

Exhibit No.:
Issue: Accounting Schedules
Witness: MoPSC Auditors
Sponsoring Party: MoPSC Staff
Type of Exhibit: True-Up Direct
Accounting Schedules
Case No.: WR-2013-0461
Date Prepared: March 6, 2014

MISSOURI PUBLIC SERVICE COMMISSION

**REGULATORY REVIEW DIVISION
UTILITY SERVICES - AUDITING**

**TRUE-UP DIRECT
ACCOUNTING SCHEDULES**

LAKE REGION WATER & SEWER COMPANY

CASE NO. WR-2013-0461

*Jefferson City, Missouri
March 2014*

Exhibit No.:

Issue: Accounting Schedules

Witness: MO PSC Auditors

Sponsoring Party: MO PSC Staff

Case No: SR-2013-0459

Date Prepared: March 6, 2014



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DEPARTMENT

HORSESHOE BEND SEWER

STAFF ACCOUNTING SCHEDULES

LAKE REGION WATER & SEWER COMPANY

CASE NO. SR-2013-0459

Jefferson City, Missouri

March 2014

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Rate Design Schedule - Sewer

A		B	C	D	E	F
Line Number	Description	Account Number (Optional)	Staff Annualized	Customer Charge	Commodity	Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$450,627			
Rev-3	Miscellaneous Revenues		(1) \$1,560			
Rev-4	TOTAL ANNUALIZED REVENUES		<u>\$452,187</u>			
1	OPERATIONS EXPENSES		(2)			
2	Purchased Wastewater Maintenance	710.100	\$0	\$0	\$0	0.00%
3	Sludge Removal	711.100	\$22,805	\$0	\$22,805	0.00%
4	Power for Treatment Plants - Other	715.000	\$0	\$0	\$0	0.00%
5	Power for Treatment Plants - HB Only	715.100	\$9,009	\$0	\$9,009	0.00%
6	Power for Liftstations - HB	716.100	\$20,439	\$0	\$20,439	0.00%
7	Chemicals	718.100	\$19,124	\$0	\$19,124	0.00%
8	Effluent Testing Expenses - HB	719.100	\$9,962	\$0	\$9,962	0.00%
9	Sewer Operating Expense	721.100	\$6,771	\$0	\$6,771	0.00%
10	PWSD#4 Labor	737.100	\$85,239	\$0	\$85,239	0.00%
11	TOTAL OPERATIONS EXPENSE		<u>\$173,349</u>	\$0	\$173,349	
12	MAINTENANCE EXPENSES					
13	Sewer Supplies	720.100	\$5,949	\$0	\$5,949	0.00%
14	Tools and Shop Supplies	722.100	\$899	\$0	\$899	0.00%
15	Contractual Services - Other	730.000	\$0	\$0	\$0	0.00%
16	Equipment Rental - Other	742.000	\$6,025	\$0	\$6,025	0.00%
17	Equipment Maintenance	745.900	\$3,507	\$0	\$3,507	0.00%
18	Outside Services Employed	923.000	\$0	\$0	\$0	0.00%
19	TOTAL MAINTENANCE EXPENSE		<u>\$16,380</u>	\$0	\$16,380	
20	CUSTOMER ACCOUNT EXPENSE					
21	Billing Expenses	921.500	\$721	\$0	\$721	0.00%
22	Bad Debt Expense	950.000	\$838	\$0	\$838	0.00%
23	TOTAL CUSTOMER ACCOUNT EXPENSE		<u>\$1,559</u>	\$0	\$1,559	
24	ADMINISTRATIVE & GENERAL EXPENSES					
25	Accounting Fees	732.100	\$6,582	\$0	\$6,582	0.00%
26	Contracted Legal Fees	733.100	\$1,544	\$0	\$1,544	0.00%
27	General Liability - Sewer	757.100	\$1,801	\$0	\$1,801	0.00%
28	Office Supplies	921.000	\$752	\$0	\$752	0.00%
29	Management Fees	922.000	\$11,406	\$0	\$11,406	0.00%
30	Telephone	925.000	\$897	\$0	\$897	0.00%
31	Travel and Entertainment - Other	927.000	\$133	\$0	\$133	0.00%
32	Travel and Entertainment - Lodging	927.100	\$0	\$0	\$0	0.00%
33	Transportation - Airline/Car	927.200	\$0	\$0	\$0	0.00%
34	Transportation Expense	933.000	\$20,689	\$0	\$20,689	0.00%
35	Customer Refunds	940.000	\$15	\$0	\$15	0.00%
36	Building Rental	941.000	\$5,040	\$0	\$5,040	0.00%
37	Other Misc. Expense	975.000	\$848	\$0	\$848	0.00%
38	Rate Case Expense	981.000	\$4,112	\$0	\$4,112	0.00%
39	TOTAL ADMINISTRATIVE AND GENERAL		<u>\$53,819</u>	\$0	\$53,819	
40	OTHER OPERATING EXPENSES					
41	PSC Assessment	767.250	\$47,053	\$0	\$47,053	0.00%
42	Licenses and Permits	779.100	\$8,750	\$0	\$8,750	0.00%
43	Discounts Taken	929.000	-\$23	\$0	-\$23	0.00%
44	Loss on Disposition of Assets	930.000	-\$513	\$0	-\$513	0.00%
45	CIAC Amortization Expense		-\$5,089	\$0	-\$5,089	0.00%
46	Depreciation		<u>\$90,694</u>	\$0	<u>\$90,694</u>	0.00%
47	TOTAL OTHER OPERATING EXPENSES		<u>\$140,872</u>	\$0	<u>\$140,872</u>	
48	TAXES OTHER THAN INCOME					
49	Real Estate Taxes	967.200	\$676	\$0	\$676	0.00%
50	TOTAL TAXES OTHER THAN INCOME		<u>\$676</u>	\$0	<u>\$676</u>	
51	TOTAL OPERATING EXPENSES		<u>\$386,655</u>	\$0	<u>\$386,655</u>	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Rate Design Schedule - Sewer

