	-\$49			46.35%	-\$23
44	930.000	Loss on Disposition of Assets	-\$2,520			20.35%	-\$513
45		CIAC Amortization Expense	\$0	S-45	-\$2,697	100.00%	-\$2,697
46		Depreciation	\$0	S-46	\$88,397	100.00%	\$88,397
47		TOTAL OTHER OPERATING EXPENSES	\$43,251		\$95,683		\$140,967
48		TAXES OTHER THAN INCOME					
49	967.200	Real Estate Taxes	\$4,025	S-49	-\$239	20.35%	\$770
50		TOTAL TAXES OTHER THAN INCOME	\$4,025		-\$239		\$770
51		TOTAL OPERATING EXPENSES	\$626,479		-\$165,282		\$383,247

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
S-2	Purchased Wastewater Maintenance	710.100		-\$8
	1 - To adjust sewer maintenance to a normalized level. E. Carle		-\$8	
S-4	Power for Treatment Plants - Other	715.000		-\$155
	1 - To remove amount booked to incorrect account. A. Sarver		-\$126	
	2 - To remove Ozark Shores expenses. A. Sarver		-\$29	
S-5	Power for Treatment Plants - HB Only	715.100		\$1,119
	1 - To annualize power to reflect rate increase. A. Sarver		\$1,321	
	2 - To add amount booked to incorrect account. A. Sarver		\$149	
	3 - To remove Ozark Shores expenses. A. Sarver		-\$211	
	4 - To remove Camden County PSWD #4 expense. A. Sarver		-\$140	
S-6	Power for Liftstations - HB	716.100		\$1,446
	1 - To annualize power to reflect rate increase. A. Sarver		\$1,446	
S-8	Effluent Testing Expenses - HB	719.100		\$1,001
	1 - To add amounts booked to incorrect accounts. A. Sarver		\$1,001	
S-9	Sewer Operating Expense	721.100		\$457
	1 - To normalize sewer operating expense. K. Bolin		\$110	

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	2 - To annualize water used in operating treatment plant. K. Bolin		\$347	
S-10	PWSD#4 Labor	737.100		-\$43,527
	1 - To annualize payroll, employee benefits, payroll taxes, and workers' compensation. K. Foster		-\$43,527	
S-13	Sewer Supplies	720.100		-\$843
	1 - To remove items no necessary to provide safe and adequate service. A. Sarver		-\$22	
	2 - To remove amounts booked to incorrect account. A. Sarver		-\$821	
S-14	Tools and Shop Supplies	722.100		\$350
	1 - To add amounts booked to incorrect account. A. Sarver		\$350	
S-16	Equipment Rental - Other	742.000		-\$1,832
	1 - To adjust equipment rental expense to reflect Staff's annualized rental expense. E. Carle		-\$1,832	
S-17	Equipment Maintenance	745.900		\$337
	1 - To normalize equipment maintenance. K. Bolin		\$337	
S-21	Billing Expenses	921.500		-\$352
	1 - To annualize billing expense based on current postal rates. K. Foster		-\$352	
S-22	Bad Debt Expense	950.000		-\$396

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	1 - To adjust bad debt expense to a normalized level. E. Carle		-\$396	
S-25	Accounting Fees	732.100		-\$189
	1 - To reallocate accounting fees according to the revenue allocation factor. K. Foster		-\$189	
S-26	Contracted Legal Fees	733.100		-\$2,768
	1 - To remove legal fees for Maywood Estates, Corporate stock transfer, and 2012 Finance Authority. K. Foster		-\$3,669	
	2 - To annualize legal fees for 2012 Finance Authority to a three-year average. K. Foster		\$901	
S-27	General Liability - Sewer	757.100		-\$2,613
	1 - To annualize insurance to reflect allocation based on plant. A. Sarver		-\$2,613	
S-28	Office Supplies	921.000		-\$8,237
	1 - To remove amount booked to incorrect account. A. Sarver		-\$2,350	
	2 - To remove non-recurring expenses. A. Sarver		-\$250	
	3 - To remove account analysis charge. A. Sarver		-\$3,132	
	4 - To remove expenses not necessary to provide safe and adequate service. A. Sarver		-\$2,255	
	5 - To remove expenses already accounted for in payroll. A. Sarver		-\$250	
S-29	Management Fees	922.000		-\$181,125

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	1 - To replace executive management fees in test year with costs for executive oversight. K. Foster		-\$181,125	
S-30	Telephone	925.000		-\$1,759
	1 - To annualize cell phone for a two-year average. A. Sarver		-\$81	
	2 - To annualize wireless service to reflect allocation based on payroll. A. Sarver		-\$484	
	3 - To remove disallowed expense. A. Sarver		-\$225	
	4 - To remove wireless service no longer activated. A. Sarver		-\$969	
S-31	Travel and Entertainment - Other	927.000		-\$17,229
	1 - To remove expenses covered by executive oversight adjustment to account 922.00 and other miscellaneous expenses. K. Foster		-\$17,229	
S-32	Travel and Entertainment - Lodging	927.100		-\$85
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$85	
S-33	Transportation - Airline/Car	927.200		-\$227
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$227	
S-34	Transportation Expense	933.000		-\$1,764
	1 - To adjust out misapplied expenses and expenses related to the Shawnee Bend Development Lawsuit, and to adjust expenses related to the 2012 Finance Authority to a three-year average. K. Foster		-\$1,764	

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
S-37	Other Misc. Expense	975.000		-\$2,715
	1 - To adjust Misc. Expense to a normalized level. E. Carle		-\$3,529	
	2 - To annualize bank service charge. A. Sarver		\$814	
S-38	Rate Case Expense	981.000		\$388
	1 - To normalize rate case expense over a three year period. E. Carle		\$388	
S-41	PSC Assessment	767.250		\$11,412
	1 - To adjust PSC/OPC Assessment to the 2014 assessment level. E. Carle		\$11,412	
S-42	Licenses and Permits	779.100		-\$1,429
	1 - To correct amount booked to incorrect account A. Sarver		-\$750	
	2 - To remove non-recurring expenses. A. Sarver		-\$679	
S-45	CIAC Amortization Expense			-\$2,697
	1 - Update Amortized CIAC based on new allocation factors. A. Sarver		-\$2,697	
S-46	Depreciation			\$88,397
	1. To Annualize Depreciation		\$88,397	
S-49	Real Estate Taxes	967.200		-\$239
	1 - To annualize taxes to reflect allocation based on Company's plant. A. Sarver		-\$239	
Total Expense Adjustments				-\$165,282

Lake Region Water and Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Expense Adj Number	Adjustment Description	Account Number	Adjustment Amount	Total Adjustment

Exhibit No.:
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: SR-2013-0459
Date Prepared: November 15, 2013



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DEPARTMENT

SHAWNEE BEND SEWER

STAFF ACCOUNTING SCHEDULES

LAKE REGION WATER AND SEWER COMPANY

CASE NO. SR-2013-0459

Jefferson City, Missouri

November 2013

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Rate Design Schedule - Sewer

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$294,062			
Rev-3	Miscellaneous Revenues		(1) \$205,254			
Rev-4	TOTAL ANNUALIZED REVENUES		\$499,316			
1	OPERATIONS EXPENSES		(2)			
2	Sludge Removal	711.200	3630	\$0	\$3,530	0
3	Power for Treatment Plants - Other	715.000	\$0	\$0	\$0	0.00%
4	Power for Treatment Plants - SB Only	715.200	\$12,963	\$0	\$12,963	0.00%
5	Power for Liftstations - SB	716.200	\$19,106	\$0	\$19,106	0.00%
6	Chemicals	718.200	\$8,629	\$0	\$8,629	0.00%
7	Effluent Testing Expenses - SB	719.200	\$3,339	\$0	\$3,339	0.00%
8	Sewer Operating Expense	721.200	\$3,257	\$0	\$3,257	0.00%
9	PWSD#4 Labor	737.200	\$81,867	\$0	\$81,867	0.00%
10	TOTAL OPERATIONS EXPENSE		\$132,691	\$0	\$132,691	
11	MAINTENANCE EXPENSES					
12	Sewer Supplies	720.200	\$3,102	\$0	\$3,102	0.00%
13	Tools and Shop Supplies	722.200	\$516	\$0	\$516	0.00%
14	Contractual Services - Other	730.000	\$6,471	\$0	\$6,471	0.00%
15	Equipment Rental - Other	742.000	\$4,498	\$0	\$4,498	0.00%
16	Equipment Maintenance	745.950	\$2,245	\$0	\$2,245	0.00%
17	Outside Services Employed	923.000	\$709	\$0	\$709	0.00%
18	TOTAL MAINTENANCE EXPENSE		\$17,641	\$0	\$17,641	
19	CUSTOMER ACCOUNT EXPENSE					
20	Billing Expense	921.500	\$1,874	\$0	\$1,874	0.00%
21	Bad Debt Expense	950.000	\$552	\$0	\$552	0.00%
22	TOTAL CUSTOMER ACCOUNT EXPENSE		\$2,426	\$0	\$2,426	
23	ADMINISTRATIVE & GENERAL EXPENSES					
24	Accounting Fees	732.200	\$4,332	\$0	\$4,332	0.00%
25	Contracted Legal Fees	733.200	\$597	\$0	\$597	0.00%
26	General Liability - Sewer	757.200	\$3,554	\$0	\$3,554	0.00%
27	Office Supplies	921.000	\$1,954	\$0	\$1,954	0.00%
28	Management Fees	922.000	\$11,373	\$0	\$11,373	0.00%
29	Telephone	925.000	\$590	\$0	\$590	0.00%
30	Travel and Entertainment - Other	927.000	\$88	\$0	\$88	0.00%
31	Travel and Entertainment - Lodging	927.100	\$0	\$0	\$0	0.00%
32	Transportation - Airline/Car	927.200	\$0	\$0	\$0	0.00%
33	Transportation Expense	933.000	\$13,734	\$0	\$13,734	0.00%
34	Customer Refunds	940.000	\$40	\$0	\$40	0.00%
35	Building Rental	941.000	\$5,025	\$0	\$5,025	0.00%
36	Other Misc. Expenses	975.000	\$549	\$0	\$549	0.00%
37	Rate Case Expense	981.000	\$710	\$0	\$710	0.00%
38	TOTAL ADMINISTRATIVE AND GENERAL		\$42,546	\$0	\$42,546	
39	OTHER OPERATING EXPENSES					
40	PSC Assessment	767.500	\$30,975	\$0	\$30,975	0.00%
41	Licenses and Permits	779.200	\$750	\$0	\$750	0.00%
42	Discounts Taken	929.000	-\$15	\$0	-\$15	0.00%
43	Loss on Disposition of Assets	930.000	-\$1,012	\$0	-\$1,012	0.00%
44	CIAC Amortization Expense		-\$75,853	\$0	-\$75,853	0.00%
45	Depreciation		\$129,815	\$0	\$129,815	0.00%
46	TOTAL OTHER OPERATING EXPENSES		\$84,660	\$0	\$84,660	
47	TAXES OTHER THAN INCOME					
48	Real Estate Taxes	967.200	\$1,520	\$0	\$1,520	0.00%
49	TOTAL TAXES OTHER THAN INCOME		\$1,520	\$0	\$1,520	
50	TOTAL OPERATING EXPENSES		\$281,284	\$0	\$281,284	

