

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Parkville Water

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
	Deferred Income Tax Expense	\$-18		\$ (33,766)
1	To adjust deferred income tax expense. (Gibbs)	\$ (33,766)	\$	
	ITC Amortization	\$-19		\$ 0
1	To adjust the level of ITC amortization. (Gibbs)	\$ 0	\$	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Income Tax Calculation**

Parkville Water

Line	Description (A)	Test Year (B)	8.05% Return (C)	8.31% Return (D)	8.57% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 39,969	\$ 505,255	\$ 521,574	\$ 537,893
2	Add:				
3	Current Income Tax	(128,346)	161,564	171,732	181,899
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	79,941	79,941	79,941	79,941
6	ITC Amortization	0	0	0	0
7	Net Income Before Income Tax	\$ (8,436)	\$ 746,760	\$ 773,247	\$ 799,733
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 234,462	\$ 234,462	\$ 234,462	\$ 234,462
10	Contributions In Aid of Construction	77,046	77,046	77,046	77,046
11	Miscellaneous Non-deductible Expenses	1,318	1,318	1,318	1,318
12	Total Additions	\$ 312,826	\$ 312,826	\$ 312,826	\$ 312,826
13	Subtractions to Net Income Before Income Tax:				
14	Interest Expense @ 3.91%	\$ 245,410	\$ 245,410	\$ 245,410	\$ 245,410
15	Tax Straight Line Depreciation	185,069	185,069	185,069	185,069
16	Excess Tax Depreciation	208,243	208,243	208,243	208,243
17	Cost of Removal	0	0	0	0
18	Total Subtractions	\$ 638,722	\$ 638,722	\$ 638,722	\$ 638,722
19	Net Taxable Income	\$ (334,332)	\$ 420,864	\$ 447,351	\$ 473,837
20	Provision for Federal Income Tax				
21	Net Taxable Income	\$ (334,332)	\$ 420,864	\$ 447,351	\$ 473,837
22	Deduct Missouri Income Tax @ 100.00%	(17,430)	21,941	23,322	24,702
23	Federal Taxable Income	\$ (316,902)	\$ 398,923	\$ 424,029	\$ 449,135
24	Federal Income Tax @ 35.00%	\$ (110,916)	\$ 139,623	\$ 148,410	\$ 157,197
25	Provision for Missouri Income Tax				
26	Net Taxable Income	\$ (334,332)	\$ 420,864	\$ 447,351	\$ 473,837
27	Deduct Federal Income Tax @ 50.00%	(55,458)	69,812	74,205	78,599
28	Missouri Taxable Income	\$ (278,874)	\$ 351,053	\$ 373,146	\$ 395,239
29	Missouri Income Tax @ 6.25%	\$ (17,430)	\$ 21,941	\$ 23,322	\$ 24,702
30	Summary of Provision For Income Tax				
31	Federal Income Tax	\$ (110,916)	\$ 139,623	\$ 148,410	\$ 157,197
32	State Income Tax	(17,430)	21,941	23,322	24,702
33	<b>Total Current Income Tax</b>	<b>\$ (128,346)</b>	<b>\$ 161,564</b>	<b>\$ 171,732</b>	<b>\$ 181,899</b>



## Missouri-American Water Company

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**Revenue Requirement**

St. Charles

Line	(A)		9.50%	10.13%	10.75%
			Equity Return (B)	Equity Return (C)	Equity Return (D)
1	Net Original Cost Rate Base	(From Accounting Schedule 2)	\$ 24,351,792	\$ 24,351,792	\$ 24,351,792
2	Rate of Return		8.05%	8.31%	8.57%
3	Net Operating Income Requirement		\$ 1,960,319	\$ 2,023,634	\$ 2,086,949
4	Net Operating Income Available	(From Accounting Schedule 9)	1,920,332	1,920,332	1,920,332
5	Additional Net Operating Income Requirement		\$ 39,987	\$ 103,302	\$ 166,617
6	Income Tax Requirement:	(From Accounting Schedule 11)			
7	Required Current Income Tax		\$ 668,334	\$ 707,785	\$ 747,234
8	Test Year Current Income Tax		643,420	643,420	643,420
9	Additional Current Income Tax Requirement		\$ 24,914	\$ 64,365	\$ 103,814
10	Gross Revenue Requirement Before Allowances		\$ 64,901	\$ 167,667	\$ 270,431
11	Allowances:				
12	True-up Estimate		\$ 63,438	\$ 67,095	\$ 70,752
13	Uncollectibles		297	543	789
14	<b>Gross Revenue Requirement</b>		<b>\$ 128,635</b>	<b>\$ 235,304</b>	<b>\$ 341,972</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Rate Base**

St. Charles

Line	Description (A)		Amount (B)
1	Plant in Service	(From Accounting Schedule 3)	\$ 50,104,111
	Less:		
2	Accumulated Depreciation Reserve	(From Accounting Schedule 5)	8,342,597
3	Accumulated Amortization Reserve:		
4	Direct Assigned		
5	Corporate Distribution		0
6	Net Plant in Service		\$ 41,761,514
7	Add:		
8	Cash Working Capital	(From Accounting Schedule 8)	\$ (225,238)
9	Materials and Supplies:	Direct Assigned	87,434
10		Corporate Distribution	0
11	Prepayments:	Direct Assigned	
12		Corporate Distribution	24,493
13	Deferred OPEB Asset:	Direct Assigned	
14		Corporate Distribution	185,331
15	Total Additions to Net Plant in Service		\$ 72,020
16	Deduct:		
17	Interest Offset	@ 0.14% (From Accounting Schedule 8)	\$ 133,641
18	Federal Income Tax Offset	@ 0.06% (From Accounting Schedule 8)	32,170
19	State Income Tax Offset	@ 0.06% (From Accounting Schedule 8)	5,533
20	Contributions In Aid:	Direct Assigned	13,776,036
21		Corporate Distribution	(472,117)
22	Customer Advances	Direct Assigned	2,001,956
23		Corporate Distribution	49,174
24	Deferred Income Taxes	Pre-merger Missouri-Cities	1,036,157
25		Corporate Distribution	812,310
26	Pre-71 ITC	Direct Assigned	
27		Corporate Distribution	0
28	Pension Liability	Direct Assigned	0
29		Corporate Distribution	106,881
30	Total Deductions from Net Plant in Service		\$ 17,481,742
31	<b>Total Rate Base</b>		<b>\$ 24,351,792</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

St. Charles

Line	Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 12/31/99
					Amount At 9/30/99	No. At 9/30/99	
1		Intangible					
2	301.00	Organization	\$ 0	\$ 10,882	\$ 0	P-1	\$ 10,882
3	302.00	Franchise & Consents	12,572	0	0	P-2	12,572
4	303.00	Miscellaneous Intangible Plant	0	0	0	P-3	0
5		Total Intangible	\$ 12,572	\$ 10,882	\$ 0		\$ 23,454
6		Source of Supply					
7	310.00	Land & Land Rights	\$ 5,372	\$ 0	\$ 0	P-4	\$ 5,372
8	311.00	Structures & Improvements	0	0	0	P-5	0
9	312.00	Collecting & Impounding Res	0	0	0	P-6	0
10	313.00	Lake, River & Other Intakes	0	0	0	P-7	0
11	314.00	Wells & Springs	0	0	0	P-8	0
12	316.00	Supply Mains	0	0	0	P-9	0
13		Total Source of Supply	\$ 5,372	\$ 0	\$ 0		\$ 5,372
14		Pumping					
15	320.00	Land & Land Rights	\$ 1,193	\$ 0	\$ 0	P-10	\$ 1,193
16	321.00	Structures & Improvements	1,306,302	0	0	P-11	1,306,302
17	322.00	Boiler Equipment	0	0	0	P-12	0
18	323.20	Other Power Production Equipment	250,012	0	0	P-13	250,012
19	324.00	Steam Pumping Equipment	0	0	0	P-14	0
20	325.00	Electric Pumping Equipment	2,044,097	0	0	P-15	2,044,097
21	326.00	Diesel Pumping Equipment	0	0	0	P-16	0
22	328.30	Other Pumping Equipment	5,613	0	0	P-17	5,613
23		Total Pumping	\$ 3,607,217	\$ 0	\$ 0		\$ 3,607,217
24		Water Treatment Plant					
25	330.00	Land & Land Rights	\$ 5,372	\$ 0	\$ 0	P-18	\$ 5,372
26	331.00	Structures & Improvements	0	0	0	P-19	0
27	332.00	Water Treatment Equipment	16,283	0	0	P-20	16,283
28	339.00	Other Intangible Plant	855,198	0	0	P-21	855,198
29		Total Water Treatment Plant	\$ 876,853	\$ 0	\$ 0		\$ 876,853
30		Transmission & Distribution					
31	340.00	Land & Land Rights	\$ 254,954	\$ 0	\$ 0	P-22	\$ 254,954
32	341.00	Structures & Improvements	421,402	0	0	P-23	421,402
33	342.00	Distr. Res. & Standpipe	1,582,083	0	0	P-24	1,582,083
34	343.00	Transmission & Distribution Mains	31,089,669	0	0	P-25	31,089,669
35	344.00	Fire Mains	160,776	0	0	P-26	160,776
36	345.00	Services	4,732,660	0	0	P-27	4,732,660
37	346.00	Meters	930,526	0	0	P-28	930,526
38	347.00	Meter Installation	2,136,667	0	0	P-29	2,136,667
39	348.00	Hydrants	3,092,078	0	0	P-30	3,092,078
40	349.00	Other T&D Plant	3,964	0	0	P-31	3,964
41		Total Transmission & Distribution	\$ 44,404,779	\$ 0	\$ 0		\$ 44,404,779
42		Sewer Plant					
43	252.00	Collecting Sewer - Gravity	\$ 0	\$ 0	\$ 0	P-32	\$ 0
44	353.00	Service To Customers	0	0	0	P-33	0
45	370.00	Miscellaneous Land	0	0	0	P-34	0
46	371.00	Structures & Improvements	0	0	0	P-35	0
47	372.00	Treatment & Disposal Equipment	0	0	0	P-36	0
48	373.00	Plant Sewers	0	0	0	P-37	0
49	374.00	Outfall Sewer Lines	0	0	0	P-38	0
50	395.00	Laboratory Equipment	0	0	0	P-39	0
51		Total Sewer Plant	\$ 0	\$ 0	\$ 0		\$ 0

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

St. Charles

Line	Account No	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 12/31/99
					Amount Add/Sub +	No. Acct Sub +	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
52		General Plant					
53	389.10	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-40	\$ 0
54	390.00	Structures & Improvements	311,853	27,324	0	P-41	339,177
55	391.00	General Office Equipment	243,685	271,759	0	P-42	515,444
56	392.00	Transportation Equipment	104,305	34,367	0	P-43	138,672
57	393.00	Stores Equipment	907	0	0	P-44	907
58	394.00	Tools, Shop & Garage Equipment	86,769	837	0	P-45	87,606
59	395.00	Laboratory Equipment	2,771	0	0	P-46	2,771
60	396.00	Power Operated Equipment	0	0	0	P-47	0
61	397.00	Communication Equipment	27,489	5,798	0	P-48	33,287
62	398.00	Miscellaneous	66,835	1,737	0	P-49	68,572
63		Total General Plant	\$ 844,614	\$ 341,821	\$ 0		\$ 1,186,435
64		Total Plant In Service	\$ 49,761,487	\$ 352,704	\$ 0		\$ 50,114,191

Accounting Schedule 4

Sponsor: Gibbs

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Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

### **Adjustments To Plant In Service**

St. Charles

Adj. No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Reserve**

St. Charles

Plant Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 12/31/99
				Amount Increase	No. Increase	
(A)	(B)	(C)	(D)	(E)	(F)	(G)
<b>Total Depreciation Reserve</b>						
		\$ 8,272,715	\$ 69,882	\$ 0		\$ 8,342,597

Accounting Schedule 6

Sponsor: Gibbs

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Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Depreciation Reserve**

St. Charles

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

St. Charles

Line	Account No.	Plant Title	Plant Balance Acq. Val.	Depreciation Rate	Depreciation Expense (C) x (D)
	(A)	(B)	(C)	(D)	(E)
1		Intangible			
2	301.00	Organization	\$ 10,882		\$ NA
3	302.00	Franchise & Consents	12,572		NA
4	303.00	Miscellaneous Intangible Plant	0		NA
5		Total Intangible	\$ 23,454		\$ 0
6		Source of Supply			
7	310.00	Land & Land Rights	\$ 5,372		\$ NA
8	311.00	Structures & Improvements	0	3.31%	0
9	312.00	Collecting & Impounding Res	0	1.85%	0
10	313.00	Lake, River & Other Intakes	0	3.11%	0
11	314.00	Wells & Springs	0	2.28%	0
12	316.00	Supply Mains	0	1.77%	0
13		Total Source of Supply	\$ 5,372		\$ 0
14		Pumping			
15	320.00	Land & Land Rights	\$ 1,193		\$ NA
16	321.00	Structures & Improvements	1,306,302	2.26%	29,522
17	322.00	Boiler Equipment	0		NA
18	323.00	Other Power Production Equipment	250,012	2.12%	5,300
19	324.00	Steam Pumping Equipment	0		NA
20	325.00	Electric Pumping Equipment	2,044,097	3.77%	77,062
21	326.00	Diesel Pumping Equipment	0	2.28%	0
22	328.30	Other Pumping Equipment	5,613	2.26%	127
23		Total Pumping	\$ 3,607,217		\$ 112,011
24		Water Treatment Plant			
25	330.00	Land & Land Rights	\$ 5,372		\$ NA
26	331.00	Structures & Improvements	0	3.27%	0
27	332.00	Water Treatment Equipment	16,283	2.95%	480
28	339.00	Other Intangible Plant	855,198	2.00%	17,104
29		Total Water Treatment Plant	\$ 876,853		\$ 17,584
30		Transmission & Distribution			
31	340.00	Land & Land Rights	\$ 254,954		\$ NA
32	341.00	Structures & Improvements	421,402	5.56%	23,430
33	342.00	Distr. Res. & Standpipe	1,582,083	1.97%	31,167
34	343.00	Transmission & Distribution Mains	31,089,669	1.51%	469,454
35	344.00	Fire Mains	160,776	1.46%	2,347
36	345.00	Services	4,732,660	2.63%	124,469

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

St. Charles

Line	Account No.	Plant Title	Plant Balance Acctg Yr 1	Depreciation Rate	Depreciation Expense (C) x (D)
	(A)	(B)	(C)	(D)	(E)
37	346.00	Meters	930,526	5.64%	52,482
38	347.00	Meter Installation	2,136,667	2.31%	49,357
39	348.00	Hydrants	3,092,078	3.06%	94,618
40	349.00	Other T&D Plant	3,964	2.94%	117
41		Total Transmission & Distribution	\$ 44,404,779		\$ 847,441
42		Sewer Plant			
43	252.00	Collecting Sewer - Gravity	\$ 0	1.33%	\$ 0
44	353.00	Service To Customers	0	2.00%	0
45	370.00	Miscellaneous Land	0		NA
46	371.00	Structures & Improvements	0	1.33%	0
47	372.00	Treatment & Disposal Equipment	0	3.30%	0
48	373.00	Plant Sewers	0	3.30%	0
49	374.00	Outfall Sewer Lines	0	1.50%	0
50	395.00	Laboratory Equipment	0	3.30%	0
51		Total Sewer Plant	\$ 0		\$ 0
52		General Plant			
53	389.00	Land & Land Rights	\$ 0		\$ NA
54	390.00	Structures & Improvements	339,177	2.57%	8,717
55	391.00	General Office Equipment	515,444	9.16%	47,215
56	392.00	Transportation Equipment	138,672	11.66%	16,169
57	393.00	Stores Equipment	907	0.88%	8
58	394.00	Tools, Shop & Garage Equipment	87,606	5.16%	4,520
59	395.00	Laboratory Equipment	2,771	4.42%	122
60	396.00	Power Operated Equipment	0	5.07%	0
61	397.00	Communication Equipment	33,287	7.33%	2,440
62	398.00	Miscellaneous	68,572	4.19%	2,873
63		Total General Plant	\$ 1,186,435		\$ 82,064
64		<b>Depreciation Expense</b>	<b>\$ 50,104,111</b>		<b>\$ 1,059,100</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Cash Working Capital**

St. Charles

Line	Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net CWC Lag (C)-(D) (E)	Factor (E)/(B) (F)	Cash Working Capital Requirement (B)*(F) (G)
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 488,533	39.92	10.23	29.69	0.0814	\$ 39,744
3	Tax Withholding	159,217	39.92	17.39	22.53	0.0617	9,830
4	Fuel & Power	68,312	39.92	37.22	2.70	0.0074	505
5	Chemicals	0	39.92	39.92	0.00	0.0000	0
6	Purchased Water	1,443,668	39.92	53.15	(13.23)	(0.0362)	(52,328)
7	Service Company Charges	256,165	39.92	(4.13)	44.05	0.1207	30,915
8	Group Insurance	109,361	39.92	(8.54)	48.46	0.1328	14,520
9	OPEB's	63,123	39.92	(0.04)	39.96	0.1095	6,911
10	Pensions	22,748	39.92	39.92	0.00	0.0000	0
11	ESOP	5,645	39.92	39.92	0.00	0.0000	0
12	Insurance Other Than Group	61,867	39.92	39.92	0.00	0.0000	0
13	Uncollectibles	18,240	39.92	39.92	0.00	0.0000	0
14	Rents	186	39.92	24.37	15.55	0.0426	8
15	401K	9,301	39.92	48.80	(8.88)	(0.0243)	(226)
16	Material & Supplies	61,709	39.92	39.92	0.00	0.0000	0
17	Cash Vouchers	678,160	39.92	20.67	19.25	0.0527	35,766
18	Total Operation & Maintenance Expense	\$ 3,446,235					\$ 85,645
19	Taxes						
20	FICA - Employer Portion	\$ 48,442	39.92	13.44	26.48	0.0725	\$ 3,514
21	Federal Unemployment	934	39.92	62.05	(22.13)	(0.0606)	(57)
22	State Unemployment	(0)	39.92	62.05	(22.13)	(0.0606)	0
23	Property Tax	762,658	39.92	182.50	(142.58)	(0.3906)	(297,917)
24	Gross Receipts Tax	0	20.66	0.00	20.66	0.0566	0
25	Corporate Franchise	0	39.92	110.50	(70.58)	(0.1934)	0
26	Sales Tax	44,966	20.66	38.90	(18.24)	(0.0500)	(2,247)
27	Missouri Primacy Fees	32,071	20.66	182.00	(161.34)	(0.4420)	(14,176)
28	PSC Assessment	49,906	39.92	39.92	0.00	0.0000	0
29	Total Operating Taxes	\$ 938,977					\$ (310,883)
30	<b>Total Cash Working Capital Before Income Tax and Interest Offsets</b>						<b>\$ (225,238)</b>
31	Federal Income Tax Offset	\$ 577,573	39.92	60.25	(20.33)	(0.0557)	\$ (32,170)
32	State Income Tax Offset	\$ 90,761	39.92	62.17	(22.25)	(0.0610)	\$ (5,533)
33	Interest Expense Offset	\$ 952,155	39.92	91.15	(51.23)	(0.1404)	\$ (133,641)