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
52	Interest Expense	(3)	\$49,005	\$0	\$49,005	0.00%
53	Return on Equity	(3)	\$45,385	\$0	\$45,385	0.00%
54	Income Taxes	(3)	\$11,767	\$0	\$11,767	0.00%
55	TOTAL INTEREST RETURN & TAXES		\$106,157	\$0	\$106,157	
56	TOTAL COST OF SERVICE		\$492,812	\$0	\$492,812	
57	Less: Miscellaneous Revenues		\$1,560	\$0	\$1,560	0.00%
58	COST TO RECOVER IN RATES		\$491,252	\$0	\$491,252	
59	INCREMENTAL INCREASE IN RATE REVENUES		<u>\$40,625</u>			
60	PERCENTAGE OF INCREASE		<u>8.98%</u>			
61	REQUESTED INCREASE IN REVENUES		\$142,892			

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

Lake Region Water & Sewer Company
 Horseshoe Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Rate Base Required Return on Investment Schedule - Sewer

Line Number	<u>A</u> Rate Base Description	<u>B</u> Dollar Amount
1	Plant In Service	\$2,174,108 From Plant Schedule
2	Less Accumulated Depreciation Reserve	<u>\$828,249</u> From Depreciation Reserve Schedule
3	Net Plant In Service	\$1,345,859
4	Other Rate Base Items:	\$0
	Deferred Taxes	-\$22,134
	Material and Supplies	\$6,725
	Contribution of Aid of Construction	-\$121,989
	CIAC Depreciation	\$98,338
5	Total Rate Base	<u>\$1,306,799</u>
6	Total Weighted Rate of Return Including Income Tax	<u>8.12%</u> From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	<u><u>\$106,157</u></u>

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Rate of Return Including Income Tax - Sewer

	A	B	formulas
1 State Income Tax Rate Statutory / Effective	6.25% (2)	5.79%	(1 - (B2 x .5)) x A1
2 Federal Income Tax Rate Statutory / Effective	15.71% (1) & (2)	14.80%	(1 - B1) x A2
3 Composite Effective Income Tax Rate		20.59%	B1 + B2
4 Equity Tax Factor		1.2593	1 / (1-B3)
5 Recommended Weighted Rate of Return on Equity - Common and Preferred		3.47%	From Capital Structure Schedule
6 Weighted Rate of Return on Equity Including Income Tax		4.37%	B4 x B5
7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		3.75%	From Capital Structure Schedule
8 Total Weighted Rate of Return Including Income Tax		8.12%	B6+B7

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

N

To Rate Base Schedule

Equity Income Required \$53,847
& Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$50,000	\$7,500
\$50,001	\$75,000	25.00%	\$3,847	\$962
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$53,847	\$8,462
			Consolidated Tax Rate:	
			Average Tax Rate:	0.1571

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
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Capital Structure Schedule - Sewer

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

To PreTax Return Rate Schedule

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Plant In Service - Sewer

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$22,970			27.77%	\$6,379
3		TOTAL INTANGIBLE PLANT	\$22,970		\$0		\$6,379
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$5,985			27.77%	\$1,662
6	351.000	Structures & Improvements	\$4,650			100.00%	\$4,650
7		TOTAL SOURCE OF SUPPLY PLANT	\$10,635		\$0		\$6,312
8		COLLECTION PLANT					
9	352.110	Collection Sewers - Force - HB	\$349,949	P-9	\$59,774	100.00%	\$409,723
10	352.210	Collection Sewers - Gravity - HB	\$164,187	P-10	\$207,341	100.00%	\$371,528
11	353.100	Services to Customers HB	\$80,963			100.00%	\$80,963
12	354.100	Flow Measuring Devices HB	\$30,747	P-12	-\$5,782	100.00%	\$24,965
13		TOTAL COLLECTION PLANT	\$625,846		\$261,333		\$887,179
14		PUMPING PLANT					
15	362.100	Receiving Wells and Pump Pits HB	\$10,861	P-15	\$76,866	100.00%	\$87,727
16	363.100	Pumping Equipment HB	\$497,402	P-16	-\$313,844	100.00%	\$183,558
17		TOTAL PUMPING PLANT	\$508,263		-\$236,978		\$271,285
18		TREATMENT & DISPOSAL PLANT					
19	372.100	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	\$1,188,597	P-19	-\$270,334	100.00%	\$918,263
20	372.110	Grandview Treatment Plant - HB	\$40,932	P-20	\$210	100.00%	\$41,142
21	372.120	Palisades Point Treatment Plant - HB	\$7,437	P-21	\$4,582	100.00%	\$12,019
22	372.130	Maywood Condo Treatment Plant - HB	\$1,378	P-22	\$812	100.00%	\$2,190
23		TOTAL TREATMENT & DISPOSAL PLANT	\$1,238,344		-\$264,730		\$973,614
24		GENERAL PLANT					
25	391.000	Office Furniture & Equipment	\$11,172	P-25	-\$3,924	15.89%	\$1,152
26	391.100	Office Electronic Equipment	\$14,917	P-26	-\$6,162	15.89%	\$1,391
27	392.000	Transportation Equipment - GP	\$10,579			27.77%	\$2,938
28	392.100	Transportation Equipment - Pump Truck	\$36,520			27.77%	\$10,142
29	392.200	Transportation Equipment - Sierra Truck	\$19,703			15.89%	\$3,131
30	394.000	Tools, Shop and Garage Equipment	\$6,727	P-30	-\$322	15.89%	\$1,018
31	395.000	Laboratory Equipment	\$1,284	P-31	-\$1,283	27.77%	\$0
32	396.000	Power Operated Equipment - Company Owned	\$11,523	P-32	-\$819	27.77%	\$2,973
33	397.000	Communication Equipment	\$6,596			100.00%	\$6,596
34		TOTAL GENERAL PLANT	\$119,021		-\$12,510		\$29,340
35		TOTAL PLANT IN SERVICE	\$2,525,079		-\$252,885		\$2,174,108