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Rate Design Schedule - Sewer

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
51	Interest Expense		(3) \$10,382	\$0	\$10,382	0.00%
52	Return on Equity		(3) \$9,615	\$0	\$9,615	0.00%
53	Income Taxes		(3) \$2,394	\$0	\$2,394	0.00%
54	TOTAL INTEREST RETURN & TAXES		\$22,391	\$0	\$22,391	
55	TOTAL COST OF SERVICE		\$303,675	\$0	\$303,675	
56	Less: Miscellaneous Revenues		\$205,254	\$0	\$205,254	0.00%
57	COST TO RECOVER IN RATES		\$98,421	\$0	\$98,421	
58	INCREMENTAL INCREASE IN RATE REVENUES		<u>-\$195,641</u>			
59	PERCENTAGE OF INCREASE		<u>-39.18%</u>			
60	REQUESTED INCREASE IN REVENUES		\$1,673			

(1) From Revenue Schedule

(2) From Expense Schedule

(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Rate Base Required Return on Investment Schedule - Sewer

Line Number	A Rate Base Description	B Dollar Amount
1	Plant In Service	\$4,193,337 From Plant Schedule
2	Less Accumulated Depreciation Reserve	<u>\$1,264,730</u> From Depreciation Reserve Schedule
3	Net Plant In Service	\$2,928,607
4	Other Rate Base Items:	\$0
	Deferred Taxes	-\$38,822
	Customer Advances	-\$163,950
	Material and Supplies	\$1,271
	Contribution of Aid of Construction	-\$3,422,910
	CIAC Depreciation	\$972,668
5	Total Rate Base	<u>\$276,864</u>
6	Total Weighted Rate of Return Including Income Tax	<u>8.09%</u> From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	<u><u>\$22,392</u></u>

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Rate of Return Including Income Tax - Sewer

	A	B	formulas
1 State Income Tax Rate Statutory / Effective	6.25% (2)	5.81%	$(1 - (B2 \times .5)) \times A1$
2 Federal Income Tax Rate Statutory / Effective	15.00% (1) & (2)	14.13%	$(1 - B1) \times A2$
3 Composite Effective Income Tax Rate		19.94%	$B1 + B2$
4 Equity Tax Factor		1.2490	$1 / (1 - B3)$
5 Recommended Weighted Rate of Return on Equity - Common and Preferred		3.47%	From Capital Structure Schedule
6 Weighted Rate of Return on Equity Including Income Tax		4.34%	$B4 \times B5$
7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		3.75%	From Capital Structure Schedule
8 Total Weighted Rate of Return Including Income Tax		8.09%	$B6 + B7$

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

N

Equity Income Required \$11,312
& Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$11,312	\$1,697
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$11,312	\$1,697
			Consolidated Tax Rate:	
			Average Tax Rate:	0.16

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Capital Structure Schedule - Sewer

Line Number	A	B	C	D	E
	Description	Dollar Amount	Percentage of Total Capital Structure	Embedded Cost of Capital	Weighted Cost of Capital
1	Common Stock	\$658,892	25.00%	13.89%	3.473%
2	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%
4	Long Term Debt	\$1,976,675	75.00%	5.00%	3.750%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%
6	Other Security-Tax Deductible	\$0	0.00%	0.00%	0.000%
7	TOTAL CAPITALIZATION	\$2,635,567	100.00%		7.223%

To PreTax Return Rate Schedule

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Plant In Service - Sewer

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$22,970			72.23%	\$16,591
3		TOTAL INTANGIBLE PLANT	\$22,970		\$0		\$16,591
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$5,985			72.23%	\$4,323
6		TOTAL SOURCE OF SUPPLY PLANT	\$5,985		\$0		\$4,323
7		COLLECTION PLANT					
8	352.120	Collection Sewers - Force - SB	\$2,777,585	P-8	\$55,935	100.00%	\$2,833,520
9	353.200	Services to Customers SB	\$129,981	P-9	\$49,477	100.00%	\$179,458
10	354.200	Flow Measuring Devices SB	\$0	P-10	\$5,993	100.00%	\$5,993
11		TOTAL COLLECTION PLANT	\$2,907,566		\$111,405		\$3,018,971
12		PUMPING PLANT					
13	362.200	Receiving Wells and Pump Pits SB	\$258,043	P-13	-\$8,470	100.00%	\$249,573
14	363.200	Pumping Equipment SB	\$18,206	P-14	\$243,737	100.00%	\$261,943
15		TOTAL PUMPING PLANT	\$276,249		\$235,267		\$511,516
16		TREATMENT & DISPOSAL PLANT					
17	372.200	Treatment and Disposal Equipment - SB	\$576,742			100.00%	\$576,742
18		TOTAL TREATMENT & DISPOSAL PLANT	\$576,742		\$0		\$576,742
19		GENERAL PLANT					
20	391.000	Office Furniture and Equipment	\$11,172			41.33%	\$4,617
21	391.100	Office Electronic Equipment	\$15,443			41.33%	\$6,383
22	392.000	Transportation Equipment - GP	\$10,579			72.23%	\$7,641
23	392.100	Transportation Equipment - Pump Truck	\$36,520			72.23%	\$26,378
24	392.200	Transportation Equipment - Sierra Truck	\$19,703			41.33%	\$8,143
25	394.000	Tools, Shop and Garage Equipment	\$6,727			41.33%	\$2,780
26	395.000	Laboratory Equipment	\$1,284			72.23%	\$927
27	396.000	Power Operated Equipment - Company Owned	\$11,523			72.23%	\$8,323
28		TOTAL GENERAL PLANT	\$112,951		\$0		\$65,194
29		TOTAL PLANT IN SERVICE	\$3,902,463		\$346,672		\$4,193,337

To Rate Base & Depreciation Schedules

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-8	Collection Sewers - Force - SB	352.120		\$55,935
	1 - Transfer (Reclass) plant recorded as Horseshoe Bend "Plant Sewers" in previous case. A. Rice		\$38,535	
	2 - Reverse original cost, Villages 12/31/2000. A. Rice		-\$5,400	
	3 - Reverse original cost, Villages 12/31/2001. A. Rice		-\$1,500	
	4 - Reverse original cost, Villages 12/31/2001. A. Rice		-\$4,650	
	5 - Sewer line upgrade, Villages lawsuit determined original cost. A. Rice		\$28,950	
P-9	Services to Customers SB	353.200		\$49,477
	1 - Update plant balance from previous case. A. Rice		\$42,330	
	2 - Adjust inventory to actual. A. Rice		\$4,447	
	3 - Capitalize labor from previous case. A. Rice		\$2,700	
P-10	Flow Measuring Devices SB	354.200		\$5,993
	1 - Transfer plant improperly booked from Horseshoe Bend Sewer Acct. 354.10. A. Rice		\$5,993	
P-13	Receiving Wells and Pump Pits SB	362.200		-\$8,470
	1 - Transfer plant improperly booked to Shawnee Bend Sewer. Transfer to HB Pumping Equip. Acct. 363.10. A. Rice		-\$2,383	

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	2 - Transfer to SB Pumping Equip. Acct. 363.00. A. Rice		-\$6,087	
P-14	Pumping Equipment SB	363.200		\$243,737
	1 - Capitalize pumps and control panels from previous case 12/31/2009. A. Rice		\$4,164	
	2 - Lift station pump retirement (Prior to 3/31/2010). A. Rice		-\$6,514	
	3 - Transfer from SB Receiving Wells Acct. 362.20. A. Rice		\$6,087	
	4 - Transfer (reclass) from account 363.10 HB Pumping Equip. to SB. A. Rice		\$240,000	
Total Plant Adjustments				\$346,672

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Depreciation Expense - Sewer