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Income Statement

St. Charles

Line	Description (A)	Year Ended 9/30/99 Direct Charges (B)	Year Ended 9/30/99 Corporate Distribution (C)	Year Ended 9/30/99 Total (B)+(C) (D)	Adjustments		As Adjusted (G)
					Amount Acctg Sch 10 (E)	No. Acctg Sch 10 (F)	
1	Operating Revenues:						
2	Residential	\$ 6,693,602	\$ 0	\$ 6,693,602	\$ 155,476	S-1	\$ 6,849,078
3	Commercial	798,802	0	798,802	41,762	S-2	840,564
4	Industrial	5,220	0	5,220	0	S-3	5,220
5	Private Fire	54,586	0	54,586	0	S-4	54,586
6	Public Authorities	140,958	0	140,958	0	S-5	140,958
7	Sales for Resale	0	0	0	0	S-6	0
8	Other	131,816	975	132,790	0	S-7	132,790
9	Total Revenues	\$ 7,824,984	\$ 975	\$ 7,825,959	\$ 197,238		\$ 8,023,197
10	Operating Expenses:						
11	Operation & Maintenance:						
12	Source of Supply	\$ 1,381,429	\$ 5,060	\$ 1,386,489	\$ 61,403	S-8	\$ 1,447,892
13	Pumping	94,777	3	94,780	222	S-9	95,002
14	Water Treatment	42	58,131	58,172	(1,756)	S-10	56,416
15	Transmission & Distribution	424,058	4,378	428,436	(8,466)	S-11	419,970
16	Customer Accounts	298,724	158,301	457,025	(15,519)	S-12	441,506
17	Administrative & General	221,670	794,825	1,016,495	(31,046)	S-13	985,449
18	Total O & M Expense	\$ 2,420,700	\$ 1,020,699	\$ 3,441,398	\$ 4,837		\$ 3,446,235
19	Other Operating Expenses:						
20	Depreciation	\$ 996,964	\$ (32,138)	\$ 964,826	\$ (193,936)	S-14	\$ 770,890
21	Amortization	0	98	98	12,322	S-15	12,420
22	Taxes Other Than Income	687,544	133,576	821,120	63,896	S-16	885,017
23	Total Other Operation Expense	\$ 1,684,508	\$ 101,537	\$ 1,786,044	\$ (117,718)		\$ 1,668,327
24	Total Operating Expenses	\$ 4,105,207	\$ 1,122,235	\$ 5,227,442	\$ (112,880)		\$ 5,114,562
25	Net Income Before Income Taxes	\$ 3,719,777	\$ (1,121,260)	\$ 2,598,517	\$ 310,118		\$ 2,908,635
26	Income Taxes:						
27	Current Income Tax	\$ 0	\$ 624,102	\$ 624,102	\$ 19,318	S-17	\$ 643,420
28	Deferred Income Tax:						
29	Deferred Income Tax Expense	0	490,555	490,555	(145,672)	S-18	344,883
30	ITC Amortization	0	0	0	0	S-19	0
31		\$ 0	\$ 1,114,657	\$ 1,114,657	\$ (126,354)		\$ 988,303
32	Net Operating Income	\$ 3,719,777	\$ (2,235,917)	\$ 1,483,860	\$ 436,472		\$ 1,920,332

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Charles

Adj. No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Residential Revenue S-1				\$ 155,476
1	To normalize and annualize revenue. (Griggs)	\$ 155,476	\$	
Commercial Revenue S-2				\$ 41,762
1	To normalize and annualize revenue. (Griggs)	\$ 41,762	\$	
Industrial Revenue S-3				\$ 0
1	No adjustment required.	\$ 0	\$	
Private Fire Revenue S-4				\$ 0
1	No adjustment required.	\$ 0	\$	
Public Authority Revenue S-5				\$ 0
1	No adjustment required.	\$ 0	\$	
Sales for Resale S-6				\$ 0
1	No adjustment required.	\$ 0	\$	
Other Revenue S-7				\$ 0
1	No adjustment required.	\$ 0	\$	
Source of Supply S-8				\$ 61,463
1	To annualize payroll. (Gruner)	\$ 0	\$ (836)	
2	To annualize the cost of purchased water. (Griggs)	62,239		
Pumping S-9				\$ 222
1	To annualize payroll. (Gruner)	\$ (1,866)	\$ 0	
2	To annualize electric pumping expense. (Griggs)	2,088		
Water Treatment S-10				\$ (1,756)
1	To annualize payroll. (Gruner)	\$ 0	\$ (1,756)	
2	To annualize chemical costs. (Griggs)	0		
Transmission & Distribution S-11				\$ (8,466)
1	To annualize payroll. (Gruner)	\$ (22,545)	\$ (407)	
2	To adjust deferred maintenance. (Griggs)	14,486		

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Charles

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Customer Accounts		S-12		\$ (15,519)
1	To annualize payroll. (Gruner)	\$ (10,776)	\$ (9,114)	
2	To normalize the level of uncollectible expense. (Griggs)	3,722		
3	To adjust postage. (Griggs)	1,839		
4	To eliminate specific advertising expense. (Gruner)	0	(17)	
5	To eliminate cost of bill inserts. (Gruner)		(1,173)	
Administrative & General		S-13		\$ (31,045)
1	To annualize payroll. (Gruner)	\$ (6,999)	\$ (18,959)	
2	To annualize 401K expense. (Gruner)	0	(185)	
3	To annualize ESOP expense. (Gruner)	0	(2,542)	
4	To annualize group health insurance expense. (Gruner)	0	11,744	
5	To annualize OPEB expense. (Rackers)	0	(3,132)	
6	To adjust incentive pay. (Gruner)	0	(10,574)	
7	To annualize pension expense. (Rackers)	0	(693)	
8	To annualize non-group insurance. (Gruner)	0	18,758	
9	To eliminate specific advertising expense. (Gruner)	0	(1,819)	
10	To eliminate specific dues and donations. (Gruner)	(877)	(2,040)	
11	To eliminate specific miscellaneous expense. (Gruner)	(676)	(96)	
12	To normalize rate case expense. (Griggs)	0	4,900	
13	To eliminate dues to NAWC. (Gruner)	0	(779)	
14	To adjust relocation expense. (Gibbs)	0	475	
15	To amortize OPEB gains. (Rackers)		(14,027)	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Charles

Adj No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp	
16	To amortize pension gains. (Rackers)		(3,525)	
<b>Depreciation S-14 \$ (193,936)</b>				
1	To adjust depreciation expense to reflect the annual level of depreciation expense using Staff's proposed rates. (Gibbs)	\$ 94,274	\$	
2	To reflect depreciation on contributions in aid of construction included in plant in service. (Gibbs)	(287,785)		
3	To reflect capitalization of depreciation on transportation equipment. (Gibbs)	(425)		
<b>Amortization S-15 \$ 12,322</b>				
1	To eliminate amortization of a capital lease. (Gibbs)	\$ 0	\$ 0	
2	To reflect a 5 year amortization of Comprehensive Planning Study. (Gibbs)	0	9,110	
3	To reflect an amortization related to the St. Joseph treatment plant. (Gibbs)	0	0	
4	To reflect a 5 year amortization of Environmental Audit. (Gibbs)		1,715	
5	To reflect a 5 year amortization of Management Study. (Gibbs)		1,496	
<b>Taxes Other Than Income Tax S-16 \$ 63,896</b>				
1	To annualize FICA based on annualized payroll. (Gruner)	\$ 0	\$ (7,150)	
2	To adjust Federal unemployment. (Gruner)	0	(98)	
3	To adjust State unemployment. (Gruner)	0	(1)	
4	To adjust real estate and personal property taxes. (Gibbs)	72,313	0	
5	To adjust PSC Assessment. (Griggs)	0	(1,168)	
<b>Current Income Tax S-17 \$ 19,318</b>				
1	To adjust current income taxes to reflect the Staff adjusted level of taxable income. Gibbs)	\$ 19,318	\$	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Charles

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
	Deferred Income Tax Expense S-18			\$ (145,672)
1	To adjust deferred income tax expense. (Gibbs)	\$ (145,672)	\$	
	ITC Amortization S-19			\$ 0
1	To adjust the level of ITC amortization. (Gibbs)	\$ 0	\$	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Income Tax Calculation**

St. Charles

Line	Description (A)	Test Year (B)	8.05% Return (C)	8.31% Return (D)	8.57% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 1,920,332	\$ 1,960,319	\$ 2,023,634	\$ 2,086,949
2	Add:				
3	Current Income Tax	643,420	668,334	707,785	747,234
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	344,883	344,883	344,883	344,883
6	ITC Amortization	0	0	0	0
7	Net Income Before Income Tax	\$ 2,908,635	\$ 2,973,536	\$ 3,076,302	\$ 3,179,066
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 770,890	\$ 770,890	\$ 770,890	\$ 770,890
10	Contributions In Aid of Construction	580,150	580,150	580,150	580,150
11	Miscellaneous Non-deductible Expenses	3,711	3,711	3,711	3,711
12	Total Additions	\$ 1,354,751	\$ 1,354,751	\$ 1,354,751	\$ 1,354,751
13	Subtractions to Net Income Before Income Tax:				
14	Interest Expense @ 3.91%	\$ 952,155	\$ 952,155	\$ 952,155	\$ 952,155
15	Tax Straight Line Depreciation	736,762	736,762	736,762	736,762
16	Excess Tax Depreciation	898,400	898,400	898,400	898,400
17	Cost of Removal	0	0	0	0
18	Total Subtractions	\$ 2,587,317	\$ 2,587,317	\$ 2,587,317	\$ 2,587,317
19	Net Taxable Income	\$ 1,676,069	\$ 1,740,970	\$ 1,843,736	\$ 1,946,500
20	Provision for Federal Income Tax				
21	Net Taxable Income	\$ 1,676,069	\$ 1,740,970	\$ 1,843,736	\$ 1,946,500
22	Deduct Missouri Income Tax @ 100.00%	87,378	90,761	96,119	101,476
23	Federal Taxable Income	\$ 1,588,691	\$ 1,650,209	\$ 1,747,617	\$ 1,845,024
24	Federal Income Tax @ 35.00%	\$ 556,042	\$ 577,573	\$ 611,666	\$ 645,758
25	Provision for Missouri Income Tax				
26	Net Taxable Income	\$ 1,676,069	\$ 1,740,970	\$ 1,843,736	\$ 1,946,500
27	Deduct Federal Income Tax @ 50.00%	278,021	288,787	305,833	322,879
28	Missouri Taxable Income	\$ 1,398,048	\$ 1,452,184	\$ 1,537,903	\$ 1,623,621
29	Missouri Income Tax @ 6.25%	\$ 87,378	\$ 90,761	\$ 96,119	\$ 101,476
30	Summary of Provision For Income Tax				
31	Federal Income Tax	\$ 556,042	\$ 577,573	\$ 611,666	\$ 645,758
32	State Income Tax	87,378	90,761	96,119	101,476
33	<b>Total Current Income Tax</b>	<b>\$ 643,420</b>	<b>\$ 668,334</b>	<b>\$ 707,785</b>	<b>\$ 747,234</b>

## St. Joseph District

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Revenue Requirement**

St. Joseph

Line	(A)		9.50%	10.13%	10.75%
			Equity Return (B)	Equity Return (C)	Equity Return (D)
1	Net Original Cost Rate Base	(From Accounting Schedule 2)	\$ 20,113,602	\$ 20,113,602	\$ 20,113,602
2	Rate of Return		8.05%	8.31%	8.57%
3	Net Operating Income Requirement		\$ 1,619,145	\$ 1,671,440	\$ 1,723,736
4	Net Operating Income Available	(From Accounting Schedule 9)	2,638,602	2,638,602	2,638,602
5	Additional Net Operating Income Requirement		\$ (1,019,457)	\$ (967,162)	\$ (914,866)
6	Income Tax Requirement:	(From Accounting Schedule 11)			
7	Required Current Income Tax		\$ 516,271	\$ 548,855	\$ 581,439
8	Test Year Current Income Tax		1,151,472	1,151,472	1,151,472
9	Additional Current Income Tax Requirement		\$ (635,201)	\$ (602,617)	\$ (570,033)
10	Gross Revenue Requirement Before Allowances		\$ (1,654,658)	\$ (1,569,779)	\$ (1,484,899)
11	Allowances:				
12	True-up Estimate		\$ 2,701,957	\$ 2,786,159	\$ 2,869,480
13	Uncollectibles		6,757	7,848	8,933
14	<b>Gross Revenue Requirement</b>		<b>\$ 1,054,056</b>	<b>\$ 1,224,228</b>	<b>\$ 1,393,514</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Rate Base**

St. Joseph

Line	Description (A)	Amount (B)
1	Plant in Service (From Accounting Schedule 3)	\$ 34,711,026
	Less:	
2	Accumulated Depreciation Reserve (From Accounting Schedule 5)	10,270,270
3	Accumulated Amortization Reserve:	
4	Direct Assigned	
5	Corporate Distribution	0
6	Net Plant in Service	\$ 24,440,756
7	Add:	
8	Cash Working Capital (From Accounting Schedule 8)	\$ 353,790
9	Materials and Supplies: Direct Assigned	163,241
10	Corporate Distribution	0
11	Prepayments: Direct Assigned	0
12	Corporate Distribution	58,535
13	Deferred OPEB Asset: Direct Assigned	0
14	Corporate Distribution	442,922
15	Total Additions to Net Plant in Service	\$ 1,018,489
16	Deduct:	
17	Interest Offset @ 0.09% (From Accounting Schedule 8)	\$ 73,559
18	Federal Income Tax Offset @ 0.01% (From Accounting Schedule 8)	3,960
19	State Income Tax Offset @ 0.01% (From Accounting Schedule 8)	991
20	Contributions In Aid: Direct Assigned	2,211,921
21	Corporate Distribution	(75,804)
22	Customer Advances Direct Assigned	802,899
23	Corporate Distribution	58,825
24	Deferred Income Taxes Direct Assigned	0
25	Corporate Distribution	1,970,099
26	Pre-71 ITC Direct Assigned	43,759
27	Corporate Distribution	0
28	Pension Liability Direct Assigned	0
29	Corporate Distribution	255,435
30	Total Deductions from Net Plant in Service	\$ 5,345,643
31	<b>Total Rate Base</b>	<b>\$ 20,113,602</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

St. Joseph

Line	Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 12/31/99
					Amount Account No.	No. Account No.	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Intangible					
2	301.00	Organization	\$ 0	\$ 26,007	\$ 0	P-1	\$ 26,007
3	302.00	Franchise & Consents	0	0	0	P-2	0
4	303.00	Miscellaneous Intangible Plant	0	0	0	P-3	0
5		Total Intangible	\$ 0	\$ 26,007	\$ 0		\$ 26,007
6		Source of Supply					
7	310.00	Land & Land Rights	\$ 215,012	\$ 0	\$ 0	P-4	\$ 215,012
8	311.00	Structures & Improvements	0	0	0	P-5	0
9	312.00	Collecting & Impounding Res	0	0	0	P-6	0
10	313.00	Lake, River & Other Intakes	1,253,857	0	0	P-7	1,253,857
11	314.00	Wells & Springs	0	0	0	P-8	0
12	316.00	Supply Mains	376,791	0	0	P-9	376,791
13		Total Source of Supply	\$ 1,845,660	\$ 0	\$ 0		\$ 1,845,660
14		Pumping					
15	320.00	Land & Land Rights	\$ 8,921	\$ 0	\$ 0	P-10	\$ 8,921
16	321.00	Structures & Improvements	542,048	0	0	P-11	542,048
17	322.00	Boiler Equipment	0	0	0	P-12	0
18	323.20	Other Power Production Equipment	0	0	0	P-13	0
19	324.00	Steam Pumping Equipment	0	0	0	P-14	0
20	325.00	Electric Pumping Equipment	1,968,280	0	0	P-15	1,968,280
21	326.00	Diesel Pumping Equipment	0	0	0	P-16	0
22	328.30	Other Pumping Equipment	0	0	0	P-17	0
23		Total Pumping	\$ 2,519,249	\$ 0	\$ 0		\$ 2,519,249
24		Water Treatment Plant					
25	330.00	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-18	\$ 0
26	331.00	Structures & Improvements	357,835	0	0	P-19	357,835
27	332.00	Water Treatment Equipment	3,228,775	0	0	P-20	3,228,775
28	339.00	Other Intangible Plant	0	0	0	P-21	0
29		Total Water Treatment Plant	\$ 3,586,610	\$ 0	\$ 0		\$ 3,586,610
30		Transmission & Distribution					
31	340.00	Land & Land Rights	\$ 37,780	\$ 0	\$ 0	P-22	\$ 37,780
32	341.00	Structures & Improvements	0	0	0	P-23	0
33	342.00	Distr. Res. & Standpipe	1,342,360	0	0	P-24	1,342,360
34	343.00	Transmission & Distribution Mains	15,643,717	0	0	P-25	15,643,717
35	344.00	Fire Mains	0	0	0	P-26	0
36	345.00	Services	868,211	0	0	P-27	868,211
37	346.00	Meters	1,086,385	0	0	P-28	1,086,385
38	347.00	Meter Installation	1,891,767	0	0	P-29	1,891,767
39	348.00	Hydrants	2,057,993	0	0	P-30	2,057,993
40	349.00	Other T&D Plant	0	0	0	P-31	0
41		Total Transmission & Distribution	\$ 22,928,213	\$ 0	\$ 0		\$ 22,928,213
42		Sewer Plant					
43	252.00	Collecting Sewer - Gravity	\$ 0	\$ 0	\$ 0	P-32	\$ 0
44	353.00	Service To Customers	0	0	0	P-33	0
45	370.00	Miscellaneous Land	0	0	0	P-34	0
46	371.00	Structures & Improvements	0	0	0	P-35	0
47	372.00	Treatment & Disposal Equipment	0	0	0	P-36	0
48	373.00	Plant Sewers	0	0	0	P-37	0
49	374.00	Outfall Sewer Lines	0	0	0	P-38	0
50	395.00	Laboratory Equipment	0	0	0	P-39	0
51		Total Sewer Plant	\$ 0	\$ 0	\$ 0		\$ 0