To Rate Base & Depreciation Schedules

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-9	Collection Sewers - Force - HB	352.110		\$59,774
	1 - Reclass from "Plant Sewers" account. A. Rice		\$59,774	
P-10	Collection Sewers - Gravity - HB	352.210		\$207,341
	1 - Reclass \$207,341 from "Plant Sewers" account. A. Rice		\$207,341	
P-12	Flow Measuring Devices HB	354.100		-\$5,782
	1 - Transfer plant to Shawnee Bend Sewer, improperly booked to Horseshoe Bend Sewer, Staff last case. A. Rice		-\$5,993	
	2 - To adjust plant for true-up as of 12/31/13. A. Rice		\$423	
	3 - To adjust plant for true-up retirement. A. Rice		-\$212	
P-15	Receiving Wells and Pump Pits HB	362.100		\$76,866
	1 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$5,471	
	2 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$949	
	3 - Transfer (reclass) plant of CC Cove project from Acct. 363.10 HB Pumping Equip. A. Rice		\$53,659	
	4 - Transfer (reclass) plant from Acct. 372.10 HB Treatment & Disposal Equip. A. Rice		\$167	
	5 - Transfer from Acct. 363.10 Pumping Equip., portion of Duck Head plant from previous case. A. Rice		\$16,620	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-16	Pumping Equipment HB	363.100		-\$313,844
	1 - Transfer (reclass) plant from Acct. 362.10. A. Rice		-\$5,471	
	2 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$949	
	3 - Transfer (reclass) of CC Cove project to Acct. 362.10. A. Rice		-\$53,659	
	4 - Transfer to Receiving Wells Acct. 362.10 - Duck Head plant from previous case. A. Rice		-\$16,620	
	5 - Transfer (reclass) to Acct. 363.20 SB Pumping Equip. from HB. A. Rice		-\$240,000	
	6 - Transfer (reclass) from HB Acct. 372.10. A. Rice		\$54	
	7 - Transfer from SB Receiving Wells Acct. 362.20. A. Rice		\$2,383	
	8 - Transfer to HB Acct. 372.10 - Charleston Blower. A. Rice		-\$2,677	
	9 - Plant not included in previous case true-up. A. Rice		\$2,374	
	10 - Capitalize pumps and controls from previous case. A. Rice		\$2,099	
	11 - To adjust plant for true-up retirement. A. Rice		-\$1,378	
P-19	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	372.100		-\$270,334
	1 - Reclass "Plant Sewers" from previous case to adjustments P-9 and P-10 above. A. Rice		-\$267,115	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	2 - Transfer \$38,535 of improperly recorded SB Force Mains as HB "Plant Sewers". A. Rice		-\$38,535	
	3 - Transfer (reclass) to HB Acct. 363.10, Pumping Equip. A. Rice		-\$54	
	4 - Transfer (reclass) plant to Acct. 362.10 HB Receiving Wells. A. Rice		-\$167	
	5 - Transfer from HB Acct. 363.10 - Charlston Blower. A. Rice		\$2,677	
	6 - Reverse Company 12/31/2000 entry of \$15,150 of "Plant Sewers" est. cost for the Villages recorded as HB "Plant Sewer" rather than SB Gravity associated with the SBDC law suit. A. Rice		-\$15,150	
	7 - To adjust plant for true-up as of 12/31/13. A. Rice		\$57,348	
	8 - To adjust plant for true-up retirement. A. Rice		-\$9,338	
P-20	Grandview Treatment Plant - HB	372.110		\$210
	1. To adjust plant for true-up as of 12/31/13. A. Rice		\$210	
P-21	Palisades Point Treatment Plant - HB	372.120		\$4,582
	1 - To adjust plant for true-up as of 12/31/13. A. Rice		\$4,582	
P-22	Maywood Condo Treatment Plant - HB	372.130		\$812
	1 - Payne and Jones additional fees. A. Rice		\$812	
P-25	Office Furniture & Equipment	391.000		-\$3,924