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	\$16,591	0.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$16,591		\$0
4		SOURCE OF SUPPLY PLANT			
5	350.000	Land & Land Rights	\$4,323	0.00%	\$0
6		TOTAL SOURCE OF SUPPLY PLANT	\$4,323		\$0
7		COLLECTION PLANT			
8	352.120	Collection Sewers - Force - SB	\$2,833,520	2.00%	\$56,670
9	353.200	Services to Customers SB	\$179,458	2.00%	\$3,589
10	354.200	Flow Measuring Devices SB	\$5,993	3.30%	\$198
11		TOTAL COLLECTION PLANT	\$3,018,971		\$60,457
12		PUMPING PLANT			
13	362.200	Receiving Wells and Pump Pits SB	\$249,573	4.00%	\$9,983
14	363.200	Pumping Equipment SB	\$261,943	10.00%	\$26,194
15		TOTAL PUMPING PLANT	\$511,516		\$36,177
16		TREATMENT & DISPOSAL PLANT			
17	372.200	Treatment and Disposal Equipment - SB	\$576,742	5.00%	\$28,837
18		TOTAL TREATMENT & DISPOSAL PLANT	\$576,742		\$28,837
19		GENERAL PLANT			
20	391.000	Office Furniture and Equipment	\$4,617	5.00%	\$231
21	391.100	Office Electronic Equipment	\$6,383	14.30%	\$913
22	392.000	Transportation Equipment - GP	\$7,641	0.00%	\$0
23	392.100	Transportation Equipment - Pump Truck	\$26,378	5.30%	\$1,398
24	392.200	Transportation Equipment - Sierra Truck	\$8,143	13.00%	\$1,059
25	394.000	Tools, Shop and Garage Equipment	\$2,780	5.00%	\$139
26	395.000	Laboratory Equipment	\$927	5.00%	\$46
27	396.000	Power Operated Equipment - Company Owned	\$8,323	6.70%	\$558
28		TOTAL GENERAL PLANT	\$65,194		\$4,344
29		Total Depreciation	\$4,193,337		\$129,815

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Accumulated Depreciation Reserve - Sewer

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$0			100.00%	\$0
6		TOTAL SOURCE OF SUPPLY PLANT	\$0		\$0		\$0
7		COLLECTION PLANT					
8	352.120	Collection Sewers - Force - SB	\$573,228	R-8	\$9,537	100.00%	\$582,765
9	353.200	Services to Customers SB	\$16,969			100.00%	\$16,969
10	354.200	Flow Measuring Devices SB	\$0	R-10	\$2,373	100.00%	\$2,373
11		TOTAL COLLECTION PLANT	\$590,187		\$11,910		\$602,097
12		PUMPING PLANT					
13	362.200	Receiving Wells and Pump Pits SB	\$144,711	R-13	-\$4,442	100.00%	\$140,269
14	363.200	Pumping Equipment SB	\$16,106	R-14	\$178,180	100.00%	\$194,286
15		TOTAL PUMPING PLANT	\$160,817		\$173,738		\$334,555
16		TREATMENT & DISPOSAL PLANT					
17	372.200	Treatment and Disposal Equipment - SB	\$148,437	R-17	\$125,000	100.00%	\$273,437
18		TOTAL TREATMENT & DISPOSAL PLANT	\$148,437		\$125,000		\$273,437
19		GENERAL PLANT					
20	391.000	Office Furniture and Equipment	\$7,349			41.33%	\$3,037
21	391.100	Office Electronic Equipment	\$6,823			41.33%	\$2,820
22	392.000	Transportation Equipment - GP	\$29,748			72.23%	\$21,487
23	392.100	Transportation Equipment - Pump Truck	\$25,261			72.23%	\$18,246
24	392.200	Transportation Equipment - Sierra Truck	\$4,861			41.33%	\$2,005
25	394.000	Tools, Shop and Garage Equipment	\$4,274			41.33%	\$1,766
26	395.000	Laboratory Equipment	\$874			72.23%	\$631
27	396.000	Power Operated Equipment - Company Owned	\$6,435			72.23%	\$4,648
28		TOTAL GENERAL PLANT	\$85,615		\$0		\$54,641
29		TOTAL DEPRECIATION RESERVE	\$985,066		\$310,648		\$1,264,730

To Rate Base Schedule

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-8	Collection Sewers - Force - SB	352.120		\$9,537
	1 - Transfer (reclass) of \$38,535 plant recorded as Horseshoe Bend "Plant Sewers" in previous case. A. Rice		\$9,537	
R-10	Flow Measuring Devices SB	354.200		\$2,373
	1 - Transfer of \$5,993 plant improperly booked to Horseshoe Bend Sewer. A. Rice		\$2,373	
R-13	Receiving Wells and Pump Pits SB	362.200		-\$4,442
	1 - Transfer to Horseshoe Bend Sewer of \$2,383 of plant improperly booked to Shawnee Bend Sewer. Transfer to Acct. 363.10. A. Rice		-\$1,262	
	2 - Transfer of \$6,087 of plant to SB Pumping Acct. 363.20. A. Rice		-\$3,180	
R-14	Pumping Equipment SB	363.200		\$178,180
	1 - Transfer from SB Receiving Wells Acct. 362.20. A. Rice		\$3,180	
	2 - Transfer (reclass) from Acct. 363.10 HB to SB. Accrued reserves associated with the \$240,000 Pumping Plant transfer from HB to SB. A. Rice		\$300,000	
	3 - Pumping Equip. is over accrued. Reserve rebalance with under accrued Treatment & Disposal Equip. Acct. 372.20. A. Rice		-\$125,000	
R-17	Treatment and Disposal Equipment - SB	372.200		\$125,000

Lake Region Water and Sewer Company
 Shawnee Bend Sewer
 Tracking Number SR-2013-0459
 Test Year Ending 06/30/2013
 Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Reserve Adjustment Number	Accumulated Depreciation Reserve Adjustments Description	Account Number	Adjustment Amount	Total Adjustment Amount
	1 - Treatment and Disposal Equip. is under accrued. Reserve rebalance with over accrued Pumping Equip. Acct. 363.20. A. Rice		\$125,000	
Total Reserve Adjustments				\$310,648

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Revenue Schedule - Sewer

Line Number	A Account Number (Optional)	B Revenue Description	C Company/ Test Year Amount	D Adjustment Number	E Jurisdictional Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$283,160	Rev-2	\$10,902	100.00%	\$294,062
Rev-3		Miscellaneous Revenues	\$280	Rev-3	\$205,514	100.00%	\$205,254
Rev-4		TOTAL ANNUALIZED REVENUES	\$282,900		\$216,416		\$499,316

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Revenue Adjustment Schedule - Sewer

A	B	C	D	E
Revenue Adj Number	Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
Rev-2	Annualized Rate Revenues			\$10,902
	1. To Annualize Rate Revenues		\$10,902	
	2. Description		\$0	
	3. Description		\$0	
Rev-3	Miscellaneous Revenues			\$205,514
	1. To Annualize Miscellaneous Revenues		\$205,514	
	2. Description		\$0	
Total Revenue Adjustments				\$216,416

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Revenue Summary Schedule - Sewer

Line Number	A Description	Residential Sewer		Commercial Sewer	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	620		12	
3	Bills Per Year	12		12	
4	Customer Bills Per year	7,440		144	
5	Current Customer Charge	<u>\$36.19</u>		<u>\$36.19</u>	
6	Annualized Customer Charge Revenues		\$269,254		\$5,211
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		3,806,260	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>556,372</u>	
10	Commodity Gallons	0		3,249,888	
11	Block 1, Commodity Gallons per Block	0		3,249,888	
12	Block 1, Number of Commodity Gallons per Unit	<u>0</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	0.00		3,249.89	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$6.03</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$19,597
16	<u>Total Annualized Sewer Rate Revenues</u>		<u>\$269,254</u>		<u>\$24,808</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Revenue Summary Schedule - Sewer

Line Number	A Description	Total	
		F Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	632	
3	Bills Per Year		
4	Customer Bills Per year	7,584	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$274,465
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	3,806,260	
9	Less: Base Gallons Included In Customer Charge	556,372	
10	Commodity Gallons	3,249,888	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$19,597
16	<u>Total Annualized Sewer Rate Revenues</u>		<u>\$294,062</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Miscellaneous Revenues Feeder - Sewer

Line	<u>A</u>	<u>B</u>
Number	Description	Amount
1	To remove clearing account 536	\$0
2	To include Availability Fees	<u>\$205,254</u>
3	Total Miscellaneous Revenues	<u><u>\$205,254</u></u>