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

St. Joseph

Line	Account No	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 12/31/00
					Amount At 9/30/99	No. At 9/30/99	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
52		General Plant					
53	389.10	Land & Land Rights	\$ 196,565	\$ 0	\$ 0	P-40	\$ 196,565
54	390.00	Structures & Improvements	854,742	65,301	0	P-41	920,043
55	391.00	General Office Equipment	433,409	649,475	0	P-42	1,082,884
56	392.00	Transportation Equipment	474,860	82,132	0	P-43	556,992
57	393.00	Stores Equipment	6,680	0	0	P-44	6,680
58	394.00	Tools, Shop & Garage Equipment	333,359	2,001	0	P-45	335,360
59	395.00	Laboratory Equipment	304,026	0	0	P-46	304,026
60	396.00	Power Operated Equipment	226,117	0	0	P-47	226,117
61	397.00	Communication Equipment	127,866	13,857	0	P-48	141,723
62	398.00	Miscellaneous	30,744	4,152	0	P-49	34,896
63		Total General Plant	\$ 2,988,368	\$ 816,918	\$ 0		\$ 3,805,286
64		Total Plant In Service	\$ 33,868,180	\$ 842,926	\$ 0		\$ 34,711,026

Accounting Schedule 4

Sponsor: Gibbs

3/29/00 6:05 PM

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Plant In Service**

St. Joseph

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Reserve**

St. Joseph

Plant Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 03/31/00
				Amount Asset Sch 5	No. Asset Sch 4	
(A)	(B)	(C)	(D)	(E)	(F)	(G)

<b>Total Depreciation Reserve</b>						
		\$ 18,193,260	\$ 167,910	\$ 0		\$ 18,278,270

Accounting Schedule 6

Sponsor: Gibbs

3/31/00 2:49 PM

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Depreciation Reserve**

St. Joseph

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

St. Joseph

Line	Account No.	Plant Title	Plant Balance <small>Acctg Sch. 1</small>	Depreciation Rate	Depreciation Expense <small>(C) * (D)</small>
	(A)	(B)	(C)	(D)	(E)
1		Intangible			
2	301.00	Organization	\$ 26,007		\$ NA
3	302.00	Franchise & Consents	0		NA
4	303.00	Miscellaneous Intangible Plant	0		NA
5		Total Intangible	\$ 26,007		\$ 0
6		Source of Supply			
7	310.00	Land & Land Rights	\$ 215,012		\$ NA
8	311.00	Structures & Improvements	0	3.31%	0
9	312.00	Collecting & Impounding Res	0	1.85%	0
10	313.00	Lake, River & Other Intakes	1,253,857	3.11%	38,995
11	314.00	Wells & Springs	0	2.28%	0
12	316.00	Supply Mains	376,791	1.77%	6,669
13		Total Source of Supply	\$ 1,845,660		\$ 45,664
14		Pumping			
15	320.00	Land & Land Rights	\$ 8,921		\$ NA
16	321.00	Structures & Improvements	542,048	2.26%	12,250
17	322.00	Boiler Equipment	0		NA
18	323.00	Other Power Production Equipment	0	2.12%	0
19	324.00	Steam Pumping Equipment	0		NA
20	325.00	Electric Pumping Equipment	1,968,280	3.77%	74,204
21	326.00	Diesel Pumping Equipment	0	2.28%	0
22	328.30	Other Pumping Equipment	0	2.26%	0
23		Total Pumping	\$ 2,519,249		\$ 86,454
24		Water Treatment Plant			
25	330.00	Land & Land Rights	\$ 0		\$ NA
26	331.00	Structures & Improvements	357,835	3.27%	11,701
27	332.00	Water Treatment Equipment	3,228,775	2.95%	95,249
28	339.00	Other Intangible Plant	0	2.00%	0
29		Total Water Treatment Plant	\$ 3,586,610		\$ 106,950
30		Transmission & Distribution			
31	340.00	Land & Land Rights	\$ 37,780		\$ NA
32	341.00	Structures & Improvements	0	5.56%	0
33	342.00	Distr. Res. & Standpipe	1,342,360	1.97%	26,444
34	343.00	Transmission & Distribution Mains	15,643,717	1.51%	236,220
35	344.00	Fire Mains	0	1.46%	0
36	345.00	Services	868,211	2.63%	22,834

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

St. Joseph

Line	Account No.	Plant Title	Plant Balance Acctg. Yr. End	Depreciation Rate	Depreciation Expense (C) * (D)
	(A)	(B)	(C)	(D)	(E)
37	346.00	Meters	1,086,385	5.64%	61,272
38	347.00	Meter Installation	1,891,767	2.31%	43,700
39	348.00	Hydrants	2,057,993	3.06%	62,975
40	349.00	Other T&D Plant	0	2.94%	0
41		Total Transmission & Distribution	\$ 22,928,213		\$ 453,445
42		Sewer Plant			
43	252.00	Collecting Sewer - Gravity	\$ 0	1.33%	\$ 0
44	353.00	Service To Customers	0	2.00%	0
45	370.00	Miscellaneous Land	0		NA
46	371.00	Structures & Improvements	0	1.33%	0
47	372.00	Treatment & Disposal Equipment	0	3.30%	0
48	373.00	Plant Sewers	0	3.30%	0
49	374.00	Outfall Sewer Lines	0	1.50%	0
50	395.00	Laboratory Equipment	0	3.30%	0
51		Total Sewer Plant	\$ 0		\$ 0
52		General Plant			
53	389.00	Land & Land Rights	\$ 196,565		\$ NA
54	390.00	Structures & Improvements	920,043	2.57%	23,645
55	391.00	General Office Equipment	1,082,884	9.16%	99,192
56	392.00	Transportation Equipment	556,992	11.66%	64,945
57	393.00	Stores Equipment	6,680	0.88%	59
58	394.00	Tools, Shop & Garage Equipment	335,360	5.16%	17,305
59	395.00	Laboratory Equipment	304,026	4.42%	13,438
60	396.00	Power Operated Equipment	226,117	5.07%	11,464
61	397.00	Communication Equipment	141,723	7.33%	10,388
62	398.00	Miscellaneous	34,896	4.19%	1,462
63		Total General Plant	\$ 3,805,286		\$ 241,898
64		<b>Depreciation Expense</b>	<b>\$ 34,711,026</b>		<b>\$ 934,411</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Cash Working Capital**

St. Joseph

Line	Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net CWC Lag (C) - (D) (E)	Factor (E)/(B) (F)	Cash Working Capital Requirement (B)*(F) (G)
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 1,167,544	57.01	10.23	46.78	0.1282	\$ 149,650
3	Tax Withholding	380,512	57.01	17.39	39.62	0.1086	41,308
4	Fuel & Power	530,492	57.01	37.22	19.79	0.0542	28,763
5	Chemicals	144,995	57.01	57.01	0.00	0.0000	0
6	Purchased Water	28,055	57.01	53.15	3.86	0.0106	297
7	Service Company Charges	612,209	57.01	(4.13)	61.14	0.1675	102,549
8	Group Insurance	265,779	57.01	(8.54)	65.55	0.1796	47,731
9	OPEB's	150,857	57.01	(0.04)	57.05	0.1563	23,579
10	Pensions	54,366	57.01	57.01	0.00	0.0000	0
11	ESOP	13,492	57.01	57.01	0.00	0.0000	0
12	Insurance Other Than Group	148,255	57.01	57.01	0.00	0.0000	0
13	Uncollectibles	63,367	57.01	57.01	0.00	0.0000	0
14	Rents	3,739	57.01	24.37	32.64	0.0894	334
15	401K	22,228	57.01	48.80	8.21	0.0225	500
16	Material & Supplies	38,275	57.01	57.01	0.00	0.0000	0
17	Cash Vouchers	1,076,353	57.01	20.67	36.34	0.0996	107,163
18	Total Operation & Maintenance Expense	\$ 4,700,517					\$ 501,874
19	Taxes						
20	FICA - Employer Portion	\$ 115,772	57.01	13.44	43.57	0.1194	\$ 13,820
21	Federal Unemployment	2,233	57.01	62.05	(5.04)	(0.0138)	(31)
22	State Unemployment	(0)	57.01	62.05	(5.04)	(0.0138)	0
23	Property Tax	305,958	57.01	182.50	(125.49)	(0.3438)	(105,191)
24	Gross Receipts Tax	251,932	19.07	75.49	(56.42)	(0.1546)	(38,942)
25	Corporate Franchise	0	57.01	57.01	0.00	0.0000	0
26	Sales Tax	165,947	19.07	38.90	(19.83)	(0.0543)	(9,016)
27	Missouri Primacy Fees	36,787	19.07	105.63	(86.56)	(0.2372)	(8,724)
28	PSC Assessment	60,927	57.01	57.01	0.00	0.0000	0
29	Total Operating Taxes	\$ 939,555					\$ (148,084)
30	<b>Total Cash Working Capital Before Income Tax and Interest Offsets</b>						<b>\$ 353,790</b>
31	Federal Income Tax Offset	\$ 446,160	57.01	60.25	(3.24)	(0.0089)	\$ (3,960)
32	State Income Tax Offset	\$ 70,111	57.01	62.17	(5.16)	(0.0141)	\$ (991)
33	Interest Expense Offset	\$ 786,442	57.01	91.15	(34.14)	(0.0935)	\$ (73,559)

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Income Statement

St. Joseph

Line	Description (A)	Year Ended 9/30/99 Direct Charges (B)	Year Ended 9/30/99 Corporate Distribution (C)	Year Ended 9/30/99 Total (B)+(C) (D)	Adjustments		As Adjusted (G)
					Amount Acctg. Sch. 10 (E)	No. Acctg. Sch. 10 (F)	
1	Operating Revenues:						
2	Residential	\$ 5,395,855	\$ 0	\$ 5,395,855	\$ 197,172	S-1	\$ 5,593,027
3	Commercial	1,870,341	0	1,870,341	26,265	S-2	1,896,606
4	Industrial	1,226,024	0	1,226,024	0	S-3	1,226,024
5	Private Fire	177,322	0	177,322	0	S-4	177,322
6	Public Authorities	283,960	0	283,960	0	S-5	283,960
7	Sales for Resale	643,950	0	643,950	0	S-6	643,950
8	Other	187,473	1,166	188,639	0	S-7	188,639
9	Total Revenues	\$ 9,784,926	\$ 1,166	\$ 9,786,092	\$ 223,437		\$ 10,009,529
10	Operating Expenses:						
11	Operation & Maintenance:						
12	Source of Supply	\$ 28,283	\$ 6,054	\$ 34,337	\$ (1,000)	S-8	\$ 33,337
13	Pumping	679,617	4	679,620	15,218	S-9	694,838
14	Water Treatment	465,978	69,540	535,518	(20,564)	S-10	514,954
15	Transmission & Distribution	853,258	5,987	859,245	126,347	S-11	985,592
16	Customer Accounts	322,128	105,477	427,605	(6,799)	S-12	420,805
17	Administrative & General	205,247	1,899,551	2,104,798	(53,806)	S-13	2,050,992
18	Total O & M Expense	\$ 2,554,511	\$ 2,086,612	\$ 4,641,123	\$ 59,395		\$ 4,700,517
19	Other Operating Expenses:						
20	Depreciation	\$ 826,216	\$ (76,806)	\$ 749,410	\$ 137,657	S-14	\$ 887,067
21	Amortization	0	234	234	29,449	S-15	29,683
22	Taxes Other Than Income	309,666	219,245	528,911	(30,517)	S-16	498,395
23	Total Other Operation Expense	\$ 1,135,882	\$ 142,673	\$ 1,278,555	\$ 136,589		\$ 1,415,144
24	Total Operating Expenses	\$ 3,690,393	\$ 2,229,284	\$ 5,919,678	\$ 195,984		\$ 6,115,662
25	Net Income Before Income Taxes	\$ 6,094,533	\$ (2,228,119)	\$ 3,866,414	\$ 27,453		\$ 3,893,867
26	Income Taxes:						
27	Current Income Tax	\$ 0	\$ 1,116,900	\$ 1,116,900	\$ 34,572	S-17	\$ 1,151,472
28	Deferred Income Tax:						
29	Deferred Income Tax Expense	0	179,904	179,904	(53,423)	S-18	126,481
30	ITC Amortization	(22,687)	0	(22,687)	0	S-19	(22,687)
31		\$ (22,687)	\$ 1,296,804	\$ 1,274,116	\$ (18,851)		\$ 1,255,265
32	Net Operating Income	\$ 6,117,220	\$ (3,524,922)	\$ 2,592,298	\$ 46,304		\$ 2,638,602

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Joseph

Adj. No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Residential Revenue S-1 \$ 197,172				
1	To normalize and annualize revenue. (Griggs)	\$ 197,172	\$	
Commercial Revenue S-2 \$ 26,265				
1	To normalize and annualize revenue. (Griggs)	\$ 26,265	\$	
Industrial Revenue S-3 \$ 0				
1	No adjustment required.	\$ 0	\$	
Private Fire Revenue S-4 \$ 0				
1	No adjustment required.	\$ 0	\$	
Public Authority Revenue S-5 \$ 0				
1	No adjustment required.	\$ 0	\$	
Sales for Resale S-6 \$ 0				
1	No adjustment required.	\$ 0	\$	
Other Revenue S-7 \$ 0				
1	No adjustment required.	\$ 0	\$	
Source of Supply S-8 \$ (1,000)				
1	To annualize payroll. (Gruner)	\$ 0	\$ (1,000)	
2	To annualize the cost of purchased water. (Griggs)	0		
Pumping S-9 \$ 15,218				
1	To annualize payroll. (Gruner)	\$ 7,864	\$ 0	
2	To annualize electric pumping expense. (Griggs)	7,354		
Water Treatment S-10 \$ (20,564)				
1	To annualize payroll. (Gruner)	\$ 9,499	\$ (2,101)	
2	To annualize chemical costs. (Griggs)	(27,962)		
Transmission & Distribution S-11 \$ 126,347				
1	To annualize payroll. (Gruner)	\$ 25,004	\$ (557)	
2	To adjust deferred maintenance. (Griggs)	101,900		

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Joseph

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Customer Accounts		B-12		\$ (6,799)
1	To annualize payroll. (Gruner)	\$ 5,627	\$ (8,475)	
2	To normalize the level of uncollectible expense. (Griggs)	(1,362)		
3	To adjust postage. (Griggs)	225		
4	To eliminate specific advertising expense. (Gruner)	0	(11)	
5	To eliminate cost of bill inserts. (Gruner)		(2,803)	
Administrative & General		B-13		\$ (51,806)
1	To annualize payroll. (Gruner)	\$ 2,851	\$ (45,311)	
2	To annualize 401K expense. (Gruner)	0	(442)	
3	To annualize ESOP expense. (Gruner)	0	(6,075)	
4	To annualize group health insurance expense. (Gruner)	0	28,068	
5	To annualize OPEB expense. (Rackers)	0	(7,485)	
6	To adjust incentive pay. (Gruner)	0	(25,271)	
7	To annualize pension expense. (Rackers)	0	(1,656)	
8	To annualize non-group insurance. (Gruner)	0	44,829	
9	To eliminate specific advertising expense. (Gruner)	0	(1,212)	
10	To eliminate specific dues and donations. (Gruner)	(5,635)	(4,874)	
11	To eliminate specific miscellaneous expense. (Gruner)	(400)	(229)	
12	To normalize rate case expense. (Griggs)	0	11,710	
13	To eliminate dues to NAWC. (Gruner)	0	(1,863)	
14	To adjust relocation expense. (Gibbs)	0	1,134	
15	To amortize OPEB gains. (Rackers)		(33,523)	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Joseph