Lake Region Water & Sewer Company
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 Schedule of Adjustments for Plant in Service - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	1 - To adjust plant for true-up retirement. A. Rice		-\$3,924	
P-26	Office Electronic Equipment	391.100		-\$6,162
	1 - To adjust plant for true-up retirement. A. Rice		-\$6,162	
P-30	Tools, Shop and Garage Equipment	394.000		-\$322
	1 - To adjust plant for true-up retirement. A. Rice		-\$322	
P-31	Laboratory Equipment	395.000		-\$1,283
	1 - To adjust plant for true-up retirement. A. Rice		-\$1,283	
P-32	Power Operated Equipment - Company Owned	396.000		-\$819
	1 - To adjust plant for true-up retirement. A. Rice		-\$819	
Total Plant Adjustments				<u><u>-\$252,885</u></u>

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Depreciation Expense - Sewer

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	<u>\$6,379</u>	0.00%	<u>\$0</u>
3		TOTAL INTANGIBLE PLANT	<u>\$6,379</u>		<u>\$0</u>
4		SOURCE OF SUPPLY PLANT			
5	350.000	Land & Land Rights	\$1,662	0.00%	\$0
6	351.000	Structures & Improvements	<u>\$4,650</u>	4.00%	<u>\$186</u>
7		TOTAL SOURCE OF SUPPLY PLANT	<u>\$6,312</u>		<u>\$186</u>
8		COLLECTION PLANT			
9	352.110	Collection Sewers - Force - HB	\$409,723	2.00%	\$8,194
10	352.210	Collection Sewers - Gravity - HB	\$371,528	2.00%	\$7,431
11	353.100	Services to Customers HB	\$80,963	2.00%	\$1,619
12	354.100	Flow Measuring Devices HB	<u>\$24,965</u>	3.30%	<u>\$824</u>
13		TOTAL COLLECTION PLANT	<u>\$887,179</u>		<u>\$18,068</u>
14		PUMPING PLANT			
15	362.100	Receiving Wells and Pump Pits HB	\$87,727	4.00%	\$3,509
16	363.100	Pumping Equipment HB	<u>\$183,558</u>	10.00%	<u>\$18,356</u>
17		TOTAL PUMPING PLANT	<u>\$271,285</u>		<u>\$21,865</u>
18		TREATMENT & DISPOSAL PLANT			
19	372.100	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	\$918,263	5.00%	\$45,913
20	372.110	Grandview Treatment Plant - HB	\$41,142	5.00%	\$2,057
21	372.120	Palisades Point Treatment Plant - HB	\$12,019	5.00%	\$601
22	372.130	Maywood Condo Treatment Plant - HB	<u>\$2,190</u>	5.00%	<u>\$110</u>
23		TOTAL TREATMENT & DISPOSAL PLANT	<u>\$973,614</u>		<u>\$48,681</u>
24		GENERAL PLANT			
25	391.000	Office Furniture & Equipment	\$1,152	5.00%	\$58
26	391.100	Office Electronic Equipment	\$1,391	14.30%	\$199
27	392.000	Transportation Equipment - GP	\$2,938	0.00%	\$0
28	392.100	Transportation Equipment - Pump Truck	\$10,142	5.30%	\$538
29	392.200	Transportation Equipment - Sierra Truck	\$3,131	13.00%	\$407
30	394.000	Tools, Shop and Garage Equipment	\$1,018	5.00%	\$51
31	395.000	Laboratory Equipment	\$0	5.00%	\$0
32	396.000	Power Operated Equipment - Company Owned	\$2,973	6.70%	\$199
33	397.000	Communication Equipment	<u>\$6,596</u>	6.70%	<u>\$442</u>
34		TOTAL GENERAL PLANT	<u>\$29,340</u>		<u>\$1,894</u>
35		Total Depreciation	<u><u>\$2,174,108</u></u>		<u><u>\$90,694</u></u>

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Accumulated Depreciation Reserve - Sewer

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$0			100.00%	\$0
6	351.000	Structures & Improvements	\$1,263	R-6	\$70	100.00%	\$1,333
7		TOTAL SOURCE OF SUPPLY PLANT	\$1,263		\$70		\$1,333
8		COLLECTION PLANT					
9	352.110	Collection Sewers - Force - HB	\$31,071	R-9	\$18,891	100.00%	\$49,962
10	352.210	Collection Sewers - Gravity - HB	\$46,628	R-10	\$55,032	100.00%	\$101,660
11	353.100	Services to Customers HB	\$11,550	R-11	\$810	100.00%	\$12,360
12	354.100	Flow Measuring Devices HB	\$2,950	R-12	-\$2,175	100.00%	\$775
13		TOTAL COLLECTION PLANT	\$92,199		\$72,558		\$164,757
14		PUMPING PLANT					
15	362.100	Receiving Wells and Pump Pits HB	\$1,561	R-15	\$20,817	100.00%	\$22,378
16	363.100	Pumping Equipment HB	\$376,733	R-16	-\$311,161	100.00%	\$65,572
17		TOTAL PUMPING PLANT	\$378,294		-\$290,344		\$87,950
18		TREATMENT & DISPOSAL PLANT					
19	372.100	Treatment and Disposal Equipment (Lodge, RC, Char, Bhawk) - HB	\$610,983	R-19	-\$63,232	100.00%	\$547,751
20	372.110	Grandview Treatment Plant - HB	\$1,842	R-20	\$923	100.00%	\$2,765
21	372.120	Palisades Point Treatment Plant - HB	\$527	R-21	\$219	100.00%	\$746
22	372.130	Maywood Condo Treatment Plant - HB	\$62	R-22	\$49	100.00%	\$111
23		TOTAL TREATMENT & DISPOSAL PLANT	\$613,414		-\$62,041		\$551,373
24		GENERAL PLANT					
25	391.000	Office Furniture & Equipment	\$7,453	R-25	-\$3,694	15.89%	\$597
26	391.100	Office Electronic Equipment	\$6,894	R-26	-\$5,865	15.89%	\$164
27	392.000	Transportation Equipment - GP	\$30,006	R-27	\$688	27.77%	\$8,524
28	392.100	Transportation Equipment - Pump Truck	\$26,076	R-28	\$2,374	27.77%	\$7,901
29	392.200	Transportation Equipment - Sierra Truck	\$10,664	R-29	\$1,281	15.89%	\$1,898
30	394.000	Tools, Shop and Garage Equipment	\$4,336	R-30	-\$158	15.89%	\$664
31	395.000	Laboratory Equipment	\$886	R-31	-\$1,267	27.77%	-\$106
32	396.000	Power Operated Equipment - Company Owned	\$6,580	R-32	-\$447	27.77%	\$1,703
33	397.000	Communication Equipment	\$1,271	R-33	\$221	100.00%	\$1,492
34		TOTAL GENERAL PLANT	\$94,166		-\$6,867		\$22,836
35		TOTAL DEPRECIATION RESERVE	\$1,179,336		-\$286,624		\$828,249