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Expense Schedule - Sewer

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2	711.200	Sludge Removal	\$3,530			100.00%	\$3,530
3	715.000	Power for Treatment Plants - Other	\$155	S-3	-\$155	100.00%	\$0
4	715.200	Power for Treatment Plants - SB Only	\$13,095	S-4	-\$132	100.00%	\$12,963
5	716.200	Power for Liftstations - SB	\$20,765	S-5	-\$1,659	100.00%	\$19,106
6	718.200	Chemicals	\$8,529			100.00%	\$8,529
7	719.200	Effluent Testing Expenses - SB	\$2,685	S-7	\$654	100.00%	\$3,339
8	721.200	Sewer Operating Expense	\$3,487	S-8	-\$230	100.00%	\$3,257
9	737.200	PWSD#4 Labor	\$73,577	S-9	\$8,290	100.00%	\$81,867
10		TOTAL OPERATIONS EXPENSE	\$125,823		\$6,768		\$132,591
11		MAINTENANCE EXPENSES					
12	720.200	Sewer Supplies	\$3,967	S-12	-\$865	100.00%	\$3,102
13	722.200	Tools and Shop Supplies	\$319	S-13	\$197	100.00%	\$516
14	730.000	Contractual Services - Other	\$9,750			66.37%	\$6,471
15	742.000	Equipment Rental - Other	\$13,647	S-15	-\$1,832	38.07%	\$4,498
16	745.950	Equipment Maintenance	-\$277	S-16	\$2,522	100.00%	\$2,245
17	923.000	Outside Services Employed	\$1,407			50.42%	\$709
18		TOTAL MAINTENANCE EXPENSE	\$28,813		\$22		\$17,541
19		CUSTOMER ACCOUNT EXPENSE					
20	921.500	Billing Expense	\$4,889	S-20	-\$352	41.30%	\$1,874
21	950.000	Bad Debt Expense	\$2,205	S-21	-\$396	30.51%	\$552
22		TOTAL CUSTOMER ACCOUNT EXPENSE	\$7,094		-\$748		\$2,426
23		ADMINISTRATIVE & GENERAL EXPENSES					
24	732.200	Accounting Fees	\$3,805	S-24	\$527	100.00%	\$4,332
25	733.200	Contracted Legal Fees	\$9,373	S-25	-\$8,776	100.00%	\$597
26	757.200	General Liability - Sewer	\$2,480	S-26	\$1,074	100.00%	\$3,554
27	921.000	Office Supplies	\$12,969	S-27	-\$8,237	41.30%	\$1,954
28	922.000	Management Fees	\$211,000	S-28	-\$181,125	38.07%	\$11,373
29	925.000	Telephone	\$3,894	S-29	-\$1,759	30.51%	\$590
30	927.000	Travel and Entertainment - Other	\$17,516	S-30	-\$17,229	30.51%	\$88
31	927.100	Travel and Entertainment - Lodging	\$85	S-31	-\$85	30.51%	\$0
32	927.200	Transportation - Airline/Car	\$227	S-32	-\$227	30.51%	\$0
33	933.000	Transportation Expense	\$46,778	S-33	-\$1,764	30.51%	\$13,734
34	940.000	Customer Refunds	\$96			41.30%	\$40
35	941.000	Building Rental	\$13,200			38.07%	\$5,025
36	975.000	Other Misc. Expenses	\$4,516	S-36	-\$2,715	30.51%	\$549
37	981.000	Rate Case Expense	\$322	S-37	\$388	100.00%	\$710
38		TOTAL ADMINISTRATIVE AND GENERAL	\$326,061		-\$219,928		\$42,546
39		OTHER OPERATING EXPENSES					
40	767.500	PSC Assessment	\$19,870	S-40	\$11,105	100.00%	\$30,975
41	779.200	Licenses and Permits	\$1,500	S-41	-\$750	100.00%	\$750
42	929.000	Discounts Taken	-\$49			30.51%	-\$15
43	930.000	Loss on Disposition of Assets	-\$2,520			40.16%	-\$1,012
44		CIAC Amortization Expense	\$0	S-44	-\$75,853	100.00%	-\$75,853
45		Depreciation	\$0	S-45	\$129,815	100.00%	\$129,815
46		TOTAL OTHER OPERATING EXPENSES	\$18,801		\$64,317		\$84,660
47		TAXES OTHER THAN INCOME					
48	967.200	Real Estate Taxes	\$4,025	S-48	-\$239	40.16%	\$1,520
49		TOTAL TAXES OTHER THAN INCOME	\$4,025		-\$239		\$1,520
50		TOTAL OPERATING EXPENSES	\$510,617		-\$149,808		\$281,284

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-3	Power for Treatment Plants - Other	715.000		-\$155
	1 - To remove Ozark Shores expenses - A. Sarver		-\$29	
	2 - To remove amounts booked to incorrect accounts. A. Sarver		-\$126	
S-4	Power for Treatment Plants - SB Only	715.200		-\$132
	1 - To remove account no longer in service. A. Sarver		-\$132	
S-5	Power for Liftstations - SB	716.200		-\$1,659
	1 - To annualize power to reflect rate increase. A. Sarver		\$76	
	2 - To remove amounts booked to incorrect account. A. Sarver		-\$23	
	3 - To remove Ozark Shores expenses. A. Sarver		-\$15	
	4 - To remove amounts booked to incorrect account, transfer to Well Pump Power Acct. 615.20. A. Sarver		-\$1,697	
S-7	Effluent Testing Expenses - SB	719.200		\$654
	1 - To add amounts booked to Incorrect accounts. A. Sarver		\$654	
S-8	Sewer Operating Expense	721.200		-\$230
	1 - To normalize sewer operating expense. K. Bolin		-\$230	
S-9	PWSD#4 Labor	737.200		\$8,290

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	1 - To annualize payroll, employee benefits, payroll taxes, and workers' compensation. K. Foster		\$8,290	
S-12	Sewer Supplies	720.200		-\$865
	1 - To remove items not necessary to provide safe and adequate service. A. Sarver		-\$12	
	2 - To remove amounts booked to incorrect account. A. Sarver		-\$853	
S-13	Tools and Shop Supplies	722.200		\$197
	1 - To add amount booked to incorrect account. A. Sarver		\$197	
S-15	Equipment Rental - Other	742.000		-\$1,832
	1 - To adjust equipment rental expense to reflect Staff's annualized rental expense. E. Carle		-\$1,832	
S-16	Equipment Maintenance	745.950		\$2,522
	1 - To normalize equipment maintenance. K. Bolin		\$2,522	
S-20	Billing Expense	921.500		-\$352
	1 - To annualize billing expense based on current postal rates. K. Foster		-\$352	
S-21	Bad Debt Expense	950.000		-\$396
	1 - To adjust bad debt expense to a normalized level. E. Carle		-\$396	
S-24	Accounting Fees	732.200		\$527

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	1 - To reallocate accounting fees according to the revenue allocation factor. K. Foster		\$527	
S-25	Contracted Legal Fees	733.200		-\$8,776
	1 - To remove legal fees for Shawnee Bend Litigation and 2012 Finance Authority. K. Foster		-\$9,282	
	2 - To annualize legal fees for 2012 Finance Authority to a three-year average. K. Foster		\$506	
S-26	General Liability - Sewer	757.200		\$1,074
	1 - To annualize insurance to reflect allocation based on plant. A. Sarver		\$1,074	
S-27	Office Supplies	921.000		-\$8,237
	1 - To remove amount booked to incorrect account. A. Sarver		-\$2,350	
	2 - To remove non-recurring expenses. A. Sarver		-\$250	
	3 - To remove account analysis charge. A. Sarver		-\$3,132	
	4 - To remove expenses not necessary to provide safe and adequate service. A. Sarver		-\$2,255	
	5 - To remove expenses already accounted for in payroll. A. Sarver		-\$250	
S-28	Management Fees	922.000		-\$181,125
	1 - To replace executive management fees in test year with costs for executive oversight. K. Foster		-\$181,125	
S-29	Telephone	925.000		-\$1,759
	1 - To annualize cell phone for a two-year average. A. Sarver		-\$81	

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	2 - To annualize wireless service to reflect allocation based on payroll. A. Sarver		-\$484	
	3 - To remove disallowed expense. A. Sarver		-\$225	
	4 - To remove wireless service no longer activated. A. Sarver		-\$969	
S-30	Travel and Entertainment - Other	927.000		-\$17,229
	1 - To remove expenses covered by executive oversight adjustment to account 922.00 and other miscellaneous expenses. K. Foster		-\$17,229	
S-31	Travel and Entertainment - Lodging	927.100		-\$85
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$85	
S-32	Transportation - Airline/Car	927.200		-\$227
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$227	
S-33	Transportation Expense	933.000		-\$1,764
	1 - To adjust out misapplied expenses and expenses related to the Shawnee Bend Development Lawsuit, and to adjust expenses related to the 2012 Finance Authority to a three-year average. K. Foster		-\$1,764	
S-36	Other Misc. Expenses	975.000		-\$2,715
	1 - To adjust Misc. Expense to a normalized level. E. Carle		-\$3,529	
	2 - To annualize bank service charges. A. Sarver		\$814	

Lake Region Water and Sewer Company
Shawnee Bend Sewer
Tracking Number SR-2013-0459
Test Year Ending 06/30/2013
Expense Adjustment Schedule - Sewer

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
S-37	Rate Case Expense	981.000		\$388
	1 - To normalize rate case expense over a three year period. E. Carle		\$388	
S-40	PSC Assessment	767.500		\$11,105
	1 - To adjust PSC/OPC Assessment to the 2014 assessment level. E. Carle		\$11,105	
S-41	Licenses and Permits	779.200		-\$750
	1 - To removed non-recurring expenses. A. Sarver		-\$750	
S-44	CIAC Amortization Expense			-\$75,853
	1 - Update Amortized CIAC based on new allocation factors. A. Sarver		-\$75,853	
S-45	Depreciation			\$129,815
	1. To Annualize Depreciation		\$129,815	
S-48	Real Estate Taxes	967.200		-\$239
	1 - To annualize taxes to reflect allocation based on Company's plant. A. Sarver		-\$239	
	Total Expense Adjustments			<u>-\$149,808</u>

Exhibit No.:
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: WR-2013-0461
Date Prepared: November 15, 2013



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DEPARTMENT

SHAWNEE BEND WATER

STAFF ACCOUNTING SCHEDULES

LAKE REGION WATER AND SEWER COMPANY

CASE NO. WR-2013-0461

Jefferson City, Missouri

November 2013

Lake Region Water and Sewer Company
Shawnee Band Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Design Schedule - Water