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
16	To amortize pension gains. (Rackers)		(8,423)	
<b>Depreciation</b>		<b>\$-14</b>		<b>\$ 137,657</b>
1	To adjust depreciation expense to reflect the annual level of depreciation expense using Staff's proposed rates. (Gibbs)	\$ 185,001	\$	
2	To reflect depreciation on contributions in aid of construction included in plant in service. (Gibbs)		(45,334)	
3	To reflect capitalization of depreciation on transportation equipment. (Gibbs)		(2,010)	
<b>Amortization</b>		<b>\$-15</b>		<b>\$ 29,449</b>
1	To eliminate amortization of a capital lease. (Gibbs)	\$ 0	\$ 0	
2	To reflect a 5 year amortization of Comprehensive Planning Study. (Gibbs)		0 21,773	
3	To reflect an amortization related to the St. Joseph treatment plant. (Gibbs)		0 0	
4	To reflect a 5 year amortization of Environmental Audit. (Gibbs)		4,100	
5	To reflect a 5 year amortization of Management Study. (Gibbs)		3,576	
<b>Items Other Than Income Tax</b>		<b>\$-16</b>		<b>\$ (30,517)</b>
1	To annualize FICA based on annualized payroll. (Gruner)	\$ 0	\$ (17,087)	
2	To adjust Federal unemployment. (Gruner)		0 (233)	
3	To adjust State unemployment. (Gruner)		0 (3)	
4	To adjust real estate and personal property taxes. (Gibbs)	(10,402)	0	
5	To adjust PSC Assessment. (Griggs)		0 (2,792)	
<b>Current Income Tax</b>		<b>\$-17</b>		<b>\$ 34,572</b>
1	To adjust current income taxes to reflect the Staff adjusted level of taxable income. Gibbs)	\$ 34,572	\$	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

St. Joseph

Adj No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp	
	Deferred Income Tax Expense S-18			\$ (53,423)
1	To adjust deferred income tax expense. (Gibbs)	\$ (53,423)	\$	
	ITC Amortization S-19			\$ 0
1	To adjust the level of ITC amortization. (Gibbs)	\$ 0	\$	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Income Tax Calculation**

St. Joseph

Line	Description (A)	Test Year (B)	8.05% Return (C)	8.31% Return (D)	8.57% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 2,638,602	\$ 1,619,145	\$ 1,671,440	\$ 1,723,736
2	Add:				
3	Current Income Tax	1,151,472	516,271	548,855	581,439
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	126,481	126,481	126,481	126,481
6	ITC Amortization	(22,687)	(22,687)	(22,687)	(22,687)
7	Net Income Before Income Tax	\$ 3,893,867	\$ 2,239,209	\$ 2,324,088	\$ 2,408,968
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 887,067	\$ 887,067	\$ 887,067	\$ 887,067
10	Contributions In Aid of Construction	91,375	91,375	91,375	91,375
11	Miscellaneous Non-deductible Expenses	8,869	8,869	8,869	8,869
12	Total Additions	\$ 987,311	\$ 987,311	\$ 987,311	\$ 987,311
13	Subtractions to Net Income Before Income Tax:				
14	Interest Expense @ 3.91%	\$ 786,442	\$ 786,442	\$ 786,442	\$ 786,442
15	Tax Straight Line Depreciation	765,235	765,235	765,235	765,235
16	Excess Tax Depreciation	329,475	329,475	329,475	329,475
17	Cost of Removal	515	515	515	515
18	Total Subtractions	\$ 1,881,667	\$ 1,881,667	\$ 1,881,667	\$ 1,881,667
19	Net Taxable Income	\$ 2,999,512	\$ 1,344,854	\$ 1,429,733	\$ 1,514,613
20	Provision for Federal Income Tax				
21	Net Taxable Income	\$ 2,999,512	\$ 1,344,854	\$ 1,429,733	\$ 1,514,613
22	Deduct Missouri Income Tax @ 100.00%	156,373	70,111	74,536	78,961
23	Federal Taxable Income	\$ 2,843,139	\$ 1,274,743	\$ 1,355,197	\$ 1,435,652
24	Federal Income Tax @ 35.00%	\$ 995,099	\$ 446,160	\$ 474,319	\$ 502,478
25	Provision for Missouri Income Tax				
26	Net Taxable Income	\$ 2,999,512	\$ 1,344,854	\$ 1,429,733	\$ 1,514,613
27	Deduct Federal Income Tax @ 50.00%	497,550	223,080	237,160	251,239
28	Missouri Taxable Income	\$ 2,501,962	\$ 1,121,774	\$ 1,192,573	\$ 1,263,374
29	Missouri Income Tax @ 6.25%	\$ 156,373	\$ 70,111	\$ 74,536	\$ 78,961
30	Summary of Provision For Income Tax				
31	Federal Income Tax	\$ 995,099	\$ 446,160	\$ 474,319	\$ 502,478
32	State Income Tax	156,373	70,111	74,536	78,961
33	<b>Total Current Income Tax</b>	<b>\$ 1,151,472</b>	<b>\$ 516,271</b>	<b>\$ 548,855</b>	<b>\$ 581,439</b>

## Warrensburg District

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Revenue Requirement**

Warrensburg

Line	(A)		9.50%	10.13%	10.75%
			Equity Return (B)	Equity Return (C)	Equity Return (D)
1	Net Original Cost Rate Base	(From Accounting Schedule 2)	\$ 5,235,181	\$ 5,235,181	\$ 5,235,181
2	Rate of Return		8.05%	8.31%	8.57%
3	Net Operating Income Requirement		\$ 421,432	\$ 435,044	\$ 448,655
4	Net Operating Income Available	(From Accounting Schedule 9)	461,286	461,286	461,286
5	Additional Net Operating Income Requirement		\$ (39,854)	\$ (26,242)	\$ (12,631)
6	Income Tax Requirement:	(From Accounting Schedule 11)			
7	Required Current Income Tax		\$ 126,439	\$ 134,920	\$ 143,401
8	Test Year Current Income Tax		151,271	151,271	151,271
9	Additional Current Income Tax Requirement		\$ (24,832)	\$ (16,351)	\$ (7,870)
10	Gross Revenue Requirement Before Allowances		\$ (64,686)	\$ (42,593)	\$ (20,501)
11	Allowances:				
12	True-up Estimate		\$ 540,305	\$ 558,132	\$ 575,960
13	Uncollectibles		3,543	3,841	4,138
14	<b>Gross Revenue Requirement</b>		<b>\$ 479,163</b>	<b>\$ 519,380</b>	<b>\$ 559,598</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Rate Base**

Warrensburg

Line	Description (A)		Amount (B)
1	Plant in Service	(From Accounting Schedule 3)	\$ 10,064,362
	Less:		
2	Accumulated Depreciation Reserve	(From Accounting Schedule 5)	2,007,605
3	Accumulated Amortization Reserve:		
4	Direct Assigned		0
5	Corporate Distribution		0
6	Net Plant in Service		\$ 8,056,757
7	Add:		
8	Cash Working Capital	(From Accounting Schedule 8)	\$ (25,817)
9	Materials and Supplies:	Direct Assigned	37,059
10		Corporate Distribution	0
11	Prepayments:	Direct Assigned	0
12		Corporate Distribution	7,296
13	Deferred OPEB Asset:	Direct Assigned	0
14		Corporate Distribution	55,208
15	Total Additions to Net Plant in Service		\$ 73,746
16	Deduct:		
17	Interest Offset	@ 0.13% (From Accounting Schedule 8)	\$ 27,340
18	Federal Income Tax Offset	@ 0.05% (From Accounting Schedule 8)	5,344
19	State Income Tax Offset	@ 0.05% (From Accounting Schedule 8)	930
20	Contributions In Aid:	Direct Assigned	1,867,494
21		Corporate Distribution	(64,001)
22	Customer Advances	Direct Assigned	567,154
23		Corporate Distribution	11,355
24	Deferred Income Taxes	Pre-merger Missouri-Cities	253,531
25		Corporate Distribution	194,336
26	Pre-71 ITC	Direct Assigned	0
27		Corporate Distribution	0
28	Pension Liability	Direct Assigned	0
29		Corporate Distribution	31,839
30	Total Deductions from Net Plant in Service		\$ 2,895,322
31	<b>Total Rate Base</b>		<b>\$ 5,235,181</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

Warrensburg

Line	Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance (C)-(D)-(E)
					Amount At 9/30/99	No. At 9/30/99	
1		Intangible					
2	301.00	Organization	\$ 0	\$ 3,242	\$ 0	P-1	\$ 3,242
3	302.00	Franchise & Consents	5,083	0	0	P-2	5,083
4	303.00	Miscellaneous Intangible Plant	0	0	0	P-3	0
5		Total Intangible	\$ 5,083	\$ 3,242	\$ 0		\$ 8,325
6		Source of Supply					
7	310.00	Land & Land Rights	\$ 9,981	\$ 0	\$ 0	P-4	\$ 9,981
8	311.00	Structures & Improvements	0	0	0	P-5	0
9	312.00	Collecting & Impounding Res	0	0	0	P-6	0
10	313.00	Lake, River & Other Intakes	0	0	0	P-7	0
11	314.00	Wells & Springs	791,726	0	0	P-8	791,726
12	316.00	Supply Mains	191,689	0	0	P-9	191,689
13		Total Source of Supply	\$ 993,396	\$ 0	\$ 0		\$ 993,396
14		Pumping					
15	320.00	Land & Land Rights	\$ 85,906	\$ 0	\$ 0	P-10	\$ 85,906
16	321.00	Structures & Improvements	0	0	0	P-11	0
17	322.00	Boiler Equipment	0	0	0	P-12	0
18	323.20	Other Power Production Equipment	0	0	0	P-13	0
19	324.00	Steam Pumping Equipment	0	0	0	P-14	0
20	325.00	Electric Pumping Equipment	447,956	0	0	P-15	447,956
21	326.00	Diesel Pumping Equipment	0	0	0	P-16	0
22	328.30	Other Pumping Equipment	12,673	0	0	P-17	12,673
23		Total Pumping	\$ 546,535	\$ 0	\$ 0		\$ 546,535
24		Water Treatment Plant					
25	330.00	Land & Land Rights	\$ 511	\$ 0	\$ 0	P-18	\$ 511
26	331.00	Structures & Improvements	12,548	0	0	P-19	12,548
27	332.00	Water Treatment Equipment	554,229	0	0	P-20	554,229
28	339.00	Other Intangible Plant	6,726	0	0	P-21	6,726
29		Total Water Treatment Plant	\$ 574,014	\$ 0	\$ 0		\$ 574,014
30		Transmission & Distribution					
31	340.00	Land & Land Rights	\$ 37,348	\$ 0	\$ 0	P-22	\$ 37,348
32	341.00	Structures & Improvements	0	0	0	P-23	0
33	342.00	Distr. Res. & Standpipe	541,519	0	0	P-24	541,519
34	343.00	Transmission & Distribution Mains	4,320,541	0	0	P-25	4,320,541
35	344.00	Fire Mains	63,521	0	0	P-26	63,521
36	345.00	Services	1,243,646	0	0	P-27	1,243,646
37	346.00	Meters	306,685	0	0	P-28	306,685
38	347.00	Meter Installation	453,648	0	0	P-29	453,648
39	348.00	Hydrants	570,577	0	0	P-30	570,577
40	349.00	Other T&D Plant	0	0	0	P-31	0
41		Total Transmission & Distribution	\$ 7,537,485	\$ 0	\$ 0		\$ 7,537,485
42		Sewer Plant					
43	252.00	Collecting Sewer - Gravity	\$ 0	\$ 0	\$ 0	P-32	\$ 0
44	353.00	Service To Customers	0	0	0	P-33	0
45	370.00	Miscellaneous Land	0	0	0	P-34	0
46	371.00	Structures & Improvements	0	0	0	P-35	0
47	372.00	Treatment & Disposal Equipment	0	0	0	P-36	0
48	373.00	Plant Sewers	0	0	0	P-37	0
49	374.00	Outfall Sewer Lines	0	0	0	P-38	0
50	395.00	Laboratory Equipment	0	0	0	P-39	0
51		Total Sewer Plant	\$ 0	\$ 0	\$ 0		\$ 0

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

Warrensburg

Line	Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 12/31/99
					Amount Amount \$	No. Amort \$	
52		General Plant					
53	389.10	Land & Land Rights	\$ 2,222	\$ 0	\$ 0	P-40	\$ 2,222
54	390.00	Structures & Improvements	137,615	8,139	0	P-41	145,754
55	391.00	General Office Equipment	50,621	80,954	0	P-42	131,575
56	392.00	Transportation Equipment	48,757	10,237	0	P-43	58,994
57	393.00	Stores Equipment	0	0	0	P-44	0
58	394.00	Tools, Shop & Garage Equipment	15,191	249	0	P-45	15,440
59	395.00	Laboratory Equipment	8,450	0	0	P-46	8,450
60	396.00	Power Operated Equipment	0	0	0	P-47	0
61	397.00	Communication Equipment	20,260	1,727	0	P-48	21,987
62	398.00	Miscellaneous	19,666	518	0	P-49	20,184
63		Total General Plant	\$ 302,782	\$ 101,825	\$ 0		\$ 404,607
64		Total Plant In Service	\$ 9,959,295	\$ 105,067	\$ 0		\$ 10,064,362

Accounting Schedule 4

Sponsor: Gibbs

3/29/00 6:05 PM

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

### Adjustments To Plant In Service

Warrensburg

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Reserve**

Warrensburg

Plant Account No. (A)	Plant Title (B)	Balance 12/31/99 (C)	Corporate Distribution (D)	Adjustments		Adjusted Balance (C)+(E)-(F) (G)
				Amount Add: Sub 1 (E)	No. Less: Sub 4 (F)	

<b>Total Depreciation Reserve</b>		<b>\$ 1,986,788</b>	<b>\$ 20,817</b>	<b>\$ 0</b>		<b>\$ 1,965,971</b>
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Accounting Schedule 6

Sponsor: Gibbs

3/31/00 2:53 PM

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Depreciation Reserve**

Warrensburg

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

Warrensburg

Line	Account No. (A)	Plant Title (B)	Plant Balance Acq. Jan. 1 (C)	Depreciation Rate (D)	Depreciation Expense (C) x (D) (E)
1		Intangible			
2	301.00	Organization	\$ 3,242		\$ NA
3	302.00	Franchise & Consents	5,083		NA
4	303.00	Miscellaneous Intangible Plant	0		NA
5		Total Intangible	\$ 8,325		\$ 0
6		Source of Supply			
7	310.00	Land & Land Rights	\$ 9,981		\$ NA
8	311.00	Structures & Improvements	0	3.31%	0
9	312.00	Collecting & Impounding Res	0	1.85%	0
10	313.00	Lake, River & Other Intakes	0	3.11%	0
11	314.00	Wells & Springs	791,726	2.28%	18,051
12	316.00	Supply Mains	191,689	1.77%	3,393
13		Total Source of Supply	\$ 993,396		\$ 21,444
14		Pumping			
15	320.00	Land & Land Rights	\$ 85,906		\$ NA
16	321.00	Structures & Improvements	0	2.26%	0
17	322.00	Boiler Equipment	0		NA
18	323.00	Other Power Production Equipment	0	2.12%	0
19	324.00	Steam Pumping Equipment	0		NA
20	325.00	Electric Pumping Equipment	447,956	3.77%	16,888
21	326.00	Diesel Pumping Equipment	0	2.28%	0
22	328.30	Other Pumping Equipment	12,673	2.26%	286
23		Total Pumping	\$ 546,535		\$ 17,174
24		Water Treatment Plant			
25	330.00	Land & Land Rights	\$ 511		\$ NA
26	331.00	Structures & Improvements	12,548	3.27%	410
27	332.00	Water Treatment Equipment	554,229	2.95%	16,350
28	339.00	Other Intangible Plant	6,726	2.00%	135
29		Total Water Treatment Plant	\$ 574,014		\$ 16,895
30		Transmission & Distribution			
31	340.00	Land & Land Rights	\$ 37,348		\$ NA
32	341.00	Structures & Improvements	0	5.56%	0
33	342.00	Distr. Res. & Standpipe	541,519	1.97%	10,668
34	343.00	Transmission & Distribution Mains	4,320,541	1.51%	65,240
35	344.00	Fire Mains	63,521	1.46%	927
36	345.00	Services	1,243,646	2.63%	32,708

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

Warrensburg

Line	Account No.	Plant Title	Plant Balance <small>Account Sub 3</small>	Depreciation Rate	Depreciation Expense <small>(C) x (D)</small>
	(A)	(B)	(C)	(D)	(E)
37	346.00	Meters	306,685	5.64%	17,297
38	347.00	Meter Installation	453,648	2.31%	10,479
39	348.00	Hydrants	570,577	3.06%	17,460
40	349.00	Other T&D Plant	0	2.94%	0
41		Total Transmission & Distribution	\$ 7,537,485		\$ 154,779
42		Sewer Plant			
43	252.00	Collecting Sewer - Gravity	\$ 0	1.33%	\$ 0
44	353.00	Service To Customers	0	2.00%	0
45	370.00	Miscellaneous Land	0		NA
46	371.00	Structures & Improvements	0	1.33%	0
47	372.00	Treatment & Disposal Equipment	0	3.30%	0
48	373.00	Plant Sewers	0	3.30%	0
49	374.00	Outfall Sewer Lines	0	1.50%	0
50	395.00	Laboratory Equipment	0	3.30%	0
51		Total Sewer Plant	\$ 0		\$ 0
52		General Plant			
53	389.00	Land & Land Rights	\$ 2,222		\$ NA
54	390.00	Structures & Improvements	145,754	2.57%	3,746
55	391.00	General Office Equipment	131,575	9.16%	12,052
56	392.00	Transportation Equipment	58,994	11.66%	6,879
57	393.00	Stores Equipment	0	0.88%	0
58	394.00	Tools, Shop & Garage Equipment	15,440	5.16%	797
59	395.00	Laboratory Equipment	8,450	4.42%	373
60	396.00	Power Operated Equipment	0	5.07%	0
61	397.00	Communication Equipment	21,987	7.33%	1,612
62	398.00	Miscellaneous	20,184	4.19%	846
63		Total General Plant	\$ 404,607		\$ 26,305
64		<b>Depreciation Expense</b>	<b>\$ 10,064,362</b>		<b>\$ 236,597</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Cash Working Capital**