To Rate Base Schedule

Lake Region Water & Sewer Company
 Horseshoe Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-6	Structures & Improvements	351.000		\$70
	1 - To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$70	
R-9	Collection Sewers - Force - HB	352.110		\$18,891
	1 - Reclass from Plant Sewers. A. Rice		\$14,794	
	2 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$4,097	
R-10	Collection Sewers - Gravity - HB	352.210		\$55,032
	1 - Reclass from Plant Sewers. A. Rice		\$51,317	
	2 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$3,715	
R-11	Services to Customers HB	353.100		\$810
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$810	
R-12	Flow Measuring Devices HB	354.100		-\$2,175
	1 - Transfer plant improperly booked to Horseshoe Bend Sewer. A. Rice		-\$2,373	
	2 - To adjust reserves for true-up retirement. A. Rice		-\$212	
	3 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$410	
R-15	Receiving Wells and Pump Pits HB	362.100		\$20,817

Lake Region Water & Sewer Company

Horseshoe Bend Sewer

SR-2013-0459

Test Year Ending 06/30/2013 True-Up Ending 12/31/2013

Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
	1 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$7,932	
	2 - Transfer (reclass) plant from Acct. 363.10 HB Pumping Equip. A. Rice		\$699	
	3 - Transfer (reclass) plant in CC Cove Project from Acct. 363.10 HB Pumping Equip. A. Rice		\$29,513	
	4 - Transfer (reclass) plant from Acct. 372.10 Treatment and Disposal Equipment. A. Rice		\$78	
	5 - Transfer from Pumping Equip. Acct. 363.10, portion of Duck Head plant from previous case. A. Rice		\$5,402	
	6 - Transfer of depreciation reserves between Receiving Wells and Pumping Equipment Acct. 363.10 is prudent action to correct for past description accruals having been distorted due to recording of plant in improper accounts. A. Rice		-\$25,000	
	7 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$2,193	
R-16	Pumping Equipment HB	363.100		-\$311,161
	1 - Transfer (reclass) plant to Acct. 372.10. A. Rice		\$26	
	2 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$699	
	3 - Transfer (reclass) of CC Cove project to Acct. 362.10. A. Rice		-\$29,513	
	4 - Transfer to Receiving Wells Acct. 362.10 - Duck Head plant from previous case. A. Rice		-\$5,402	
	5 - Transfer (reclass) to Acct. 363.20 SB Receiving Wells from HB. A. Rice		\$1,262	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
	6 - Transfer to HB Acct. 372.10 - Charleston Blower. A. Rice		-\$1,737	
	7 - Transfer (reclass) to Acct. 363.20 SB from HB. A. Rice		-\$300,000	
	8 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$7,932	
	9 - Transfer of depreciation reserves between Receiving Wells 362.10 and Pumping Equipment HB is prudent action to correct for past description accruals having been distorted due to recording of plant in improper accounts. A. Rice		\$25,000	
	10 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$9,212	
	11 - To adjust reserves for true-up retirement. A. Rice		-\$1,378	
R-19	Treatment and Disposal Equipment (Lodge, RC,	372.100		-\$63,232
	1 - Reclass Plant Sewers from previous case. (Horseshoe Bend adjustment No. R-9 \$14,794; R-10 \$51,317; and Shawnee Bend Sewer adjustment No. R-9 \$9,537) A. Rice		-\$75,648	
	2 - Transfer (reclass) plant to Acct. 363.10. A. Rice		-\$26	
	3 - Transfer (reclass) plant to Acct. 362.10. A. Rice		-\$78	
	4 - Transfer to HB Acct. 363.10 - Charleston Blower. A. Rice		\$1,737	
	5 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$20,121	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
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Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
	6 - To adjust reserves for true-up retirement. A. Rice		-\$9,338	
R-20	Grandview Treatment Plant - HB	372.110		\$923
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$923	
R-21	Palisades Point Treatment Plant - HB	372.120		\$219
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$219	
R-22	Maywood Condo Treatment Plant - HB	372.130		\$49
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$49	
R-25	Office Furniture & Equipment	391.000		-\$3,694
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$230	
	2 - To adjust reserves for true-up retirement. A. Rice		-\$3,924	
R-26	Office Electronic Equipment	391.100		-\$5,865
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$296	
	2 - To adjust reserves for true-up retirement. A. Rice		-\$6,161	
R-27	Transportation Equipment - GP	392.000		\$688
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$688	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
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Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-28	Transportation Equipment - Pump Truck	392.100		\$2,374
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$2,374	
R-29	Transportation Equipment - Sierra Truck	392.200		\$1,281
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$1,281	
R-30	Tools, Shop and Garage Equipment	394.000		-\$158
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$164	
	2 - To adjust reserves for true-up retirement. A. Rice		-\$322	
R-31	Laboratory Equipment	395.000		-\$1,267
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$16	
	2 - To adjust reserves for true-up retirement. A. Rice		-\$1,283	
R-32	Power Operated Equipment - Company Owned	396.000		-\$447
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$372	
	2 - To adjust reserves for true-up retirement. A. Rice		-\$819	
R-33	Communication Equipment	397.000		\$221