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues	(1)	\$216,656			
Rev-3	Miscellaneous Revenues	(1)	\$143,299			
Rev-4	TOTAL ANNUALIZED REVENUES		\$359,855			
1	OPERATIONS EXPENSES	(2)				
2	Well Pump Power	615.200	\$16,844	\$0	\$15,844	0.00%
3	Chemicals-(Chlorine)	618.000	\$750	\$0	\$750	0.00%
4	Testing	619.000	\$849	\$0	\$849	0.00%
5	PWSD#4 Labor - Water	637.000	\$50,834	\$0	\$50,834	0.00%
6	TOTAL OPERATIONS EXPENSE		\$68,277	\$0	\$68,277	
7	MAINTENANCE EXPENSES					
8	Supplies and Materials	620.000	\$498	\$0	\$498	0.00%
9	Tools and Shop Supplies	622.000	\$802	\$0	\$802	0.00%
10	Equipment Rental - Water	642.000	\$2,806	\$0	\$2,806	0.00%
11	Maintenance of Well #1 Grand Point	645.100	\$396	\$0	\$396	0.00%
12	Maintenance of Well #2 Villages	645.110	\$278	\$0	\$278	0.00%
13	Maintenance of Mains	645.300	\$1,425	\$0	\$1,425	0.00%
14	Maintenance of Services	645.400	\$2,772	\$0	\$2,772	0.00%
15	Maintenance of Other Plant	645.600	\$351	\$0	\$351	0.00%
16	Outside Services	923.000	\$698	\$0	\$698	0.00%
17	TOTAL MAINTENANCE EXPENSE		\$10,026	\$0	\$10,026	
18	CUSTOMER ACCOUNT EXPENSE					
19	Billing Expense	921.500	\$1,942	\$0	\$1,942	0.00%
20	Bad Debt Expense	950.000	\$419	\$0	\$419	0.00%
21	TOTAL CUSTOMER ACCOUNT EXPENSE		\$2,361	\$0	\$2,361	
22	ADMINISTRATIVE & GENERAL EXPENSES					
23	Contracted Accounting Fees	632.000	\$3,286	\$0	\$3,286	0.00%
24	Contracted Legal Fees	633.000	\$685	\$0	\$685	0.00%
25	General Liability - Water	657.000	\$3,495	\$0	\$3,495	0.00%
26	Office Supplies	921.000	\$2,025	\$0	\$2,025	0.00%
27	Management Fees	922.000	\$7,095	\$0	\$7,095	0.00%
28	Telephone	925.000	\$448	\$0	\$448	0.00%
29	Travel and Entertainment - Other	927.000	\$66	\$0	\$66	0.00%
30	Travel and Entertainment - Lodging	927.100	\$0	\$0	\$0	0.00%
31	Transportation - Airline/Car	927.200	\$0	\$0	\$0	0.00%
32	Transportation Expense	933.000	\$10,416	\$0	\$10,416	0.00%
33	Customer Refunds	940.000	\$41	\$0	\$41	0.00%
34	Building Rent	941.000	\$3,135	\$0	\$3,135	0.00%
35	Other Misc. Expenses	975.000	\$417	\$0	\$417	0.00%
36	Rate Case Expense	981.000	\$710	\$0	\$710	0.00%
37	TOTAL ADMINISTRATIVE AND GENERAL		\$31,819	\$0	\$31,819	
38	OTHER OPERATING EXPENSES					
39	Licenses and Permits	626.000	\$513	\$0	\$513	0.00%
40	PSC Assessment	667.000	\$1,260	\$0	\$1,260	0.00%
41	Discounts Taken	929.000	-\$11	\$0	-\$11	0.00%
42	Loss on Disposition of Assets	930.000	-\$995	\$0	-\$995	0.00%
43	CIAC Amortization Expense		-\$48,773	\$0	-\$48,773	0.00%
44	Depreciation		\$102,506	\$0	\$102,506	0.00%
45	TOTAL OTHER OPERATING EXPENSES		\$54,500	\$0	\$54,500	
46	TAXES OTHER THAN INCOME					
47	Real Estate Taxes	967.200	\$1,495	\$0	\$1,495	0.00%
48	TOTAL TAXES OTHER THAN INCOME		\$1,495	\$0	\$1,495	
49	TOTAL OPERATING EXPENSES		\$168,478	\$0	\$168,478	
50	Interest Expense	(3)	\$40,660	\$0	\$40,660	0.00%

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Design Schedule - Water

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
51	Return on Equity	(3)	\$37,657	\$0	\$37,657	0.00%
52	Income Taxes	(3)	\$9,377	\$0	\$9,377	0.00%
53	TOTAL INTEREST RETURN & TAXES		\$87,694	\$0	\$87,694	
54	TOTAL COST OF SERVICE		\$256,172	\$0	\$256,172	
55	Less: Miscellaneous Revenues		\$143,299	\$0	\$143,299	0.00%
56	COST TO RECOVER IN RATES		\$112,873	\$0	\$112,873	
57	INCREMENTAL INCREASE IN RATE REVENUES		<u>-\$103,683</u>			
58	PERCENTAGE OF INCREASE		<u>-28.81%</u>			
59	REQUESTED INCREASE IN REVENUES		\$74,197			

(1) From Revenue Schedule

(2) From Expense Schedule

(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Lake Region Water and Sewer Company
Shawnee Bond Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Base Required Return on Investment Schedule - Water

Line Number	A Rate Base Description	B Dollar Amount	
1	Plant In Service	\$4,123,633	From Plant Schedule
2	Less Accumulated Depreciation Reserve	\$796,638	From Depreciation Reserve Schedule
3	Net Plant In Service	\$3,326,995	
4	Other Rate Base Items:	\$0	
	Deferred Taxes	-\$38,174	
	Customer Advances	-\$245,925	
	Material and Supplies	\$1,250	
	Contribution in Aid of Construction	-\$2,673,463	
	CIAC Depreciation	\$713,588	
5	Total Rate Base	\$1,084,271	
6	Total Weighted Rate of Return Including Income Tax	8.09%	From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	\$87,694	

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate of Return Including Income Tax - Water

	A	B	formulas
1 State Income Tax Rate Statutory / Effective	6.25% (2)	5.81%	$(1 - (B2 \times .5)) \times A1$
2 Federal Income Tax Rate Statutory / Effective	15.00% (1) & (2)	14.13%	$(1 - B1) \times A2$
3 Composite Effective Income Tax Rate		19.94%	$B1 + B2$
4 Equity Tax Factor		1.2490	$1 / (1 - B3)$
5 Recommended Weighted Rate of Return on Equity - Common and Preferred		3.47%	From Capital Structure Schedule
6 Weighted Rate of Return on Equity Including Income Tax		4.34%	$B4 \times B5$
7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		3.75%	From Capital Structure Schedule
8 Total Weighted Rate of Return Including Income Tax		8.09%	$B6 + B7$

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

N

Equity Income Required \$44,302
& Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$44,302	\$6,645
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$44,302	\$6,645
			Consolidated Tax Rate:	
			Average Tax Rate:	0.15

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Capital Structure Schedule - Water

Line Number	A Description	B Dollar Amount	C Percentage of Total Capital Structure	D Embedded Cost of Capital	E Weighted Cost of Capital
1	Common Stock	\$658,892	25.00%	13.89%	3.473%
2	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%
4	Long Term Debt	\$1,976,675	75.00%	5.00%	3.750%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%
6	Other Security-Tax Deductible	\$0	0.00%	0.00%	0.000%
7	TOTAL CAPITALIZATION	<u>\$2,635,567</u>	<u>100.00%</u>		<u>7.223%</u>

To PreTax Return Rate Schedule

Note: column C: is 6 positions with 4 that are displayed (if not totaled correctly, due to rounding)

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Plant In Service - Water

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$31,666			100.00%	\$31,666
3		TOTAL INTANGIBLE PLANT	\$31,666		\$0		\$31,666
4		SOURCE OF SUPPLY PLANT					
5	310.000	Land & Land Rights - SSP	\$427			100.00%	\$427
6	311.000	Structures & Improvements - SSP	\$22,015	P-6	\$33,583	100.00%	\$55,598
7	314.000	Wells and Springs	\$110,881	P-7	-\$50,090	100.00%	\$60,791
8	316.000	Supply Mains - Well Interconnections	\$79,315			100.00%	\$79,315
9		TOTAL SOURCE OF SUPPLY PLANT	\$212,638		-\$16,507		\$196,131
10		PUMPING PLANT					
11	325.000	Electric Pumping Equipment	\$16,378	P-11	\$74,897	100.00%	\$91,275
12		TOTAL PUMPING PLANT	\$16,378		\$74,897		\$91,275
13		WATER TREATMENT PLANT					
14	331.000	Structures & Improvements - WTP	\$12,799			100.00%	\$12,799
15	332.000	Water Treatment Equipment	\$16,564	P-15	\$2,676	100.00%	\$19,240
16		TOTAL WATER TREATMENT PLANT	\$29,363		\$2,676		\$32,039
17		TRANSMISSION & DISTRIBUTION PLANT					
18	342.000	Distribution Reservoirs & Standpipes	\$275,235			100.00%	\$275,235
19	343.000	Transmission & Distribution Mains SB	\$3,042,269	P-19	-\$14,700	100.00%	\$3,027,569
20	345.000	Services	\$291,887	P-20	\$14,036	100.00%	\$305,923
21	346.000	Meters	\$83,320	P-21	\$15,333	100.00%	\$98,653
22	347.000	Meter Installations	\$17,861			100.00%	\$17,861
23	348.000	Hydrants	\$694	P-23	\$24,000	100.00%	\$24,694
24		TOTAL TRANS. & DISTRIBUTION PLANT	\$3,711,166		\$38,669		\$3,749,835
25		GENERAL PLANT					
26	391.000	Office Furniture & Equipment	\$11,172			42.77%	\$4,778
27	391.100	Office Electronic Equipment	\$15,443			42.77%	\$6,606
28	392.200	Transportation Equipment - Sierra Truck	\$19,703			42.77%	\$8,427
29	394.000	Tools, Shop and Garage Equipment	\$6,727			42.77%	\$2,877
30		TOTAL GENERAL PLANT	\$53,045		\$0		\$22,687
31		TOTAL PLANT IN SERVICE	\$4,054,256		\$99,735		\$4,123,633