Warrensburg

Line	Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net CWC Lag (C)-(D) (E)	Factor (E)/(B) (F)	Cash Working Capital Requirement (B)*(F) (G)
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 145,529	42.40	10.23	32.17	0.0881	\$ 12,828
3	Tax Withholding	47,429	42.40	17.39	25.01	0.0685	3,250
4	Fuel & Power	116,865	42.40	37.22	5.18	0.0142	1,659
5	Chemicals	17,898	42.40	42.40	0.00	0.0000	0
6	Purchased Water	(3,217)	42.40	53.15	(10.75)	(0.0295)	95
7	Service Company Charges	76,309	42.40	(4.13)	46.53	0.1275	9,728
8	Group Insurance	31,853	42.40	(8.54)	50.94	0.1396	4,445
9	OPEB's	18,804	42.40	(0.04)	42.44	0.1163	2,186
10	Pensions	6,776	42.40	42.40	0.00	0.0000	0
11	ESOP	1,682	42.40	42.40	0.00	0.0000	0
12	Insurance Other Than Group	18,429	42.40	42.40	0.00	0.0000	0
13	Uncollectibles	13,421	42.40	42.40	0.00	0.0000	0
14	Rents	145	42.40	24.37	18.03	0.0494	7
15	401K	2,771	42.40	48.80	(6.40)	(0.0175)	(49)
16	Material & Supplies	20,109	42.40	42.40	0.00	0.0000	0
17	Cash Vouchers	242,597	42.40	20.67	21.73	0.0595	14,443
18	Total Operation & Maintenance Expense	\$ 757,398					\$ 48,592
19	Taxes						
20	FICA - Employer Portion	\$ 14,430	42.40	13.44	28.96	0.0793	\$ 1,145
21	Federal Unemployment	278	42.40	62.05	(19.65)	(0.0538)	(15)
22	State Unemployment	(0)	42.40	62.05	(19.65)	(0.0538)	0
23	Property Tax	163,733	42.40	182.50	(140.10)	(0.3838)	(62,847)
24	Gross Receipts Tax	77,406	23.24	58.33	(35.09)	(0.0961)	(7,442)
25	Corporate Franchise	0	42.40	110.50	(68.10)	(0.1866)	0
26	Sales Tax	36,704	23.24	38.90	(15.66)	(0.0429)	(1,575)
27	Missouri Primacy Fees	8,448	23.24	182.00	(158.76)	(0.4350)	(3,675)
28	PSC Assessment	11,473	42.40	42.40	0.00	0.0000	0
29	Total Operating Taxes	\$ 312,473					\$ (74,409)
30	<b>Total Cash Working Capital Before Income Tax and Interest Offsets</b>						<b>\$ (25,817)</b>
31	Federal Income Tax Offset	\$ 109,268	42.40	60.25	(17.85)	(0.0489)	\$ (5,344)
32	State Income Tax Offset	\$ 17,171	42.40	62.17	(19.77)	(0.0542)	\$ (930)
33	Interest Expense Offset	\$ 204,696	42.40	91.15	(48.75)	(0.1336)	\$ (27,340)

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Income Statement

Warrensburg

Line	Description (A)	Year Ended 9/30/99 Direct Charges (B)	Year Ended 9/30/99 Corporate Distribution (C)	Year Ended 9/30/99 Total (B)+(C) (D)	Adjustments		As Adjusted (G)
					Amount Along Sch 10 (E)	No. Along Sch 10 (F)	
1	Operating Revenues:						
2	Residential	\$ 1,054,943	\$ 0	\$ 1,054,943	\$ 15,174	S-1	\$ 1,070,117
3	Commercial	386,867	0	386,867	(65,858)	S-2	321,009
4	Industrial	80,061	0	80,061	0	S-3	80,061
5	Private Fire	26,688	0	26,688	0	S-4	26,688
6	Public Authorities	223,425	0	223,425	0	S-5	223,425
7	Sales for Resale	80,154	0	80,154	0	S-6	80,154
8	Other	55,313	225	55,538	0	S-7	55,538
9	Total Revenues	\$ 1,907,451	\$ 225	\$ 1,907,676	\$ (50,684)		\$ 1,856,992
10	Operating Expenses:						
11	Operation & Maintenance:						
12	Source of Supply	\$ 7,028	\$ 1,169	\$ 8,197	\$ (269)	S-8	\$ 7,927
13	Pumping	119,105	1	119,106	249	S-9	119,355
14	Water Treatment	41,885	13,423	55,308	745	S-10	56,053
15	Transmission & Distribution	177,346	899	178,245	(15,993)	S-11	162,252
16	Customer Accounts	105,662	36,554	142,216	(2,895)	S-12	139,321
17	Administrative & General	44,462	236,770	281,232	(8,742)	S-13	272,490
18	Total O & M Expense	\$ 495,488	\$ 288,815	\$ 784,304	\$ (26,905)		\$ 757,398
19	Other Operating Expenses:						
20	Depreciation	\$ 216,210	\$ (9,574)	\$ 206,636	\$ (6,808)	S-14	\$ 199,828
21	Amortization	0	29	29	3,671	S-15	3,700
22	Taxes Other Than Income	75,548	33,976	109,524	84,844	S-16	194,367
23	Total Other Operation Expense	\$ 291,758	\$ 24,431	\$ 316,189	\$ 81,706		\$ 397,895
24	Total Operating Expenses	\$ 787,246	\$ 313,246	\$ 1,100,492	\$ 54,801		\$ 1,155,294
25	Net Income Before Income Taxes	\$ 1,120,205	\$ (313,021)	\$ 807,184	\$ (105,485)		\$ 701,699
26	Income Taxes:						
27	Current Income Tax	\$ 0	\$ 146,729	\$ 146,729	\$ 4,542	S-17	\$ 151,271
28	Deferred Income Tax:						
29	Deferred Income Tax Expense	0	126,794	126,794	(37,652)	S-18	89,142
30	ITC Amortization	0	0	0	0	S-19	0
31		\$ 0	\$ 273,523	\$ 273,523	\$ (33,110)		\$ 240,413
32	Net Operating Income	\$ 1,120,205	\$ (896,544)	\$ 533,661	\$ (72,375)		\$ 461,286

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Warrensburg

Adj. No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Residential Revenue \$-1				\$ 15,174
1	To normalize and annualize revenue. (Griggs)	\$ 15,174	\$	
Commercial Revenue \$-2				\$ (65,858)
1	To normalize and annualize revenue. (Griggs)	\$ (65,858)	\$	
Industrial Revenue \$-3				\$ 0
1	No adjustment required.	\$ 0	\$	
Private Fire Revenue \$-4				\$ 0
1	No adjustment required.	\$ 0	\$	
Public Authority Revenue \$-5				\$ 0
1	No adjustment required.	\$ 0	\$	
Sales for Resale \$-6				\$ 0
1	No adjustment required.	\$ 0	\$	
Other Revenue \$-7				\$ 0
1	No adjustment required.	\$ 0	\$	
Source of Supply \$-8				\$ (269)
1	To annualize payroll. (Gruner)	\$ (76)	\$ (193)	
2	To annualize the cost of purchased water. (Griggs)	0		
Pumping \$-9				\$ 249
1	To annualize payroll. (Gruner)	\$ (6)	\$ 0	
2	To annualize electric pumping expense. (Griggs)	255		
Water Treatment \$-10				\$ 745
1	To annualize payroll. (Gruner)	\$ (578)	\$ (406)	
2	To annualize chemical costs. (Griggs)	1,729		
Transmission & Distribution \$-11				\$ (13,993)
1	To annualize payroll. (Gruner)	\$ (2,222)	\$ (84)	
2	To adjust deferred maintenance. (Griggs)	(13,688)		

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Warrensburg

Adj. No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp	
Customer Accounts		\$-12		\$ (2,895)
1	To annualize payroll. (Gruner)	\$ (1,232)	\$ (2,105)	
2	To normalize the level of uncollectible expense. (Griggs)	478		
3	To adjust postage. (Griggs)	317		
4	To eliminate specific advertising expense. (Gruner)	0	(4)	
5	To eliminate cost of bill inserts. (Gruner)		(349)	
Administrative & General		\$-13		\$ (8,742)
1	To annualize payroll. (Gruner)	\$ (674)	\$ (5,648)	
2	To annualize 401K expense. (Gruner)	0	(55)	
3	To annualize ESOP expense. (Gruner)	0	(757)	
4	To annualize group health insurance expense. (Gruner)	0	3,499	
5	To annualize OPEB expense. (Rackers)	0	(933)	
6	To adjust incentive pay. (Gruner)	0	(3,150)	
7	To annualize pension expense. (Rackers)	0	(206)	
8	To annualize non-group insurance. (Gruner)	0	5,588	
9	To eliminate specific advertising expense. (Gruner)	0	(420)	
10	To eliminate specific dues and donations. (Gruner)	(1,123)	(608)	
11	To eliminate specific miscellaneous expense. (Gruner)	(366)	(28)	
12	To normalize rate case expense. (Griggs)	0	1,460	
13	To eliminate dues to NAWC. (Gruner)	0	(232)	
14	To adjust relocation expense. (Cassidy)	0	141	
15	To amortize OPEB gains. (Rackers)		(4,178)	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Warrensburg

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
16	To amortize pension gains. (Rackers)		(1,050)	
<b>Depreciation</b>		<b>S-14</b>		<b>\$ (6,808)</b>
1	To adjust depreciation expense to reflect the annual level of depreciation expense using Staff's proposed rates. (Cassidy)	\$ 29,961	\$	
2	To reflect depreciation on contributions in aid of construction included in plant in service. (Gibbs)		(36,588)	
3	To reflect capitalization of depreciation on transportation equipment. (Gibbs)		(181)	
<b>Amortization</b>		<b>S-15</b>		<b>\$ 3,671</b>
1	To eliminate amortization of a capital lease. (Gibbs)	\$ 0	\$ 0	
2	To reflect a 5 year amortization of Comprehensive Planning Study. (Cassidy)	0	2,714	
3	To reflect an amortization related to the St. Joseph treatment plant. (Cassidy)	0	0	
4	To reflect a 5 year amortization of Environmental Audit. (Gibbs)		511	
5	To reflect a 5 year amortization of Management Study. (Gibbs)		446	
<b>Taxes Other Than Income Tax</b>		<b>S-16</b>		<b>\$ 84,844</b>
1	To annualize FICA based on annualized payroll. (Gruner)	\$ 0	\$ (2,130)	
2	To adjust Federal unemployment. (Gruner)	0	(29)	
3	To adjust State unemployment. (Gruner)	0	(0)	
4	To adjust real estate and personal property taxes. (Cassidy)	87,351	0	
5	To adjust PSC Assessment. (Griggs)	0	(348)	
<b>Current Income Tax</b>		<b>S-17</b>		<b>\$ 4,542</b>
1	To adjust current income taxes to reflect the Staff adjusted level of taxable income. Cassidy)	\$ 4,542	\$	

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Warrensburg

Adj. No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Deferred Income Tax Expense		\$-18		\$ (37,652)
1	To adjust deferred income tax expense. (Cassidy)	\$ (37,652)	\$	
ITC Amortization		\$-19		\$ 0
1	To adjust the level of ITC amortization. (Cassidy)	\$ 0	\$	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Income Tax Calculation**

Warrensburg

Line	Description (A)	Test Year (B)	8.05% Return (C)	8.31% Return (D)	8.57% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ 461,286	\$ 421,432	\$ 435,044	\$ 448,655
2	Add:				
3	Current Income Tax	151,271	126,439	134,920	143,401
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	89,142	89,142	89,142	89,142
6	ITC Amortization	0	0	0	0
7	Net Income Before Income Tax	\$ 701,699	\$ 637,013	\$ 659,106	\$ 681,198
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 199,828	\$ 199,828	\$ 199,828	\$ 199,828
10	Contributions In Aid of Construction	73,807	73,807	73,807	73,807
11	Miscellaneous Non-deductible Expenses	1,105	1,105	1,105	1,105
12	Total Additions	\$ 274,741	\$ 274,741	\$ 274,741	\$ 274,741
13	Subtractions to Net Income Before Income Tax:				
14	Interest Expense @ 3.91%	\$ 204,696	\$ 204,696	\$ 204,696	\$ 204,696
15	Tax Straight Line Depreciation	142,990	142,990	142,990	142,990
16	Excess Tax Depreciation	232,209	232,209	232,209	232,209
17	Cost of Removal	2,492	2,492	2,492	2,492
18	Total Subtractions	\$ 582,388	\$ 582,388	\$ 582,388	\$ 582,388
19	Net Taxable Income	\$ 394,051	\$ 329,366	\$ 351,459	\$ 373,551
20	Provision for Federal Income Tax				
21	Net Taxable Income	\$ 394,051	\$ 329,366	\$ 351,459	\$ 373,551
22	Deduct Missouri Income Tax @ 100.00%	20,543	17,171	18,322	19,474
23	Federal Taxable Income	\$ 373,508	\$ 312,195	\$ 333,137	\$ 354,077
24	Federal Income Tax @ 35.00%	\$ 130,728	\$ 109,268	\$ 116,598	\$ 123,927
25	Provision for Missouri Income Tax				
26	Net Taxable Income	\$ 394,051	\$ 329,366	\$ 351,459	\$ 373,551
27	Deduct Federal Income Tax @ 50.00%	65,364	54,634	58,299	61,964
28	Missouri Taxable Income	\$ 328,687	\$ 274,732	\$ 293,160	\$ 311,587
29	Missouri Income Tax @ 6.25%	\$ 20,543	\$ 17,171	\$ 18,322	\$ 19,474
30	Summary of Provision For Income Tax				
31	Federal Income Tax	\$ 130,728	\$ 109,268	\$ 116,598	\$ 123,927
32	State Income Tax	20,543	17,171	18,322	19,474
33	<b>Total Current Income Tax</b>	<b>\$ 151,271</b>	<b>\$ 126,439</b>	<b>\$ 134,920</b>	<b>\$ 143,401</b>



## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Revenue Requirement**

Parkville Sewer

Line	(A)		9.50%	10.13%	10.75%
			Equity Return (B)	Equity Return (C)	Equity Return (D)
1	Net Original Cost Rate Base	(From Accounting Schedule 2)	\$ 52,407	\$ 52,407	\$ 52,407
2	Rate of Return		8.05%	8.31%	8.57%
3	Net Operating Income Requirement		\$ 4,219	\$ 4,355	\$ 4,491
4	Net Operating Income Available	(From Accounting Schedule 9)	(3,130)	(3,130)	(3,130)
5	Additional Net Operating Income Requirement		\$ 7,349	\$ 7,485	\$ 7,621
6	Income Tax Requirement:	(From Accounting Schedule 11)			
7	Required Current Income Tax		\$ (422)	\$ (338)	\$ (253)
8	Test Year Current Income Tax		(5,001)	(5,001)	(5,001)
9	Additional Current Income Tax Requirement		\$ 4,579	\$ 4,663	\$ 4,748
10	Gross Revenue Requirement Before Allowances		\$ 11,928	\$ 12,148	\$ 12,369
11	Allowances:				
12	True-up Estimate		\$	\$	\$
13	Uncollectibles		68	69	71
14	<b>Gross Revenue Requirement</b>		<b>\$ 11,996</b>	<b>\$ 12,217</b>	<b>\$ 12,440</b>

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Rate Base**

Parkville Sewer

Line	Description (A)		Amount (B)
1	Plant in Service	(From Accounting Schedule 3)	\$ 84,456
	Less:		
2	Accumulated Depreciation Reserve	(From Accounting Schedule 5)	22,545
3	Accumulated Amortization Reserve:		
4	Direct Assigned		0
5	Corporate Distribution		
6	Net Plant in Service		\$ 61,911
7	Add:		
8	Cash Working Capital	(From Accounting Schedule 8)	\$ 826
9	Materials and Supplies:	Direct Assigned	0
10		Corporate Distribution	0
11	Prepayments:	Direct Assigned	0
12		Corporate Distribution	198
13	Deferred OPEB Asset:	Direct Assigned	0
14		Corporate Distribution	1,499
15	Total Additions to Net Plant in Service		\$ 2,523
16	Deduct:		
17	Interest Offset	@ 0.14% (From Accounting Schedule 8)	\$ 288
18	Federal Income Tax Offset	@ 0.06% (From Accounting Schedule 8)	(20)
19	State Income Tax Offset	@ 0.06% (From Accounting Schedule 8)	(3)
20	Contributions In Aid:	Direct Assigned	0
21		Corporate Distribution	0
22	Customer Advances	Direct Assigned	0
23		Corporate Distribution	191
24	Deferred Income Taxes	Pre-merger Missouri-Cities	3,539
25		Corporate Distribution	7,167
26	Pre-71 ITC	Direct Assigned	0
27		Corporate Distribution	0
28	Pension Liability	Direct Assigned	0
29		Corporate Distribution	865
30	Total Deductions from Net Plant in Service		\$ 12,027
31	<b>Total Rate Base</b>		<b>\$ 52,407</b>