Lake Region Water & Sewer Company

Horseshoe Bend Sewer

SR-2013-0459

Test Year Ending 06/30/2013 True-Up Ending 12/31/2013

Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Reserve Adjustment Number	Accumulated Depreciation Reserve Adjustments Description	Account Number	Adjustment Amount	Total Adjustment Amount
	1 - To adjust accumulated depreciation reserve for true-up as 12/31/13. A. Rice		\$221	
Total Reserve Adjustments				<u><u>-\$286,624</u></u>

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Revenue Schedule - Sewer

	A	B	C	D	E	F	G
Line Number	Account Number (Optional)	Revenue Description	Company/ Test Year Amount	Adjustment Number	Jurisdictional Adjustments	Jurisdictional Allocation	Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$435,417	Rev-2	\$15,210	100.00%	\$450,627
Rev-3		Miscellaneous Revenues	\$1,560	Rev-3	\$0	100.00%	\$1,560
Rev-4		TOTAL ANNUALIZED REVENUES	\$436,977		\$15,210		\$452,187

Lake Region Water & Sewer Company
 Horseshoe Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Revenue Adjustment Schedule - Sewer

<u>A</u> Revenue Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
Rev-2	Annualized Rate Revenues			\$15,210
	1. To Annualize Rate Revenues		\$15,210	
	2. Description		\$0	
	3. Description		\$0	
Rev-3	Miscellaneous Revenues			\$0
	1. To Annualize Miscellaneous Revenues		\$0	
	2. Description		\$0	
Total Revenue Adjustments				<u>\$15,210</u>

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
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Revenue Summary Schedule - Sewer

Line Number	A Description	Residential Sewer		Commercial Sewer	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	226		19	
3	Bills Per Year	12		12	
4	Customer Bills Per year	2,712		228	
5	Current Customer Charge	<u>\$29.39</u>		<u>\$29.39</u>	
6	Annualized Customer Charge Revenues		\$79,706		\$6,701
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		69,243,254	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>0</u>	
10	Commodity Gallons	0		69,243,254	
11	Block 1, Commodity Gallons per Block	0		69,243,254	
12	Block 1, Number of Commodity Gallons per Unit	<u>0</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	0.00		69,243.25	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$5.26</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$364,220
16	Total Annualized Sewer Rate Revenues		<u>\$79,706</u>		<u>\$370,921</u>

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

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Revenue Summary Schedule - Sewer

Line Number	A Description	Total	
		F Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	245	
3	Bills Per Year		
4	Customer Bills Per year	2,940	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$86,407
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	69,243,254	
9	Less: Base Gallons Included In Customer Charge	0	
10	Commodity Gallons	69,243,254	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$364,220
16	Total Annualized Sewer Rate Revenues		<u>\$450,627</u>

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

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Miscellaneous Revenues Feeder - Sewer