To Rate Base & Depreciation Schedules

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Water

A Plant Adjustment Number	B Plant In Service Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
P-6	Structures & Improvements - SSP	311.000		\$33,583
	1 - Third of original engineering cost well #2, Attachment to Bowden 1998 letter. A. Rice		\$1,783	
	2 - Add in #2 well original cost, Attachment to Bowden 1998 letter. A. Rice		\$31,800	
P-7	Wells and Springs	314.000		-\$50,090
	1 - Reverse - Estimated #2 well original cost 12/31/2000. A. Rice		-\$36,000	
	2 - Reverse - Estimated #2 well original cost 12/31/2001. A. Rice		-\$10,000	
	3 - Third of original engineering cost well #2, Attachment to Bowden 1998 letter. A. Rice		\$1,783	
	4 - Add in #2 well original cost, Attachment to Bowden 1998 letter. A. Rice		\$27,673	
	5 - Transfer - Acct. 314.00 to Acct. 325.00, est elect and controls orig. cost well #1. #2 well known cost \$27,673 subt from original balance in wells \$47,819 in 1999. Leaves \$20,000 to transfer. A. Rice		-\$20,000	
	6 - Transfer (reclass) to Pumping Equip. Acct. 325.00. (prior last case 11/7/2003). A. Rice		-\$403	
	7 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 4/8/2004). A. Rice		-\$1,250	
	8 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 6/4/2004). A. Rice		-\$267	

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Water

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	9 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 6/21/2004). A. Rice		-\$8,950	
	10 - Transfer - (reclass) to Water Treatment Equip. Acct 332.00 (prior last case 4/17/2009). A. Rice		-\$2,676	
P-11	Electric Pumping Equipment	325.000		\$74,897
	1 - Transfer - from Wells and Springs Acct. 314.00, est elect and controls orig cost well #1. A. Rice		\$20,000	
	2 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 11/7/2003). A. Rice		\$403	
	3 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 4/8/2004). A. Rice		\$1,250	
	4 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 6/4/2004). A. Rice		\$267	
	5 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 6/21/2004). A. Rice		\$8,950	
	6 - Add in #2 well pumping original cost, Attachment to Bowden 1998 letter. A. Rice		\$46,852	
	7 - Third of original engineering cost well #2, Attachment to Bowden 1998 letter. A. Rice		\$1,783	
	8 - Retirement of #2 well controls replaced with new upgrade 6/21/04, at 50% of new upgrade cost. A. Rice		-\$4,608	
P-15	Water Treatment Equipment	332.000		\$2,676

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Schedule of Adjustments for Plant in Service - Water

A Plant Adjustment Number	B Plant In Service Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	1 - Transfer (reclass) from Acct 314.00. A. Rice		\$2,676	
P-19	Transmission & Distribution Mains SB	343.000		-\$14,700
	1 - Transfer eight fire hydrant original cost (\$3,000 each) to Acct 348.00. A. Rice		-\$24,000	
	2 - Reverse - Villages T&D original cost - 12/31/2000. A. Rice		-\$30,825	
	3 - Reverse - Villages T&D original cost - 12/31/2001. A. Rice		-\$2,250	
	4 - Water connects and crossing, Villages lawsuit determined original cost. A. Rice		\$42,375	
P-20	Services	345.000		\$14,036
	1 - Plant not included in previous case true-up. A. Rice		\$14,036	
P-21	Meters	346.000		\$15,333
	1 - Meter upgrade installations from previous case. A. Rice		\$4,614	
	2 - Five new water service from previous case. A. Rice		\$845	
	3 - Reclass meters from previous case. A. Rice		\$19,958	
	4 - Record retired meters from previous case. A. Rice		-\$8,160	
	5 - Reclass between accounts from previous case. A. Rice		-\$1,924	
P-23	Hydrants	348.000		\$24,000

Lake Region Water and Sewer Company
 Shawnee Bend Water
 WR-2013-0461
 Test Year Ending 06/30/2013
 Schedule of Adjustments for Plant in Service - Water

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	1 - Transfer eight fire hydrant original cost (\$3,000 each) from Acct 343.00. A. Rice		\$24,000	
Total Plant Adjustments				\$99,735

Lake Region Water and Sewer Company
Shawnee Bend Water
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Depreciation Expense - Water

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	\$31,666	0.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$31,666		\$0
4		SOURCE OF SUPPLY PLANT			
5	310.000	Land & Land Rights - SSP	\$427	0.00%	\$0
6	311.000	Structures & Improvements - SSP	\$55,598	2.50%	\$1,390
7	314.000	Wells and Springs	\$60,791	2.00%	\$1,216
8	316.000	Supply Mains - Well Interconnections	\$79,315	2.00%	\$1,586
9		TOTAL SOURCE OF SUPPLY PLANT	\$196,131		\$4,192
10		PUMPING PLANT			
11	325.000	Electric Pumping Equipment	\$91,275	10.00%	\$9,128
12		TOTAL PUMPING PLANT	\$91,275		\$9,128
13		WATER TREATMENT PLANT			
14	331.000	Structures & Improvements - WTP	\$12,799	2.50%	\$320
15	332.000	Water Treatment Equipment	\$19,240	2.90%	\$558
16		TOTAL WATER TREATMENT PLANT	\$32,039		\$878
17		TRANSMISSION & DISTRIBUTION PLANT			
18	342.000	Distribution Reservoirs & Standpipes	\$275,235	2.50%	\$6,881
19	343.000	Transmission & Distribution Mains SB	\$3,027,569	2.00%	\$60,551
20	345.000	Services	\$305,923	2.50%	\$7,648
21	346.000	Meters	\$98,653	10.00%	\$9,865
22	347.000	Meter Installations	\$17,861	2.50%	\$447
23	348.000	Hydrants	\$24,594	2.00%	\$492
24		TOTAL TRANS. & DISTRIBUTION PLANT	\$3,749,835		\$85,884
25		GENERAL PLANT			
26	391.000	Office Furniture & Equipment	\$4,778	5.00%	\$239
27	391.100	Office Electronic Equipment	\$6,605	14.30%	\$945
28	392.200	Transportation Equipment - Sierra Truck	\$8,427	13.00%	\$1,096
29	394.000	Tools, Shop and Garage Equipment	\$2,877	5.00%	\$144
30		TOTAL GENERAL PLANT	\$22,687		\$2,424
31		Total Depreciation	\$4,123,633		\$102,506

Lake Region Water and Sewer Company
Shawnee Bend Water
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Test Year Ending 06/30/2013
Accumulated Depreciation Reserve - Water

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
4		SOURCE OF SUPPLY PLANT					
5	310.000	Land & Land Rights - SSP	\$0			100.00%	\$0
6	311.000	Structures & Improvements - SSP	\$12,026			100.00%	\$12,026
7	314.000	Wells and Springs	\$46,056	R-7	-\$7,998	100.00%	\$38,058
8	316.000	Supply Mains - Well Interconnections	\$0			100.00%	\$0
9		TOTAL SOURCE OF SUPPLY PLANT	\$58,081		-\$7,998		\$50,083
10		PUMPING PLANT					
11	325.000	Electric Pumping Equipment	\$8,439	R-11	\$3,165	100.00%	\$11,604
12		TOTAL PUMPING PLANT	\$8,439		\$3,165		\$11,604
13		WATER TREATMENT PLANT					
14	331.000	Structures & Improvements - WTP	\$0			100.00%	\$0
15	332.000	Water Treatment Equipment	\$6,365	R-15	\$225	100.00%	\$6,590
16		TOTAL WATER TREATMENT PLANT	\$6,365		\$225		\$6,590
17		TRANSMISSION & DISTRIBUTION PLANT					
18	342.000	Distribution Reservoirs & Standpipes	\$46,179			100.00%	\$46,179
19	343.000	Transmission & Distribution Mains SB	\$603,049	R-19	-\$5,025	100.00%	\$598,024
20	345.000	Services	\$49,974			100.00%	\$49,974
21	346.000	Meters	\$10,373			100.00%	\$10,373
22	347.000	Meter Installations	\$8,035			100.00%	\$8,035
23	348.000	Hydrants	-\$579	R-23	\$5,025	100.00%	\$4,446
24		TOTAL TRANS. & DISTRIBUTION PLANT	\$717,031		\$0		\$717,031
25		GENERAL PLANT					
26	391.000	Office Furniture & Equipment	\$7,349			42.77%	\$3,143
27	391.100	Office Electronic Equipment	\$6,823			42.77%	\$2,918
28	392.200	Transportation Equipment - Sierra Truck	\$8,045			42.77%	\$3,441
29	394.000	Tools, Shop and Garage Equipment	\$4,274			42.77%	\$1,828
30		TOTAL GENERAL PLANT	\$26,491		\$0		\$11,330
31		TOTAL DEPRECIATION RESERVE	\$816,407		-\$4,608		\$796,638