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Plant In Service

## Parkville Sewer

Line	Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance 03/29/00
					Amount Account #	No. Account #	
1		Intangible					
2	301.00	Organization	\$ 0	\$ 88	\$ 0	P-1	\$ 88
3	302.00	Franchise & Consents	150	0	0	P-2	150
4	303.00	Miscellaneous Intangible Plant	0	0	0	P-3	0
5		Total Intangible	\$ 150	\$ 88	\$ 0		\$ 238
6		Source of Supply					
7	310.00	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-4	\$ 0
8	311.00	Structures & Improvements	0	0	0	P-5	0
9	312.00	Collecting & Impounding Res	0	0	0	P-6	0
10	313.00	Lake, River & Other Intakes	0	0	0	P-7	0
11	314.00	Wells & Springs	0	0	0	P-8	0
12	316.00	Supply Mains	0	0	0	P-9	0
13		Total Source of Supply	\$ 0	\$ 0	\$ 0		\$ 0
14		Pumping					
15	320.00	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-10	\$ 0
16	321.00	Structures & Improvements	0	0	0	P-11	0
17	322.00	Boiler Equipment	0	0	0	P-12	0
18	323.20	Other Power Production Equipment	0	0	0	P-13	0
19	324.00	Steam Pumping Equipment	0	0	0	P-14	0
20	325.00	Electric Pumping Equipment	0	0	0	P-15	0
21	326.00	Diesel Pumping Equipment	0	0	0	P-16	0
22	328.30	Other Pumping Equipment	0	0	0	P-17	0
23		Total Pumping	\$ 0	\$ 0	\$ 0		\$ 0
24		Water Treatment Plant					
25	330.00	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-18	\$ 0
26	331.00	Structures & Improvements	0	0	0	P-19	0
27	332.00	Water Treatment Equipment	0	0	0	P-20	0
28	339.00	Other Intangible Plant	0	0	0	P-21	0
29		Total Water Treatment Plant	\$ 0	\$ 0	\$ 0		\$ 0
30		Transmission & Distribution					
31	340.00	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-22	\$ 0
32	341.00	Structures & Improvements	0	0	0	P-23	0
33	342.00	Distr. Res. & Standpipe	0	0	0	P-24	0
34	343.00	Transmission & Distribution Mains	0	0	0	P-25	0
35	344.00	Fire Mains	0	0	0	P-26	0
36	345.00	Services	0	0	0	P-27	0
37	346.00	Meters	0	0	0	P-28	0
38	347.00	Meter Installation	0	0	0	P-29	0
39	348.00	Hydrants	0	0	0	P-30	0
40	349.00	Other T&D Plant	0	0	0	P-31	0
41		Total Transmission & Distribution	\$ 0	\$ 0	\$ 0		\$ 0
42		Sewer Plant					
43	352.00	Collecting Sewer - Gravity	\$ 30,459	\$ 0	\$ 0	P-32	\$ 30,459
44	353.00	Service To Customers	7,951	0	0	P-33	7,951
45	370.00	Miscellaneous Land	9,300	0	0	P-34	9,300
46	371.00	Structures & Improvements	0	0	0	P-35	0
47	372.00	Treatment & Disposal Equipment	0	0	0	P-36	0
48	373.00	Plant Sewers	0	0	0	P-37	0
49	374.00	Outfall Sewer Lines	33,743	0	0	P-38	33,743
50	395.00	Laboratory Equipment	0	0	0	P-39	0
51		Total Sewer Plant	\$ 81,453	\$ 0	\$ 0		\$ 81,453

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Plant In Service**  
Parkville Sewer

Line	Account No.	Plant Title	Balance 12/31/99	Corporate Distribution	Adjustments		Adjusted Balance (C)+(E)-(F)
	(A)				Amount Adding Sub 1	No. Adding Sub 2	
52		General Plant					
53	389.10	Land & Land Rights	\$ 0	\$ 0	\$ 0	P-40	\$ 0
54	390.00	Structures & Improvements	0	221	0	P-41	221
55	391.00	General Office Equipment	0	2,198	0	P-42	2,198
56	392.00	Transportation Equipment	0	278	0	P-43	278
57	393.00	Stores Equipment	0	0	0	P-44	0
58	394.00	Tools, Shop & Garage Equipment	0	7	0	P-45	7
59	395.00	Laboratory Equipment	0	0	0	P-46	0
60	396.00	Power Operated Equipment	0	0	0	P-47	0
61	397.00	Communication Equipment	0	47	0	P-48	47
62	398.00	Miscellaneous	0	14	0	P-49	14
63		Total General Plant	\$ 0	\$ 2,765	\$ 0		\$ 2,765
64		<b>Total Plant In Service</b>	<b>\$ 81,603</b>	<b>\$ 2,853</b>	<b>\$ 0</b>		<b>\$ 84,456</b>

Accounting Schedule 4

Sponsor: Gibbs

3/31/00 3:44 PM

Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Plant In Service**

Parkville Sewer

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Parkville Sewer

Total Depreciation Reserve	\$	21,900	\$	565	\$	0	\$	22,545
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Accounting Schedule 6  
Sponsor: Gibbs  
3/31/00 2:51 PM

Missouri-American Water Company  
Case No. SR-2000-282  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Depreciation Reserve**  
Parkville Sewer

Adj No	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

## Parkville Sewer

Line	Account No.	Plant Title	Plant Balance As of 12/31	Depreciation Rate	Depreciation Expense (C) x (D)
	(A)	(B)	(C)	(D)	(E)
1		Intangible			
2	301.00	Organization	\$ 88		\$ NA
3	302.00	Franchise & Consents	150		NA
4	303.00	Miscellaneous Intangible Plant	0		NA
5		Total Intangible	\$ 238		\$ 0
6		Source of Supply			
7	310.00	Land & Land Rights	\$ 0		\$ NA
8	311.00	Structures & Improvements	0	3.31%	0
9	312.00	Collecting & Impounding Res	0	1.85%	0
10	313.00	Lake, River & Other Intakes	0	3.11%	0
11	314.00	Wells & Springs	0	2.28%	0
12	316.00	Supply Mains	0	1.77%	0
13		Total Source of Supply	\$ 0		\$ 0
14		Pumping			
15	320.00	Land & Land Rights	\$ 0		\$ NA
16	321.00	Structures & Improvements	0	2.26%	0
17	322.00	Boiler Equipment	0		NA
18	323.00	Other Power Production Equipment	0	2.12%	0
19	324.00	Steam Pumping Equipment	0		NA
20	325.00	Electric Pumping Equipment	0	3.77%	0
21	326.00	Diesel Pumping Equipment	0	2.28%	0
22	328.30	Other Pumping Equipment	0	2.26%	0
23		Total Pumping	\$ 0		\$ 0
24		Water Treatment Plant			
25	330.00	Land & Land Rights	\$ 0		\$ NA
26	331.00	Structures & Improvements	0	3.27%	0
27	332.00	Water Treatment Equipment	0	2.95%	0
28	339.00	Other Intangible Plant	0	2.00%	0
29		Total Water Treatment Plant	\$ 0		\$ 0
30		Transmission & Distribution			
31	340.00	Land & Land Rights	\$ 0		\$ NA
32	341.00	Structures & Improvements	0	5.56%	0
33	342.00	Distr. Res. & Standpipe	0	1.97%	0
34	343.00	Transmission & Distribution Mains	0	1.51%	0
35	344.00	Fire Mains	0	1.46%	0
36	345.00	Services	0	2.63%	0

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Depreciation Expense**

## Parkville Sewer

Line	Account No.	Plant Title	Plant Balance Acq. Cost	Depreciation Rate	Depreciation Expense (C) x (D)
	(A)	(B)	(C)	(D)	(E)
37	346.00	Meters	0	5.64%	0
38	347.00	Meter Installation	0	2.31%	0
39	348.00	Hydrants	0	3.06%	0
40	349.00	Other T&D Plant	0	2.94%	0
41		Total Transmission & Distribution	\$ 0		\$ 0
42		Sewer Plant			
43	252.00	Collecting Sewer - Gravity	\$ 30,459	1.33%	\$ 405
44	353.00	Service To Customers	7,951	2.00%	159
45	370.00	Miscellaneous Land	9,300		NA
46	371.00	Structures & Improvements	0	1.33%	0
47	372.00	Treatment & Disposal Equipment	0	3.30%	0
48	373.00	Plant Sewers	0	3.30%	0
49	374.00	Outfall Sewer Lines	33,743	1.50%	506
50	395.00	Laboratory Equipment	0	3.30%	0
51		Total Sewer Plant	\$ 81,453		\$ 1,070
52		General Plant			
53	389.00	Land & Land Rights	\$ 0		\$ NA
54	390.00	Structures & Improvements	221	2.57%	6
55	391.00	General Office Equipment	2,198	9.16%	201
56	392.00	Transportation Equipment	278	11.66%	32
57	393.00	Stores Equipment	0	0.88%	0
58	394.00	Tools, Shop & Garage Equipment	7	5.16%	0
59	395.00	Laboratory Equipment	0	4.42%	0
60	396.00	Power Operated Equipment	0	5.07%	0
61	397.00	Communication Equipment	47	7.33%	3
62	398.00	Miscellaneous	14	4.19%	1
63		Total General Plant	\$ 2,765		\$ 243
64		<b>Depreciation Expense</b>	<b>\$ 84,456</b>		<b>\$ 1,313</b>

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Cash Working Capital**

Parkville Sewer

Line	Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net CWC Lag (C)-(D) (E)	Factor (E)/(B) (F)	Cash Working Capital Requirement (B)*(F) (G)
1	Operation & Maintenance Expense						
2	Base Payroll	\$ 726	39.87	10.23	29.64	0.0812	\$ 59
3	Tax Withholding	237	39.87	17.39	22.48	0.0616	15
4	Fuel & Power	0	39.87	37.22	2.65	0.0073	0
5	Chemicals	0	39.87	39.87	0.00	0.0000	0
6	Purchased Water	0	39.87	39.87	0.00	0.0000	0
7	Service Company Charges	2,072	39.87	(4.13)	44.00	0.1205	250
8	Group Insurance	909	39.87	(8.54)	48.41	0.1326	120
9	OPEB's	511	39.87	(0.04)	39.91	0.1093	56
10	Pensions	184	39.87	39.87	0.00	0.0000	0
11	ESOP	46	39.87	39.87	0.00	0.0000	0
12	Insurance Other Than Group	500	39.87	39.87	0.00	0.0000	0
13	Uncollectibles	0	39.87	39.87	0.00	0.0000	0
14	Rents	4	39.87	24.37	15.50	0.0425	0
15	401K	75	39.87	48.80	(8.93)	(0.0245)	(2)
16	Material & Supplies	142	39.87	39.87	0.00	0.0000	0
17	Cash Vouchers	38,374	39.87	20.67	19.20	0.0526	2,019
18	Total Operation & Maintenance Expense	\$ 43,779					\$ 2,517
19	Taxes						
20	FICA - Employer Portion	\$ 392	39.87	13.44	26.43	0.0724	\$ 28
21	Federal Unemployment	8	39.87	62.05	(22.18)	(0.0608)	0
22	State Unemployment	(0)	39.87	62.05	(22.18)	(0.0608)	0
23	Property Tax	4,400	39.87	182.50	(142.63)	(0.3908)	(1,719)
24	Gross Receipts Tax	0	20.94	108.31	(87.37)	(0.2394)	0
25	Corporate Franchise	0	39.87	110.50	(70.63)	(0.1935)	0
26	Sales Tax		20.94	38.90	(17.96)	(0.0492)	0
27	Missouri Primacy Fees		20.94	182.00	(161.06)	(0.4413)	0
28	PSC Assessment	3,654	39.87	39.87	0.00	0.0000	0
29	Total Operating Taxes	\$ 8,453					\$ (1,691)
30	<b>Total Cash Working Capital Before Income Tax and Interest Offsets</b>						<b>\$ 826</b>
31	Federal Income Tax Offset	\$ (365)	39.87	60.25	(20.38)	(0.0558)	\$ 20
32	State Income Tax Offset	\$ (57)	39.87	62.17	(22.30)	(0.0611)	\$ 3
33	Interest Expense Offset	\$ 2,049	39.87	91.15	(51.28)	(0.1405)	\$ (288)

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Income Statement

## Parkville Sewer

Line	Description (A)	Year Ended 9/30/99 Direct Charges (B)	Year Ended 9/30/99 Corporate Distribution (C)	Year Ended 9/30/99 Total (B)+(C) (D)	Adjustments		As Adjusted (G)
					Amount Accounting Sels 18 (E)	No. Accounting Sels 20 (F)	
1	Operating Revenues:						
2	Residential	\$ 47,192	\$ 0	\$ 47,192	\$ 0	S-1	\$ 47,192
3	Commercial	0	0	0	0	S-2	0
4	Industrial	0	0	0	0	S-3	0
5	Private Fire	0	0	0	0	S-4	0
6	Public Authorities	0	0	0	0	S-5	0
7	Sales for Resale	0	0	0	0	S-6	0
8	Other	0	4	4	0	S-7	4
9	Total Revenues	\$ 47,192	\$ 4	\$ 47,196	\$ 0		\$ 47,196
10	Operating Expenses:						
11	Operation & Maintenance:						
12	Source of Supply	\$ 0	\$ 20	\$ 20	\$ 67	S-8	\$ 86
13	Pumping	0	0	0	0	S-9	0
14	Water Treatment	32,007	226	32,233	140	S-10	32,373
15	Transmission & Distribution	600	0	600	0	S-11	600
16	Customer Accounts	0	616	616	717	S-12	1,333
17	Administrative & General	(166)	6,430	6,263	3,124	S-13	9,387
18	Total O & M Expense	\$ 32,440	\$ 7,291	\$ 39,731	\$ 4,048		\$ 43,779
19	Other Operating Expenses:						
20	Depreciation	\$ 1,549	\$ (260)	\$ 1,289	\$ 24	S-14	\$ 1,313
21	Amortization	0	1	1	100	S-15	100
22	Taxes Other Than Income	3,664	515	4,179	4,309	S-16	8,488
23	Total Other Operation Expense	\$ 5,213	\$ 256	\$ 5,469	\$ 4,433		\$ 9,901
24	Total Operating Expenses	\$ 37,653	\$ 7,547	\$ 45,200	\$ 8,480		\$ 53,680
25	Net Income Before Income Taxes	\$ 9,539	\$ (7,543)	\$ 1,996	\$ (8,480)		\$ (6,484)
26	Income Taxes:						
27	Current Income Tax	\$ 0	\$ (4,851)	\$ (4,851)	\$ (150)	S-17	\$ (5,001)
28	Deferred Income Tax:						
29	Deferred Income Tax Expense	0	2,343	2,343	(696)	S-18	1,647
30	ITC Amortization	0	0	0	0	S-19	0
31		\$ 0	\$ (2,508)	\$ (2,508)	\$ (846)		\$ (3,354)
32	Net Operating Income	\$ 9,539	\$ (5,044)	\$ 4,495	\$ (7,635)		\$ (3,140)

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Parkville Sewer

Adj. No	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Residential Revenue S-1 \$ 0				
1	To normalize and annualize revenue. (Griggs)	\$ 0	\$	
Commercial Revenue S-2 \$ 0				
1	To normalize and annualize revenue. (Griggs)	\$ 0	\$	
Industrial Revenue S-3 \$ 0				
1	To adjust revenue. (Griggs)	\$ 0	\$	
Private Fire Revenue S-4 \$ 0				
1	To annualize revenue. (Griggs)	\$ 0	\$	
Public Authority Revenue S-5 \$ 0				
1	To annualize revenue. (Griggs)	\$ 0	\$	
Sales for Resale S-6 \$ 0				
1	To annualize revenue. (Griggs)	\$ 0	\$	
Other Revenue S-7 \$ 0				
1	To annualize revenue. (Griggs)	\$ 0	\$ 0	
Source of Supply S-8 \$ 67				
1	To annualize payroll. (Gruner)	\$ 70	\$ (3)	
2	To annualize the cost of purchased water. (Griggs)		0	
Pumping S-9 \$ 0				
1	To annualize payroll. (Gruner)	\$ 0	\$ 0	
2	To annualize electric pumping expense. (Griggs)		0	
Water Treatment S-10 \$ 140				
1	To annualize payroll. (Gruner)	\$ 147	\$ (7)	
2	To annualize chemical costs. (Griggs)		0	
Transmission & Distribution S-11 \$ 0				
1	To annualize payroll. (Gruner)	\$ 0	\$ 0	
2	To adjust deferred maintenance. (Griggs)		0	

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Parkville Sewer

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
Customer Accounts		\$-12		\$ 717
1	To annualize payroll. (Gruner)	\$ 762	\$ (35)	
2	To normalize the level of uncollectible expense. (Griggs)	0		
3	To adjust postage. (Griggs)	0		
4	To eliminate specific advertising expense. (Gruner)	0	(0)	
5	To eliminate cost of bill inserts. (Gruner)		(9)	
Administrative & General		\$-13		\$ 3,124
1	To annualize payroll. (Gruner)	\$ 3,298	\$ (153)	
2	To annualize 401K expense. (Gruner)	0	(1)	
3	To annualize ESOP expense. (Gruner)	0	(21)	
4	To annualize group health insurance expense. (Gruner)	0	95	
5	To annualize OPEB expense. (Rackers)	0	(25)	
6	To adjust incentive pay. (Gruner)	0	(86)	
7	To annualize pension expense. (Rackers)	0	(6)	
8	To annualize non-group insurance. (Gruner)	0	152	
9	To eliminate specific advertising expense. (Gruner)	0	(7)	
10	To eliminate specific dues and donations. (Gruner)	0	(16)	
11	To eliminate specific miscellaneous expense. (Gruner)	0	(1)	
12	To normalize rate case expense. (Griggs)	0	40	
13	To eliminate dues to NAWC. (Gruner)	0	(6)	
14	To adjust relocation expense. (Gibbs)	0	4	
15	To amortize OPEB gains. (Rackers)		(113)	

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

Parkville Sewer

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
16	To amortize pension gains. (Rackers)			(29)
<b>Depreciation</b>		<b>\$-14</b>		<b>\$ 24</b>
1	To adjust depreciation expense to reflect the annual level of depreciation expense using Staff's proposed rates. (Gibbs)	\$ 24	\$	
2	To reflect depreciation on contributions in aid of construction included in plant in service. (Gibbs)	0		
3	To reflect capitalization of depreciation on transportation equipment. (Gibbs)	0		
<b>Amortization</b>		<b>\$-15</b>		<b>\$ 100</b>
1	To eliminate amortization of a capital lease. (Gibbs)	\$ 0	\$ 0	
2	To reflect a 5 year amortization of Comprehensive Planning Study. (Gibbs)	0	74	
3	To reflect an amortization related to the St. Joseph treatment plant. (Gibbs)	0	0	
4	To reflect a 5 year amortization of Environmental Audit. (Gibbs)		14	
5	To reflect a 5 year amortization of Management Study. (Gibbs)		12	
<b>Taxes Other Than Income Tax</b>		<b>\$-16</b>		<b>\$ 4,309</b>
1	To annualize FICA based on annualized payroll. (Gruner)	\$ 0	\$ (58)	
2	To adjust Federal unemployment. (Gruner)	0	(1)	
3	To adjust State unemployment. (Gruner)	0	(0)	
4	To adjust real estate and personal property taxes. (Gibbs)	4,377	0	
5	To adjust PSC Assessment. (Griggs)	0	(9)	
<b>Current Income Tax</b>		<b>\$-17</b>		<b>\$ (150)</b>
1	To adjust current income taxes to reflect the Staff adjusted level of taxable income. Gibbs)	\$ (150)	\$	