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

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Schedule - Sewer

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2	710.100	Purchased Wastewater Maintenance	\$8	S-2	-\$8	100.00%	\$0
3	711.100	Sludge Removal	\$23,190	S-3	-\$385	100.00%	\$22,805
4	715.000	Power for Treatment Plants - Other	\$155	S-4	-\$155	100.00%	\$0
5	715.100	Power for Treatment Plants - HB Only	\$7,890	S-5	\$1,119	100.00%	\$9,009
6	716.100	Power for Liftstations - HB	\$18,993	S-6	\$1,446	100.00%	\$20,439
7	718.100	Chemicals	\$19,124			100.00%	\$19,124
8	719.100	Effluent Testing Expenses - HB	\$8,961	S-8	\$1,001	100.00%	\$9,962
9	721.100	Sewer Operating Expense	\$6,314	S-9	\$457	100.00%	\$6,771
10	737.100	PWSD#4 Labor	\$126,259	S-10	-\$41,020	100.00%	\$85,239
11		TOTAL OPERATIONS EXPENSE	\$210,894		-\$37,545		\$173,349
12		MAINTENANCE EXPENSES					
13	720.100	Sewer Supplies	\$6,792	S-13	-\$843	100.00%	\$5,949
14	722.100	Tools and Shop Supplies	\$549	S-14	\$350	100.00%	\$899
15	730.000	Contractual Services - Other	\$9,750	S-15	-\$9,750	33.63%	\$0
16	742.000	Equipment Rental - Other	\$13,647	S-16	\$2,133	38.18%	\$6,025
17	745.900	Equipment Maintenance	\$3,170	S-17	\$337	100.00%	\$3,507
18	923.000	Outside Services Employed	\$1,407			0.00%	\$0
19		TOTAL MAINTENANCE EXPENSE	\$35,315		-\$7,773		\$16,380
20		CUSTOMER ACCOUNT EXPENSE					
21	921.500	Billing Expenses	\$4,889	S-21	-\$352	15.90%	\$721
22	950.000	Bad Debt Expense	\$2,205	S-22	-\$396	46.35%	\$838
23		TOTAL CUSTOMER ACCOUNT EXPENSE	\$7,094		-\$748		\$1,559
24		ADMINISTRATIVE & GENERAL EXPENSES					
25	732.100	Accounting Fees	\$6,771	S-25	-\$189	100.00%	\$6,582
26	733.100	Contracted Legal Fees	\$4,312	S-26	-\$2,768	100.00%	\$1,544
27	757.100	General Liability - Sewer	\$4,414	S-27	-\$2,613	100.00%	\$1,801
28	921.000	Office Supplies	\$12,969	S-28	-\$8,237	15.90%	\$752
29	922.000	Management Fees	\$211,000	S-29	-\$181,125	38.18%	\$11,406
30	925.000	Telephone	\$3,694	S-30	-\$1,759	46.35%	\$897
31	927.000	Travel and Entertainment - Other	\$17,516	S-31	-\$17,229	46.35%	\$133
32	927.100	Travel and Entertainment - Lodging	\$85	S-32	-\$85	46.35%	\$0
33	927.200	Transportation - Airline/Car	\$227	S-33	-\$227	46.35%	\$0
34	933.000	Transportation Expense	\$46,778	S-34	-\$2,142	46.35%	\$20,689
35	940.000	Customer Refunds	\$96			15.90%	\$15
36	941.000	Building Rental	\$13,200			38.18%	\$5,040
37	975.000	Other Misc. Expense	\$4,516	S-37	-\$2,687	46.35%	\$848
38	981.000	Rate Case Expense	\$322	S-38	\$3,790	100.00%	\$4,112
39		TOTAL ADMINISTRATIVE AND GENERAL	\$325,900		-\$215,271		\$53,819
40		OTHER OPERATING EXPENSES					
41	767.250	PSC Assessment	\$35,641	S-41	\$11,412	100.00%	\$47,053
42	779.100	Licenses and Permits	\$10,179	S-42	-\$1,429	100.00%	\$8,750
43	929.000	Discounts Taken	-\$49			46.35%	-\$23
44	930.000	Loss on Disposition of Assets	-\$2,520			20.35%	-\$513
45		CIAC Amortization Expense	\$0	S-45	-\$5,089	100.00%	-\$5,089
46		Depreciation	\$0	S-46	\$90,694	100.00%	\$90,694
47		TOTAL OTHER OPERATING EXPENSES	\$43,251		\$95,588		\$140,872
48		TAXES OTHER THAN INCOME					
49	967.200	Real Estate Taxes	\$4,025	S-49	-\$702	20.35%	\$676
50		TOTAL TAXES OTHER THAN INCOME	\$4,025		-\$702		\$676
51		TOTAL OPERATING EXPENSES	\$626,479		-\$166,451		\$386,655

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-2	Purchased Wastewater Maintenance	710.100		-\$8
	1 - To adjust sewer maintenance to a normalized level. E. Carle		-\$8	
S-3	Sludge Removal	711.100		-\$385
	1 - Settlement between Staff and OPC		-\$385	
S-4	Power for Treatment Plants - Other	715.000		-\$155
	1 - To remove amount booked to incorrect account. A. Sarver		-\$126	
	2 - To remove Ozark Shores expenses. A. Sarver		-\$29	
S-5	Power for Treatment Plants - HB Only	715.100		\$1,119
	1 - To annualize power to reflect rate increase. A. Sarver		\$1,321	
	2 - To add amount booked to incorrect account. A. Sarver		\$149	
	3 - To remove Ozark Shores expenses. A. Sarver		-\$211	
	4 - To remove Camden County PSWD #4 expense. A. Sarver		-\$140	
S-6	Power for Liftstations - HB	716.100		\$1,446
	1 - To annualize power to reflect rate increase. A. Sarver		\$1,446	
S-8	Effluent Testing Expenses - HB	719.100		\$1,001
	1 - To add amounts booked to incorrect accounts. A. Sarver		\$1,001	
S-9	Sewer Operating Expense	721.100		\$457

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - To normalize sewer operating expense. K. Bolin		\$110	
	2 - To annualize water used in operating treatment plant. K. Bolin		\$347	
S-10	PWSD#4 Labor	737.100		-\$41,020
	1 - To annualize payroll, employee benefits, payroll taxes, and workers' compensation. K. Foster		-\$43,527	
	2 - To true-up payroll, employee benefits, payroll taxes, and workers' compensation to December 31, 2013. K. Foster		\$2,507	
S-13	Sewer Supplies	720.100		-\$843
	1 - To remove items no necessary to provide safe and adequate service. A. Sarver		-\$22	
	2 - To remove amounts booked to incorrect account. A. Sarver		-\$821	
S-14	Tools and Shop Supplies	722.100		\$350
	1 - To add amounts booked to incorrect account. A. Sarver		\$350	
S-15	Contractual Services - Other	730.000		-\$9,750
	1 - To remove expenses associated with plant projects that were not completed. K. Bolin		-\$9,750	
S-16	Equipment Rental - Other	742.000		\$2,133
	1 - To adjust equipment rental expense to reflect Staff's annualized rental expense. E. Carle		\$2,133	
S-17	Equipment Maintenance	745.900		\$337