To Rate Base Schedule

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-7	Wells and Springs	314.000		-\$7,998
	1 - Transfer to Pumping Equipment Acct. 325.00, est elect and controls orig. cost well #1. #2 well known cost \$27,673 subd from original balance in wells \$47,819. Leaves \$20,000 to transfer. A. Rice		-\$5,799	
	2 - Transfer - (reclass) to Pumping Equip. Acct 325.00 (prior last case 11/7/2003). A. Rice		-\$80	
	3 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 4/8/2004). A. Rice		-\$231	
	4 - Transfer - (reclass) to Pumping Equip. Acct 325.00 (prior last case 6/4/2004). A. Rice		-\$48	
	5 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 6/21/2004). A. Rice		-\$1,615	
	6 - Transfer - (reclass) to Water Treatment Equipment Acct. 332.00 (prior last case 4/17/2009). A. Rice		-\$225	
R-11	Electric Pumping Equipment	325.000		\$3,165
	1 - Transfer from Wells and Springs Acct. 314.00, est elect and controls orig cost well #1. A. Rice		\$5,799	
	2 - Transfer (reclass) from Wells and Springs Acct. 314.00 (prior last case bookings). A. Rice		\$80	

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

A Reserve Adjustment Number	B Accumulated Depreciation Reserve Adjustments Description	C Account Number	D Adjustment Amount	E Total Adjustment Amount
	3 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case bookings). A. Rice		\$231	
	4 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case bookings). A. Rice		\$48	
	5 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case bookings). A. Rice		\$1,615	
	6 - Retirement of #2 well controls, were replaced in 2004. A. Rice		-\$4,608	
R-15	Water Treatment Equipment	332.000		\$225
	1 - Transfer (reclass) from Acct 314.00. A. Rice		\$225	
R-19	Transmission & Distribution Mains SB	343.000		-\$5,025
	1 - Transfer eight fire hydrant original cost (\$3,000 each) 67 yrs @ 2.5% to Acct. 348.00. A Rice		-\$5,025	
R-23	Hydrants	348.000		\$5,025
	1 - Transfer eight fire hydrant original cost (\$3,000 each) 67 yrs @ 2.5% from Acct. 343.00. A. Rice		\$5,025	
	Total Reserve Adjustments			-\$4,608

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 08/30/2013
Revenue Schedule - Water

Line Number	A Account Number (Optional)	B Revenue Description	C Company/ Test Year Amount	D Adjustment Number	E Jurisdictional Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$208,623	Rev-2	\$7,933	100.00%	\$216,556
Rev-3		Miscellaneous Revenues	\$8,632	Rev-3	\$136,667	100.00%	\$143,299
Rev-4		TOTAL ANNUALIZED REVENUES	\$216,255		\$144,600		\$359,855

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Revenue Adjustment Schedule - Water

A	B	C	D	E
Revenue Adj		Account	Adjustment	Total
Number	Adjustment Description	Number	Amount	Adjustment
Rev-2	Annualized Rate Revenues			\$7,933
	1. To Annualize Rate Revenues		\$7,933	
Rev-3	Miscellaneous Revenues			\$136,667
	1. To Annualize Miscellaneous Revenues		\$136,667	
	Total Revenue Adjustments			\$144,600

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Residential 5/8"		Residential 1"	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	585		13	
3	Bills Per Year	12		12	
4	Customer Bills Per year	7,020		156	
5	Current Customer Charge	<u>\$12.99</u>		<u>\$24.18</u>	
6	Annualized Customer Charge Revenues		\$91,190		\$3,772
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	39,401,172		1,334,019	
9	Less: Base Gallons Included In Customer Charge	<u>10,530,000</u>		<u>682,500</u>	
10	Commodity Gallons	28,871,172		651,519	
11	Block 1, Commodity Gallons per Block	28,871,172		651,519	
12	Block 1, Number of Commodity Gallons per Unit	<u>1,000</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	28,871.17		651.52	
14	Block 1, Existing Commodity Charge	<u>\$2.49</u>		<u>\$2.49</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$71,889		\$1,622
16	Total Annualized Water Rate Revenues		<u>\$163,079</u>		<u>\$5,394</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Residential 1.5"		Residential 2"	
		F Amount	G Amount	H Amount	I Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	18		8	
3	Bills Per Year	12		12	
4	Customer Bills Per year	216		96	
5	Current Customer Charge	<u>\$42.82</u>		<u>\$65.19</u>	
6	Annualized Customer Charge Revenues		\$9,249		\$6,258
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	31,656,267		279,446	
9	Less: Base Gallons Included In Customer Charge	<u>30,858,622</u>		<u>276,646</u>	
10	Commodity Gallons	797,645		2,800	
11	Block 1, Commodity Gallons per Block	797,645		2,800	
12	Block 1, Number of Commodity Gallons per Unit	<u>1,000</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	797.65		2.80	
14	Block 1, Existing Commodity Charge	<u>\$2.49</u>		<u>\$2.49</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$1,986		\$7
16	Total Annualized Water Rate Revenues		<u>\$11,235</u>		<u>\$6,265</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Commercial 5/8"		Commercial 1"	
		J Amount	K Amount	L Amount	M Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	9		7	
3	Bills Per Year	12		12	
4	Customer Bills Per year	108		84	
6	Current Customer Charge	\$12.99		\$24.18	
6	Annualized Customer Charge Revenues		\$1,403		\$2,031
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	705,680		953,695	
9	Less: Base Gallons Included In Customer Charge	167,411		175,795	
10	Commodity Gallons	538,269		777,900	
11	Block 1, Commodity Gallons per Block	538,269		777,900	
12	Block 1, Number of Commodity Gallons per Unit	1,000		1,000	
13	Block 1, Commodity Billing Units	538.27		777.90	
14	Block 1, Existing Commodity Charge	\$2.49		\$2.49	
15	Block 1, Annualized Commodity Charge Rev.		\$1,340		\$1,937
16	<u>Total Annualized Water Rate Revenues</u>		<u>\$2,743</u>		<u>\$3,968</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Commercial 1 1/2"		Commercial 2"	
		N Amount	Q Amount	P Amount	Q Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	3		7	
3	Bills Per Year	12		12	
4	Customer Bills Per year	36		84	
5	Current Customer Charge	\$42.82		\$65.19	
6	Annualized Customer Charge Revenues		\$1,542		\$5,476
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	982,711		2,034,375	
9	Less: Base Gallons Included In Customer Charge	276,220		867,372	
10	Commodity Gallons	706,491		1,167,003	
11	Block 1, Commodity Gallons per Block	706,491		1,167,003	
12	Block 1, Number of Commodity Gallons per Unit	1,000		1,000	
13	Block 1, Commodity Billing Units	706.49		1,167.00	
14	Block 1, Existing Commodity Charge	\$2.49		\$2.49	
15	Block 1, Annualized Commodity Charge Rev.		\$1,759		\$2,906
16	<u>Total Annualized Water Rate Revenues</u>		<u>\$3,301</u>		<u>\$8,382</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Commercial 4"		Commercial 6"	
		R Amount	S Amount	I Amount	U Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	3		1	
3	Bills Per Year	12		12	
4	Customer Bills Per year	36		12	
5	Current Customer Charge	\$191.95		\$378.37	
6	Annualized Customer Charge Revenues		\$6,910		\$4,540
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	1,949,017		739,000	
9	Less: Base Gallons Included In Customer Charge	1,658,784		732,667	
10	Commodity Gallons	290,233		6,333	
11	Block 1, Commodity Gallons per Block	290,233		6,333	
12	Block 1, Number of Commodity Gallons per Unit	1,000		1,000	
13	Block 1, Commodity Billing Units	290.23		6.33	
14	Block 1, Existing Commodity Charge	\$2.49		\$2.49	
15	Block 1, Annualized Commodity Charge Rev.		\$723		\$16
16	Total Annualized Water Rate Revenues		\$7,633		\$4,556

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Total	
		V Amount	W Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	654	
3	Bills Per Year		
4	Customer Bills Per year	7,848	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$132,371
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	80,035,382	
9	Less: Base Gallons Included in Customer Charge	46,226,017	
10	Commodity Gallons	33,809,365	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$84,185
16	<u>Total Annualized Water Rate Revenues</u>		<u>\$216,556</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Miscellaneous Revenues Feeder - Water

A		B
Line Number	Description	Amount
1	To annualize Late Fees	\$4,641
2	To remove Clearing Account 471.10	\$0
3	To annualize Non-Utility Revenue	\$1,034
4	To annualize Other Water Revenue	\$788
5	To include Availability Fees	\$136,836
6	Total Miscellaneous Revenues	<u>\$143,299</u>

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013
Expense Schedule - Water