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement**

## Parkville Sewer

Adj. No.	Description	Adjustment Amounts		Total Adjustment
		Direct	Corp.	
	Deferred Income Tax Expense S-18			\$ (696)
1	To adjust deferred income tax expense. (Gibbs)	\$ (696)	\$	
	ITC Amortization S-19			\$ 0
1	To adjust the level of ITC amortization. (Gibbs)	\$ 0	\$	

## Missouri-American Water Company

Case No. SR-2000-282

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Income Tax Calculation**

Parkville Sewer

Line	Description (A)	Test Year (B)	8.05% Return (C)	8.31% Return (D)	8.57% Return (E)
1	Net Operating Income (Acct. Sch. 1)	\$ (3,130)	\$ 4,219	\$ 4,355	\$ 4,491
2	Add:				
3	Current Income Tax	(5,001)	(422)	(338)	(253)
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	1,647	1,647	1,647	1,647
6	ITC Amortization	0	0	0	0
7	Net Income Before Income Tax	\$ (6,484)	\$ 5,444	\$ 5,664	\$ 5,885
8	Additions to Net Income Before Income Tax:				
9	Book Depreciation	\$ 1,313	\$ 1,313	\$ 1,313	\$ 1,313
10	Contributions In Aid of Construction	0	0	0	0
11	Miscellaneous Non-deductible Expenses	30	30	30	30
12	Total Additions	\$ 1,343	\$ 1,343	\$ 1,343	\$ 1,343
13	Subtractions to Net Income Before Income Tax:				
14	Interest Expense @ 3.91%	\$ 2,049	\$ 2,049	\$ 2,049	\$ 2,049
15	Tax Straight Line Depreciation	1,548	1,548	1,548	1,548
16	Excess Tax Depreciation	4,291	4,291	4,291	4,291
17	Cost of Removal	0	0	0	0
18	Total Subtractions	\$ 7,887	\$ 7,887	\$ 7,887	\$ 7,887
19	Net Taxable Income	\$ (13,028)	\$ (1,100)	\$ (880)	\$ (659)
20	Provision for Federal Income Tax				
21	Net Taxable Income	\$ (13,028)	\$ (1,100)	\$ (880)	\$ (659)
22	Deduct Missouri Income Tax @ 100.00%	(679)	(57)	(46)	(34)
23	Federal Taxable Income	\$ (12,349)	\$ (1,043)	\$ (834)	\$ (625)
24	Federal Income Tax @ 35.00%	\$ (4,322)	\$ (365)	\$ (292)	\$ (219)
25	Provision for Missouri Income Tax				
26	Net Taxable Income	\$ (13,028)	\$ (1,100)	\$ (880)	\$ (659)
27	Deduct Federal Income Tax @ 50.00%	(2,161)	(183)	(146)	(110)
28	Missouri Taxable Income	\$ (10,867)	\$ (918)	\$ (734)	\$ (550)
29	Missouri Income Tax @ 6.25%	\$ (679)	\$ (57)	\$ (46)	\$ (34)
30	Summary of Provision For Income Tax				
31	Federal Income Tax	\$ (4,322)	\$ (365)	\$ (292)	\$ (219)
32	State Income Tax	(679)	(57)	(46)	(34)
33	<b>Total Current Income Tax</b>	<b>\$ (5,001)</b>	<b>\$ (422)</b>	<b>\$ (338)</b>	<b>\$ (253)</b>



## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Rate Base**

Corporate

Line	Description (A)	Amount (B)
1	Plant in Service (From Accounting Schedule 3)	\$ 2,204,667
	Less:	
2	Accumulated Depreciation Reserve (From Accounting Schedule 5)	436,813
3	Accumulated Amortization Reserve	
4	Net Plant in Service	\$ 1,767,854
5	Add:	
6	Cash Working Capital (From Accounting Schedule 8)	\$ NA
7	Materials and Supplies	
8	Prepayments	153,099
9	Deferred OPEB Asset	1,158,461
10	Total Additions to Net Plant in Service	\$ 1,311,560
11	Deduct:	
12	Interest Offset @ (From Accounting Schedule 8)	\$ NA
13	Federal Income Tax Offset @ (From Accounting Schedule 8)	NA
14	State Income Tax Offset @ (From Accounting Schedule 8)	NA
15	Contributions in Aid	(822,924)
16	Customer Advances	180,107
17	Deferred Income taxes (Post Missouri Cities Merger)	4,865,339
18	Pre-71 ITC	0
	Pension Liability	668,090
19	Total Deductions from Net Plant in Service	\$ 4,890,612
20	<b>Total Rate Base</b>	<b>\$ (1,811,198)</b>

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Allocation of Corporate Rate Base

Rate Base Component	Allocation Basis & Total	Water Districts							Parkville Sewer
		Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
Plant in Service	(See Supplement to Accounting Schedule 3 for Details)								
Amount	2,204,667	46,778	156,373	125,252	105,067	352,704	572,715	842,926	2,853
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
Accumulated Depreciation Reserve									
Amount	436,813	9,268	30,982	24,816	20,817	69,882	113,473	167,010	565
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
Accumulated Amortization Reserve									
Amount	0	0	0	0	0	0	0	0	0
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
Materials and Supplies									
Amount	0	0	0	0	0	0	0	0	0
See [1] below	0%								
Prepayments									
Amount	153,099	3,248	10,859	8,698	7,296	24,493	39,771	58,535	198
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
Deferred OPEB Asset									
Amount	1,158,461	24,580	82,168	65,815	55,208	185,331	300,938	442,922	1,499
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
Contributions in Aid									
Amount	(822,924)	(5,732)	(29,207)	(64,981)	(64,001)	(472,117)	(111,082)	(75,804)	0
Corporate Factor 11	100%	0.70%	3.55%	7.90%	7.78%	57.37%	13.50%	9.21%	0.00%

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Allocation of Corporate Rate Base

Rate Base Component	Allocation Basis & Total	Water Districts							Parkville Sewer
		Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
Customer Advances									
Amount	180,107	920	9,424	8,454	11,355	49,174	41,765	58,825	191
Corporate Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
Deferred Income taxes (Post Missouri Cities Merger)									
Amount	4,865,339	25,578	242,628	186,414	194,336	812,310	1,426,807	1,970,099	7,167
See [2] below	100%	0.53%	4.99%	3.83%	3.99%	16.70%	29.33%	40.49%	0.15%
Pre-71 ITC									
Amount	0	0	0	0	0	0	0	0	0
See [1] below	0%								
Pension Liability									
Amount	668,090	14,175	47,386	37,956	31,839	106,881	173,552	255,435	865
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%

[1] Directly assigned. No allocation required.

[2] Deferred tax balances computed by district on direct assigned and Corporate allocated book to tax depreciation reserve differences.

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Water Plant In Service**

Corporate

Line	Account No. (A)	Plant Title (B)	Balance 12/31/99 (C)	Adjustments		Adjusted Balance (D)+(E) (F)
				Amount Acctg. Sch. 4 (D)	No. Acctg. Sch. 4 (E)	
1		Intangible				
2	301.00	Organization	\$ 68,022	\$ 0	P-1	\$ 68,022
3	302.00	Franchise & Consents	0	0	P-2	0
4	303.00	Miscellaneous Intangible Plant	284,735	(284,735)	P-3	0
5		Total Intangible	\$ 352,757	\$ (284,735)		\$ 68,022
6		Source of Supply				
7	310.00	Land & Land Rights	\$ 0	\$ 0	P-4	\$ 0
8	311.00	Structures & Improvements	0	0	P-5	0
9	312.00	Collecting & Impounding Res	0	0	P-6	0
10	313.00	Lake, River & Other Intakes	0	0	P-7	0
11	314.00	Wells & Springs	0	0	P-8	0
12	316.00	Supply Mains	0	0	P-9	0
13		Total Source of Supply	\$ 0	\$ 0		\$ 0
14		Pumping				
15	320.00	Land & Land Rights	\$ 0	\$ 0	P-10	\$ 0
16	321.00	Structures & Improvements	0	0	P-11	0
17	322.00	Boiler Equipment	0	0	P-12	0
18	323.20	Other Power Production Equipment	0	0	P-13	0
19	324.00	Steam Pumping Equipment	0	0	P-14	0
20	325.00	Electric Pumping Equipment	0	0	P-15	0
21	326.00	Diesel Pumping Equipment	0	0	P-16	0
22	328.30	Other Pumping Equipment	0	0	P-17	0
23		Total Pumping	\$ 0	\$ 0		\$ 0
24		Water Treatment Plant				
25	330.00	Land & Land Rights	\$ 0	\$ 0	P-18	\$ 0
26	331.00	Structures & Improvements	0	0	P-19	0
27	332.00	Water Treatment Equipment	0	0	P-20	0
28	339.00	Other Intangible Plant	0	0	P-21	0
29		Total Water Treatment Plant	\$ 0	\$ 0		\$ 0
30		Transmission & Distribution				
31	340.00	Land & Land Rights	\$ 0	\$ 0	P-22	\$ 0
32	341.00	Structures & Improvements	0	0	P-23	0
33	342.00	Distr. Res. & Standpipe	0	0	P-24	0
34	343.00	Transmission & Distribution Mains	0	0	P-25	0
35	344.00	Fire Mains	0	0	P-26	0
36	345.00	Services	0	0	P-27	0
37	346.00	Meters	0	0	P-28	0
38	347.00	Meter Installation	0	0	P-29	0
39	348.00	Hydrants	0	0	P-30	0
40	349.00	Other T&D Plant	0	0	P-31	0
41		Total Transmission & Distribution	\$ 0	\$ 0		\$ 0

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Water Plant In Service**

Corporate

Line	Account No.	Plant Title	Balance 12/31/99	Adjustments		Adjusted Balance (C)+(D)+(E)
				Amount	No.	
	(A)	(B)	(C)	(D)	(E)	(F)
42		General Plant				
43	389.10	Land & Land Rights	\$ 0	\$ 0	P-40	\$ 0
44	390.00	Structures & Improvements	170,795	0	P-41	170,795
45	391.00	General Office Equipment	1,698,699	0	P-42	1,698,699
46	392.00	Transportation Equipment	214,817	0	P-43	214,817
47	393.00	Stores Equipment	0	0	P-44	0
48	394.00	Tools, Shop & Garage Equipment	5,233	0	P-45	5,233
49	395.00	Laboratory Equipment	0	0	P-46	0
50	396.00	Power Operated Equipment	0	0	P-47	0
51	397.00	Communication Equipment	36,242	0	P-48	36,242
52	398.00	Miscellaneous	10,859	0	P-49	10,859
53		Total General Plant	\$ 2,136,645	\$ 0		\$ 2,136,645
54		<b>Total Plant In Service</b>	<b>\$ 2,489,402</b>	<b>\$ (204,735)</b>		<b>\$ 2,284,667</b>

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

Allocation of Corporate Water Plant In Service

Line	Account No.	Plant Title	Adjusted Balance <small>Acct Bal 2</small>	Water Districts							Parkville Sewer
				Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
1		Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
2		Intangible									
3	301.00	Organization	68,022	1,443	4,825	3,864	3,242	10,882	17,670	26,007	88
4	302.00	Franchise & Consents	0	0	0	0	0	0	0	0	0
5	303.00	Miscellaneous Intangible Plant	0	0	0	0	0	0	0	0	0
6		Total Intangible	68,022	1,443	4,825	3,864	3,242	10,882	17,670	26,007	88
7		Source of Supply									
8	310.00	Land & Land Rights	0	0	0	0	0	0	0	0	0
9	311.00	Structures & Improvements	0	0	0	0	0	0	0	0	0
10	312.00	Collecting & Impounding Res	0	0	0	0	0	0	0	0	0
11	313.00	Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0
12	314.00	Wells & Springs	0	0	0	0	0	0	0	0	0
13	316.00	Supply Mains	0	0	0	0	0	0	0	0	0
14		Total Source of Supply	0	0	0	0	0	0	0	0	0
15		Pumping									
16	320.00	Land & Land Rights	0	0	0	0	0	0	0	0	0
17	321.00	Structures & Improvements	0	0	0	0	0	0	0	0	0
18	322.00	Boiler Equipment	0	0	0	0	0	0	0	0	0
19	323.20	Other Power Production Equipment	0	0	0	0	0	0	0	0	0
20	324.00	Steam Pumping Equipment	0	0	0	0	0	0	0	0	0
21	325.00	Electric Pumping Equipment	0	0	0	0	0	0	0	0	0
22	326.00	Diesel Pumping Equipment	0	0	0	0	0	0	0	0	0
23	328.30	Other Pumping Equipment	0	0	0	0	0	0	0	0	0
24		Total Pumping	0	0	0	0	0	0	0	0	0

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Allocation of Corporate Water Plant In Service

Line	Account No.	Plant Title	Adjusted Balance As of Dec. 31	Water Districts							Parkville Sewer
				Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
25		Water Treatment Plant									
26	330.00	Land & Land Rights	0	0	0	0	0	0	0	0	0
27	331.00	Structures & Improvements	0	0	0	0	0	0	0	0	0
28	332.00	Water Treatment Equipment	0	0	0	0	0	0	0	0	0
29	339.00	Other Intangible Plant	0	0	0	0	0	0	0	0	0
30		Total Water Treatment Plant	0	0	0	0	0	0	0	0	0
31		Transmission & Distribution									
32	340.00	Land & Land Rights	0	0	0	0	0	0	0	0	0
33	341.00	Structures & Improvements	0	0	0	0	0	0	0	0	0
34	342.00	Distr. Res. & Standpipe	0	0	0	0	0	0	0	0	0
35	343.00	Transmission & Distribution Mains	0	0	0	0	0	0	0	0	0
36	344.00	Fire Mains	0	0	0	0	0	0	0	0	0
37	345.00	Services	0	0	0	0	0	0	0	0	0
38	346.00	Meters	0	0	0	0	0	0	0	0	0
39	347.00	Meter Installation	0	0	0	0	0	0	0	0	0
40	348.00	Hydrants	0	0	0	0	0	0	0	0	0
41	349.00	Other T&D Plant	0	0	0	0	0	0	0	0	0
42		Total Transmission & Distribution	0	0	0	0	0	0	0	0	0
43		General Plant									
44	389.10	Land & Land Rights	0	0	0	0	0	0	0	0	0
45	390.00	Structures & Improvements	170,795	3,624	12,114	9,703	8,139	27,324	44,368	65,301	221
46	391.00	General Office Equipment	1,698,699	36,042	120,486	96,507	80,954	271,759	441,278	649,475	2,198
47	392.00	Transportation Equipment	214,817	4,558	15,237	12,204	10,237	34,367	55,804	82,132	278
48	393.00	Stores Equipment	0	0	0	0	0	0	0	0	0
49	394.00	Tools, Shop & Garage Equipment	5,233	111	371	297	249	837	1,359	2,001	7
50	395.00	Laboratory Equipment	0	0	0	0	0	0	0	0	0

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Allocation of Corporate Water Plant In Service**

Line	Account No	Plant Title	Adjusted Balance <small>Acct. Sch. 3</small>	Water Districts							Parkville Sewer
				Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
51	396.00	Power Operated Equipment	0	0	0	0	0	0	0	0	0
52	397.00	Communication Equipment	36,242	769	2,571	2,059	1,727	5,798	9,415	13,857	47
53	398.00	Miscellaneous	10,859	230	770	617	518	1,737	2,821	4,152	14
54		Total General Plant	2,136,645	45,334	151,549	121,387	101,825	341,821	555,045	816,918	2,765
55		<b>Total Plant In Service</b>	<b>2,204,667</b>	<b>46,778</b>	<b>156,373</b>	<b>125,252</b>	<b>105,067</b>	<b>352,704</b>	<b>572,715</b>	<b>842,936</b>	<b>2,853</b>

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Water Plant In Service**

Corporate

Adj No.	Description	Adjustment Amount	Total Adjustment
A/C	303.00 Misc Intangible Plant P-3		\$ (284,735)
1	To remove the cost of Comprehensive Planning Study from plant in-service. (Gibbs)	\$ (284,735)	

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Water Plant Depreciation Reserve**  
Corporate

Plant Account No. (A)	Plant Title (B)	Balance 12/31/99 (C)	Adjustments		Adjusted Balance (C)+(D)-(E) (G)
			Amount Assety Sch. 6 (D)	No. Assety Sch. 6 (E)	
Total Depreciation Reserve		\$ 436,813	\$ 0		\$ 436,813

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Allocation of Corporate Water Plant Depreciation Reserve**

Account No.	Plant Title	Adjusted Balance Acct Sch 3	Water Districts							Parkville Sewer	
			Brinnswick	Mexico	Parkville	Warrensbur	St. Charles	Joplin	St. Joseph		
Corporate Allocation Factor 5		100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%	
Total Depreciation Reserve			435,813	9,269	30,962	24,816	20,817	69,882	113,473	167,010	565

Accounting Schedule 6

Sponsor: Gibbs

3/31/00 2:54 PM

Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments To Water Plant Depreciation Reserve**

Corporate

Adj No.	Description	Adjustment Amount	Total Adjustment
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No Adjustments Required

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Income Statement - Water

## Corporate

Line	Description (A)	Year Ended 9/30/99 Corporate Amounts (B)	Adjustments		As Adjusted (G)
			Amount Account 500 10 (E)	No. Account 500 10 (F)	
1	Operating Revenues:				
2	Residential	\$ 0	\$ 0	S-1	\$ 0
3	Commercial	0	0	S-2	0
4	Industrial	0	0	S-3	0
5	Private Fire	0	0	S-4	0
6	Public Authorities	0	0	S-5	0
7	Sales for Resale	0	0	S-6	0
8	Other	3,570	0	S-7	3,570
9	Total Revenues	\$ 3,570	\$ 0		\$ 3,570
10	Operating Expenses:				
11	Operation & Maintenance:				
12	Source of Supply	\$ 18,535	\$ (3,062)	S-8	\$ 15,472
13	Pumping	11	0	S-9	11
14	Water Treatment	212,914	(6,433)	S-10	206,481
15	Transmission & Distribution	16,446	(1,529)	S-11	14,918
16	Customer Accounts	495,911	(38,340)	S-12	457,571
17	Administrative & General	4,968,263	(134,932)	S-13	4,833,331
18	Total O & M Expense	\$ 5,712,081	\$ (184,297)		\$ 5,527,784
19	Other Operating Expenses:				
20	Depreciation	\$ (200,886)	\$ 24,413	S-14	\$ (176,473)
21	Amortization	612	77,023	S-15	77,635
22	Taxes Other Than Income	630,672	(52,610)	S-16	578,062
23	Total Other Operation Expense	\$ 430,398	\$ 48,826		\$ 479,224
24	Total Operating Expenses	\$ 6,142,478	\$ (135,471)		\$ 6,007,007
25	Net Income Before Income Taxes	\$ (6,138,908)	\$ 135,471		\$ (6,003,437)
26	Income Taxes:				
27	Current Income Tax	\$ 2,253,652	\$ 0	S-17	\$ 2,253,652
28	Deferred Income Tax:				
29	Deferred Income Tax Expense	1,389,312	0	S-18	1,389,312
30	ITC Amortization	0	0	S-19	0
31		\$ 3,642,964	\$ 0		\$ 3,642,964
32	Net Operating Income	\$ (9,781,872)	\$ 135,471		\$ (9,646,401)

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Allocation of Corporate Per Book Test Year Revenue and Expense**

Description	Per Book	Water Districts							
		Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	Parkville Sewer
Revenue									
Amount	3,570	18	187	168	225	975	828	1,166	4
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
Source of Supply									
Amount	18,535	95	970	870	1,169	5,060	4,298	6,054	20
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
Pumping									
Amount	11	0	1	1	1	3	3	4	0
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
Water Treatment									
Amount	212,914	1,088	11,140	9,994	13,423	58,131	49,372	69,540	226
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
Transmission & Distribution									
Amount	16,446	130	863	790	899	4,378	3,398	5,987	0
Corporate Allocation Factor 4	100%	0.79%	5.25%	4.81%	5.47%	26.62%	20.66%	36.41%	0.00%
Customer Accounts:									
Supervision (901) and Miscellaneous (905)									
Amount	114,032	681	6,976	6,258	8,405	36,400	30,916	24,254	142
Corporate Allocation Factor 3	100%	0.60%	6.12%	5.49%	7.37%	31.92%	27.11%	21.27%	0.12%

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Allocation of Corporate Per Book Test Year Revenue and Expense

Description	Per Book	Water Districts								Parkville Sewer
		Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph		
Contract & Order labor (903) and Customer Svc & Info (907)										
Amount	145,172	742	7,596	6,814	9,152	39,636	33,664	47,415	154	
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%	
All Other Accounts										
Amount	236,707	1,539	15,765	14,143	18,996	82,265	69,870	33,809	320	
Corporate Allocation Factor 2	100%	0.65%	6.66%	5.97%	8.03%	34.75%	29.52%	14.28%	0.14%	
Total Customer Accounts	495,911	2,962	30,336	27,216	36,554	158,301	134,450	105,477	616	
Administrative & General										
Amount	4,968,263	105,414	352,390	282,257	236,770	794,825	1,290,626	1,899,551	6,430	
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%	
Depreciation										
Amount	(200,886)	(4,262)	(14,248)	(11,413)	(9,574)	(32,138)	(52,185)	(76,806)	(260)	
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%	
Amortization										
Amount	612	13	43	35	29	98	159	234	1	
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Allocation of Corporate Per Book Test Year Revenue and Expense

Description	Per Book	Water Districts							
		Brunswick	Mexico	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	Parkville Sewer
Taxes Other									
Property									
Amount	17,506	371	1,242	995	834	2,801	4,548	6,693	23
Factor	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
PSC Assessment	Revenue								
Amount	194,764	710	9,935	9,861	11,821	51,074	47,644	63,719	0
Corporate Factor 6	100%	0.36%	5.10%	5.06%	6.07%	26.22%	24.46%	32.72%	0.00%
State Franchise	Rate Base								
Amount	64,454	580	3,896	5,052	4,452	23,077	13,857	13,506	34
Corporate Factor 10	100%	0.90%	6.04%	7.84%	6.91%	35.80%	21.50%	20.95%	0.05%
Payroll									
Amount	353,948	7,510	25,105	20,109	16,868	56,625	91,947	135,327	458
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
Total Taxes Other	630,672	9,171	40,177	36,017	33,976	133,576	157,995	219,245	515
Current Income Tax	Taxable Income								
Amount	2,253,652	(85,823)	(95,562)	(124,492)	146,729	624,102	676,648	1,116,900	(4,851)
Factor	100%	-3.81%	-4.24%	-5.52%	6.51%	27.69%	30.02%	49.56%	-0.22%
Deferred Income Tax	Net Book & Tax Depreciation Reserve Change								
Amount	1,389,312	14,756	158,952	113,707	126,794	490,555	302,302	179,904	2,343
Factor	100%	1.06%	11.44%	8.18%	9.13%	35.31%	21.76%	12.95%	0.17%

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement - Water**

Corporate

Adj. No.	Description	Adjustment Amounts	Total Adjustment
<b>Residential Revenue</b> S-1			
1	To normalize and annualize revenue. (Griggs)	\$ 0	\$ 0
<b>Commercial Revenue</b> S-2			
1	To normalize and annualize revenue. (Griggs)	\$ 0	\$ 0
<b>Industrial Revenue</b> S-3			
1	To adjust revenue. (Griggs)	\$ 0	\$ 0
<b>Private Fire Revenue</b> S-4			
1	To annualize revenues. (Griggs)	\$ 0	\$ 0
<b>Public Authority Revenue</b> S-5			
1	To annualize revenues. (Griggs)	\$ 0	\$ 0
<b>Sales for Resale</b> S-6			
1	To annualize revenues. (Griggs)	\$ 0	\$ 0
<b>Other Revenue</b> S-7			
1	To adjust revenue. (Griggs)	\$ 0	\$ 0
<b>Source of Supply</b> S-8			
1	To annualize payroll. (Gruner)	\$ (3,062)	\$ (3,062)
2	To annualize the cost of purchased water. (Griggs)	0	0
<b>Pumping</b> S-9			
1	To annualize payroll. (Gruner)	\$ 0	\$ 0
2	To annualize electric pumping expense. (Griggs)	0	0
<b>Water Treatment</b> S-10			
1	To annualize payroll. (Gruner)	\$ (6,433)	\$ (6,433)
2	To annualize chemical costs. (Griggs)	0	0
<b>Transmission &amp; Distribution</b> S-11			
1	To annualize payroll. (Gruner)	\$ (1,529)	\$ (1,529)
2	To adjust deferred maintenance. (Griggs)	0	0

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement - Water**

Corporate

Adj. No.	Description	Adjustment Amounts	Total Adjustment
<b>Customer Accounts</b>		<b>S-12</b>	<b>\$ (38,140)</b>
1	To annualize payroll. (Gruner)	\$ (30,954)	
2	To normalize the level of uncollectible expense. (Griggs)	0	
3	To adjust postage. (Griggs)	0	
4	To eliminate specific advertising expense. (Gruner)	(54)	
5	To eliminate cost of bill inserts. (Gruner)	(7,332)	
<b>Administrative &amp; General</b>		<b>S-13</b>	<b>\$ (134,932)</b>
1	To annualize payroll. (Gruner)	\$ (118,511)	
2	To annualize 401K expense. (Gruner)	(1,156)	
3	To annualize ESOP expense. (Gruner)	(15,889)	
4	To annualize group health insurance expense. (Gruner)	73,412	
5	To annualize OPEB expense. (Rackers)	(19,577)	
6	To adjust incentive pay. (Gruner)	(66,097)	
7	To annualize pension expense. (Rackers)	(4,332)	
8	To annualize non-group insurance. (Gruner)	117,250	
9	To eliminate specific advertising expense. (Gruner)	(5,698)	
10	To eliminate specific dues and donations. (Gruner)	(12,749)	
11	To eliminate specific miscellaneous expense. (Gruner)	(598)	
12	To normalize rate case expense. (Griggs)	30,628	
13	To eliminate dues to NAWC. (Gruner)	(4,872)	
14	To adjust relocation expense. (Gibbs)	2,967	
15	To amortize OPEB gains. (Rackers)	(87,679)	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement - Water**

Corporate

Adj. No.	Description	Adjustment Amounts	Total Adjustment
16	To amortize pension gains. (Rackers)	(22,031)	
<b>Depreciation</b>			
		\$ 14	\$ 24,413
1	To adjust depreciation expense to reflect the annual level of depreciation expense using Staff's proposed rates. (Gibbs)	\$ NA	
2	To reflect depreciation on contributions in aid of construction included in plant in service. (Gibbs)	NA	
3	To reflect capitalization of depreciation on transportation equipment. (Gibbs)	NA	
<b>Amortization</b>			
		\$ 15	\$ 77,023
1	To eliminate amortization of a capital lease. (Gibbs)	\$ 0	
2	To reflect a 5 year amortization of Comprehensive Planning Study. (Gibbs)	56,947	
3	To reflect an amortization related to the St. Joseph treatment plant. (Gibbs)	0	
4	To reflect a 5 year amortization of Environmental Audit. (Gibbs)	10,723	
5	To reflect a 5 year amortization of Management Study. (Gibbs)	9,353	
<b>Taxes Other Than Income Tax</b>			
		\$ 16	\$ (52,610)
1	To annualize FICA based on annualized payroll. (Gruner)	\$ (44,690)	
2	To adjust Federal unemployment. (Gruner)	(610)	
3	To adjust State unemployment. (Gruner)	(8)	
4	To adjust real estate and personal property taxes. (Gibbs)	0	
5	To adjust PSC Assessment. (Griggs)	(7,302)	
<b>Current Income Tax</b>			
		\$ 17	\$ 0
1	To adjust current income taxes to reflect the Staff adjusted level of taxable income. Gibbs)	\$ NA	

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

**Adjustments to Income Statement - Water**

Corporate

Adj. No.	Description	Adjustment Amount	Total Adjustment
	Deferred Income Tax Expense S-18		\$ 0
1	To adjust deferred income tax related to normalized tax depreciation. (Gibbs)	\$ NA	
	ITC Amortization S-19		\$ 0
1	To adjust the level of ITC amortization. (Gibbs)	\$ NA	

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

Allocation of Corporate Income Statement Adjustments

Adjustment No.	Total & Allocation Basis	Water Districts							Parkville Sewer
		Hennepin	Merico	Parkville	Warrenburg	St. Charles	Joplin	St. Joseph	
S-7.1 Other Revenue									
Amount	0	0	0	0	0	0	0	0	0
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
S-8.1 Source of Supply Payroll									
Amount	(3,062)	(16)	(160)	(144)	(193)	(836)	(710)	(1,000)	(3)
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
S-10.1 Treatment Payroll									
Amount	(6,433)	(33)	(337)	(302)	(406)	(1,756)	(1,492)	(2,101)	(7)
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
S-11.1 T&D Payroll									
Amount	(1,529)	(12)	(80)	(73)	(84)	(407)	(316)	(557)	0
Corporate Allocation Factor 4	100%	0.79%	5.25%	4.81%	5.47%	26.62%	20.66%	36.41%	0.00%
S-12.1 Customer Accounts Payroll Supervision (901)									
Amount	0	0	0	0	0	0	0	0	0
Corporate Allocation Factor 3	100%	0.60%	6.12%	5.49%	7.37%	31.92%	27.11%	21.27%	0.12%
Contract & Order labor (903)									
Amount	(22,057)	(113)	(1,154)	(1,035)	(1,391)	(6,022)	(5,115)	(7,204)	(23)
Corporate Allocation Factor 1	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
All Other Payroll Accounts									
Amount	(8,897)	(58)	(593)	(532)	(714)	(3,092)	(2,626)	(1,271)	(12)
Corporate Allocation Factor 2	100%	0.65%	6.66%	5.97%	8.03%	34.75%	29.52%	14.28%	0.14%
Total S-12.1	(30,954)	(171)	(1,747)	(1,567)	(2,105)	(9,114)	(7,741)	(8,475)	(35)
S-12.4 Advertising									
Amount	(54)	(0)	(3)	(3)	(4)	(17)	(15)	(11)	(0)
Corporate Allocation Factor 3	100%	0.60%	6.12%	5.49%	7.37%	31.92%	27.11%	21.27%	0.12%
S-12.5 Bill Inserts									
Amount	(7,332)								
Corporate Allocation Factor 2	100%	0.51%	5.23%	4.69%	6.30%	27.30%	23.19%	32.66%	0.11%
S-13.1 A&G Payroll									
Amount	(118,511)	(2,515)	(8,406)	(6,733)	(5,648)	(18,959)	(30,786)	(45,311)	(153)
Corporate Allocation Factor 5		2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.2 401k									
Amount	(1,156)	(25)	(82)	(66)	(55)	(185)	(300)	(442)	(1)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.3 ESOP									
Amount	(15,889)	(337)	(1,127)	(903)	(757)	(2,542)	(4,128)	(6,075)	(21)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.4 Group Insurance									
Amount	73,412	1,558	5,207	4,171	3,499	11,744	19,071	28,068	95
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

Allocation of Corporate Income Statement Adjustments

Adjustment No.	Total & Allocation Base	Water Districts							Parkville Sewer
		Brumback	Merico	Parkville	Warrensburg	St. Charles	Twilight	St. Joseph	
S-13.5 OPEB's									
Amount	(19,577)	(415)	(1,389)	(1,112)	(933)	(3,132)	(5,086)	(7,485)	(25)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.6 Incentive Pay									
Amount	(66,097)	(1,402)	(4,688)	(3,755)	(3,150)	(10,574)	(17,170)	(25,271)	(86)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.7 Pensions									
Amount	(4,332)	(92)	(307)	(246)	(206)	(693)	(1,125)	(1,656)	(6)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.8 Non-group Insurance									
Amount	117,250	2,488	8,316	6,661	5,588	18,758	30,459	44,829	152
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.9 Advertising									
Amount	(5,698)	(34)	(349)	(313)	(420)	(1,819)	(1,545)	(1,212)	(7)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.10 Dues & Donations									
Amount	(12,749)	(271)	(904)	(724)	(608)	(2,040)	(3,312)	(4,874)	(16)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.11 Miscellaneous									
Corporate Allocation Factor 5	(598)	(13)	(42)	(34)	(28)	(96)	(155)	(229)	(1)
Factor	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.12 Rate Case									
Amount	30,628	650	2,172	1,740	1,460	4,900	7,956	11,710	40
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.13 NAWC									
Amount	(4,872)	(103)	(346)	(277)	(232)	(779)	(1,266)	(1,863)	(6)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.14 Relocation									
Amount	2,967	63	210	169	141	475	771	1,134	4
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.15 OPEB Gains									
Amount	(87,679)								
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-13.16 Pension Gains									
Amount	(22,031)								
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-14.1 FICA									
Amount	(44,690)	(948)	(3,170)	(2,539)	(2,130)	(7,150)	(11,609)	(17,087)	(58)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%

## Missouri-American Water Company

Case No. WR-2000-281

Test Year Ending September 30, 1999 Updated Through December 31, 1999

## Allocation of Corporate Income Statement Adjustments

Adjustment No.	Total & Allocation Base	Water Districts							Parkville Sewer
		Huntsville	Marion	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
S-14.2 Federal Unemployment									
Amount	(610)	(13)	(43)	(35)	(29)	(98)	(158)	(233)	(1)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-14.3 State Unemployment									
Amount	(8)	(0)	(1)	(0)	(0)	(1)	(2)	(3)	(0)
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-14.4 Property Taxes									
Amount	0	0	0	0	0	0	0	0	0
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-14.5 PSC Assessment	Revenue								
Amount	(7,302)	(155)	(518)	(415)	(348)	(1,168)	(1,897)	(2,792)	(9)
	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-15.1 Capitalized Lease									
Amount	0	0	0	0	0	0	0	0	0
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-15.2 Comprehensive Plan									
Amount	56,947	1,208	4,039	3,235	2,714	9,110	14,793	21,773	74
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-15.3 St. Joseph Treatment Plant									
Amount	0	0	0	0	0	0	0	0	0
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%

Missouri-American Water Company  
Case No. WR-2000-281  
Test Year Ending September 30, 1999 Updated Through December 31, 1999

Allocation of Corporate Income Statement Adjustments

Adjustment No.	Total & Allocation Base	Water Districts							Parkville Sewer
		Brunswick	Marion	Parkville	Warrensburg	St. Charles	Joplin	St. Joseph	
S-15.4 Environmental Audit									
Amount	10,723	228	761	609	511	1,715	2,786	4,100	14
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%
S-15.5 Management Study									
Amount	9,353	198	663	531	446	1,496	2,430	3,576	12
Corporate Allocation Factor 5	100%	2.12%	7.09%	5.68%	4.77%	16.00%	25.98%	38.23%	0.13%