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2	615.200	Well Pump Power	\$13,866	W-2	\$1,978	100.00%	\$15,844
3	618.000	Chemicals-(Chlorine)	\$750			100.00%	\$750
4	619.000	Testing	\$1,195	W-4	-\$346	100.00%	\$849
5	637.000	PWSD#4 Labor - Water	\$67,914	W-5	-\$17,080	100.00%	\$50,834
6		TOTAL OPERATIONS EXPENSE	\$83,725		-\$15,448		\$68,277
7		MAINTENANCE EXPENSES					
8	620.000	Supplies and Materials	\$906	W-8	-\$408	100.00%	\$498
9	622.000	Tools and Shop Supplies	\$615	W-9	\$187	100.00%	\$802
10	642.000	Equipment Rental - Water	\$4,500	W-10	\$7,315	23.75%	\$2,806
11	645.100	Maintenance of Well #1 Grand Point	\$350	W-11	\$46	100.00%	\$396
12	645.110	Maintenance of Well #2 Villages	\$175	W-12	\$103	100.00%	\$278
13	645.300	Maintenance of Mains	\$0	W-13	\$1,425	100.00%	\$1,425
14	645.400	Maintenance of Services	\$7,773	W-14	-\$5,001	100.00%	\$2,772
15	645.600	Maintenance of Other Plant	\$271	W-15	\$80	100.00%	\$351
16	923.000	Outside Services	\$1,407			49.58%	\$698
17		TOTAL MAINTENANCE EXPENSE	\$15,997		\$3,747		\$10,026
18		CUSTOMER ACCOUNT EXPENSE					
19	921.500	Billing Expense	\$4,889	W-19	-\$352	42.80%	\$1,942
20	950.000	Bad Debt Expense	\$2,205	W-20	-\$396	23.14%	\$419
21		TOTAL CUSTOMER ACCOUNT EXPENSE	\$7,094		-\$748		\$2,361
22		ADMINISTRATIVE & GENERAL EXPENSES					
23	632.000	Contracted Accounting Fees	\$3,624	W-23	-\$338	100.00%	\$3,286
24	633.000	Contracted Legal Fees	\$9,364	W-24	-\$8,669	100.00%	\$695
25	657.000	General Liability - Water	\$2,363	W-25	\$1,132	100.00%	\$3,495
26	921.000	Office Supplies	\$12,969	W-26	-\$8,237	42.80%	\$2,025
27	922.000	Management Fees	\$211,000	W-27	-\$181,125	23.75%	\$7,095
28	925.000	Telephone	\$3,694	W-28	-\$1,759	23.14%	\$448
29	927.000	Travel and Entertainment - Other	\$17,516	W-29	-\$17,229	23.14%	\$66
30	927.100	Travel and Entertainment - Lodging	\$85	W-30	-\$85	23.14%	\$0
31	927.200	Transportation - Airline/Car	\$227	W-31	-\$227	23.14%	\$0
32	933.000	Transportation Expense	\$46,778	W-32	-\$1,764	23.14%	\$10,416
33	940.000	Customer Refunds	\$96			42.80%	\$41
34	941.000	Building Rent	\$13,200			23.75%	\$3,135
35	975.000	Other Misc. Expenses	\$4,516	W-35	-\$2,715	23.14%	\$417
36	981.000	Rate Case Expense	\$322	W-36	\$388	100.00%	\$710
37		TOTAL ADMINISTRATIVE AND GENERAL	\$325,744		-\$220,628		\$31,819
38		OTHER OPERATING EXPENSES					
39	626.000	Licenses and Permits	\$693	W-39	-\$180	100.00%	\$513
40	667.000	PSC Assessment	\$1,584	W-40	-\$324	100.00%	\$1,260
41	929.000	Discounts Taken	-\$49			23.14%	-\$11
42	930.000	Loss on Disposition of Assets	-\$2,520			39.49%	-\$995
43		CIAC Amortization Expense	\$0	W-43	-\$48,773	100.00%	-\$48,773
44		Depreciation	\$0	W-44	\$102,506	100.00%	\$102,506
45		TOTAL OTHER OPERATING EXPENSES	-\$292		\$53,229		\$54,500
46		TAXES OTHER THAN INCOME					
47	967.200	Real Estate Taxes	\$4,025	W-47	-\$239	39.49%	\$1,495
48		TOTAL TAXES OTHER THAN INCOME	\$4,025		-\$239		\$1,495
49		TOTAL OPERATING EXPENSES	\$436,293		-\$180,087		\$168,478

Lake Region Water and Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending - 06/30/2013
Expense Adjustment Schedule - Water

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
W-2	Well Pump Power	615.200		\$1,978
	1 - To annualize power to reflect rate increase. A. Sarver		\$281	
	2 - To add amount booked to incorrect account. A. Sarver		\$1,697	
W-4	Testing	619.000		-\$346
	1 - To remove amounts booked to incorrect accounts. A. Sarver		-\$346	
W-5	PWSD#4 Labor - Water	637.000		-\$17,080
	1 - To annualize payroll, employee benefits, payroll taxes, and workers' compensation. K. Foster		-\$17,080	
W-8	Supplies and Materials	620.000		-\$408
	1 - To remove items not necessary to provide safe and adequate service. A. Sarver		-\$27	
	2 - To remove amounts booked to incorrect accounts. A. Sarver		-\$381	
W-9	Tools and Shop Supplies	622.000		\$187
	1 - To add amount booked to incorrect account. A. Sarver		\$187	
W-10	Equipment Rental - Water	642.000		\$7,315
	1 - To adjust equipment rental expense to reflect Staff's annualized rental expense. E. Carle		\$7,315	
W-11	Maintenance of Well #1 Grand Point	645.100		\$46

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Expense Adjustment Schedule - Water

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	1 - To adjust water maintenance to a normalized level. E. Carle		\$46	
W-12	Maintenance of Well #2 Villages	645.110		\$103
	1 - To adjust water maintenance to a normalized level. E. Carle		\$103	
W-13	Maintenance of Mains	645.300		\$1,425
	1 - To adjust water maintenance to a normalized level. E. Carle		\$1,425	
W-14	Maintenance of Services	645.400		-\$5,001
	1 - To adjust water maintenance to a normalized level. E. Carle		-\$5,001	
W-15	Maintenance of Other Plant	645.600		\$80
	1 - To adjust water maintenance to a normalized level. E. Carle		\$80	
W-19	Billing Expense	921.500		-\$352
	1 - To annualize billing expense based on current postal rates. K. Foster		-\$352	
W-20	Bad Debt Expense	950.000		-\$396
	1 - To adjust bad debt expense to a normalized level. E. Carle		-\$396	
W-23	Contracted Accounting Fees	632.000		-\$338
	1 - To reallocate accounting fees according to the revenue allocation factor. K. Foster		-\$338	
W-24	Contracted Legal Fees	633.000		-\$8,669

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Expense Adjustment Schedule - Water

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	1 - To remove legal fees for Shawnee Bend Litigation and 2012 Finance Authority. K. Foster		-\$9,184	
	2 - To annualize legal fees for 2012 Finance Authority to a three-year average. K. Foster		\$515	
W-25	General Liability - Water	657.000		\$1,132
	1 - To annualize insurance to reflect allocation based on plant. A. Sarver		\$1,132	
W-26	Office Supplies	921.000		-\$8,237
	1 - To remove amount booked to incorrect account. A. Sarver		-\$2,350	
	2 - To remove non-recurring expenses. A. Sarver		-\$250	
	3 - To remove account analysis charge. A. Sarver		-\$3,132	
	4 - To remove expense not necessary to provide safe and adequate service. A. Sarver		-\$2,255	
	5 - To remove expenses accounted for in payroll. A. Sarver		-\$250	
W-27	Management Fees	922.000		-\$181,125
	1 - To replace executive management fees in test year with costs for executive oversight. K. Foster		-\$181,125	
W-28	Telephone	925.000		-\$1,759
	1 - To annualize cell phone for a two-year average. A. Sarver		-\$81	
	2 - To annualize wireless service to reflect allocation based on payroll. A. Sarver		-\$484	
	3 - To remove disallowed expense. A. Sarver		-\$225	

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Expense Adjustment Schedule - Water

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
	4 - To remove wireless service no longer activated. A. Sarver		-\$969	
W-29	Travel and Entertainment - Other	927.000		-\$17,229
	1 - To remove expenses covered by executive oversight adjustment to account 922.00 and other miscellaneous expenses. K. Foster		-\$17,229	
W-30	Travel and Entertainment - Lodging	927.100		-\$85
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$85	
W-31	Transportation - Airline/Car	927.200		-\$227
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$227	
W-32	Transportation Expense	933.000		-\$1,764
	1 - To adjust out misapplied expenses and expenses related to the Shawnee Bend Development Lawsuit, and to adjust expenses related to the 2012 Finance Authority to a three-year average. K. Foster		-\$1,764	
W-35	Other Misc. Expenses	975.000		-\$2,715
	1 - To adjust Misc. Expense to a normalized level. E. Carle		-\$3,529	
	2 - To annualize bank service charge. A. Sarver		\$814	
W-36	Rate Case Expense	981.000		\$388
	1 - To normalize rate case expense over a three year period. E. Carle		\$388	

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Expense Adjustment Schedule - Water

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Expense Adj Number	Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
W-39	Licenses and Permits	626.000		-\$180
	1 - To correct amounts booked to incorrect account A. Sarver		\$20	
	2 - To remove non-recurring expenses. A. Sarver		-\$200	
W-40	PSC Assessment	667.000		-\$324
	1 - To adjust PSC/OPC Assessment to the 2014 assessment level. E. Carle		-\$324	
W-43	CIAC Amortization Expense			-\$48,773
	1 - Update Amortized CIAC based on new allocation factors. A. Sarver		-\$48,773	
W-44	Depreciation			\$102,506
	1. To Annualize Depreciation		\$102,506	
W-47	Real Estate Taxes	967.200		-\$239
	1 - To annualize taxes to reflect allocation based on Company's plant. A. Sarver		-\$239	
	Total Expense Adjustments			-\$180,087