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
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Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - To normalize equipment maintenance. K. Bolin		\$337	
S-21	Billing Expenses	921.500		-\$352
	1 - To annualize billing expense based on current postal rates. K. Foster		-\$352	
S-22	Bad Debt Expense	950.000		-\$396
	1 - To adjust bad debt expense to a normalized level. E. Carle		-\$396	
S-25	Accounting Fees	732.100		-\$189
	1 - To reallocate accounting fees according to the revenue allocation factor. K. Foster		-\$189	
S-26	Contracted Legal Fees	733.100		-\$2,768
	1 - To remove legal fees for Maywood Estates, Corporate stock transfer, and 2012 Finance Authority. K. Foster		-\$3,669	
	2 - To annualize legal fees for 2012 Finance Authority to a three-year average. K. Foster		\$901	
S-27	General Liability - Sewer	757.100		-\$2,613
	1 - To annualize insurance to reflect allocation based on plant. A. Sarver		-\$2,613	
S-28	Office Supplies	921.000		-\$8,237
	1 - To remove amount booked to incorrect account. A. Sarver		-\$2,350	
	2 - To remove non-recurring expenses. A. Sarver		-\$250	
	3 - To remove account analysis charge. A. Sarver		-\$3,132	
	4 - To remove expenses not necessary to provide safe and adequate service. A. Sarver		-\$2,255	

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	5 - To remove expenses already accounted for in payroll. A. Sarver		-\$250	
S-29	Management Fees	922.000		-\$181,125
	1 - To replace executive management fees in test year with costs for executive oversight. K. Foster		-\$181,125	
S-30	Telephone	925.000		-\$1,759
	1 - To annualize cell phone for a two-year average. A. Sarver		-\$81	
	2 - To annualize wireless service to reflect allocation based on payroll. A. Sarver		-\$484	
	3 - To remove disallowed expense. A. Sarver		-\$225	
	4 - To remove wireless service no longer activated. A. Sarver		-\$969	
S-31	Travel and Entertainment - Other	927.000		-\$17,229
	1 - To remove expenses covered by executive oversight adjustment to account 922.00 and other miscellaneous expenses. K. Foster		-\$17,229	
S-32	Travel and Entertainment - Lodging	927.100		-\$85
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$85	
S-33	Transportation - Airline/Car	927.200		-\$227
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$227	
S-34	Transportation Expense	933.000		-\$2,142

Lake Region Water & Sewer Company
Horseshoe Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - To adjust out misapplied expenses and expenses related to the Shawnee Bend Development Lawsuit, and to adjust expenses related to the 2012 Finance Authority to a three-year average. K. Foster		-\$2,142	
S-37	Other Misc. Expense	975.000		-\$2,687
	1 - To adjust Misc. Expense to a normalized level. E. Carle		-\$3,501	
	2 - To annualize bank service charge. A. Sarver		\$814	
S-38	Rate Case Expense	981.000		\$3,790
	1 - To normalize rate case expense over a five year period. E. Carle		\$3,790	
S-41	PSC Assessment	767.250		\$11,412
	1 - To adjust PSC/OPC Assessment to the 2014 assessment level. E. Carle		\$11,412	
S-42	Licenses and Permits	779.100		-\$1,429
	1 - To correct amount booked to incorrect account A. Sarver		-\$750	
	2 - To remove non-recurring expenses. A. Sarver		-\$679	
S-45	CIAC Amortization Expense			-\$5,089
	1 - Update Amortized CIAC based on new allocation factors. A. Sarver		-\$5,089	
S-46	Depreciation			\$90,694
	1. To Annualize Depreciation		\$90,694	
S-49	Real Estate Taxes	967.200		-\$702

Lake Region Water & Sewer Company
 Horseshoe Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - To annualize taxes to reflect allocation based on Company's plant. A. Sarver		-\$239	
	2 - To annualize taxes based on true-up. A. Sarver		-\$463	
Total Expense Adjustments				<u><u>-\$166,451</u></u>

Exhibit No.:

Issue: Accounting Schedules

Witness: MO PSC Auditors

Sponsoring Party: MO PSC Staff

Case No: SR-2013-0459

Date Prepared: March 6, 2014



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DEPARTMENT

SHAWNEE BEND SEWER

STAFF ACCOUNTING SCHEDULES

LAKE REGION WATER & SEWER COMPANY

CASE NO. SR-2013-0459

Jefferson City, Missouri

March 2014

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Rate Design Schedule - Sewer

A		B	C	D	E	F
Line Number	Description	Account Number (Optional)	Staff Annualized	Customer Charge	Commodity	Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$296,667			
Rev-3	Miscellaneous Revenues		(1) \$139,704			
Rev-4	TOTAL ANNUALIZED REVENUES		<u>\$436,371</u>			
1	OPERATIONS EXPENSES		(2)			
2	Sludge Removal	711.200	3765	\$0	\$3,765	0
3	Power for Treatment Plants - Other	715.000	\$0	\$0	\$0	0.00%
4	Power for Treatment Plants - SB Only	715.200	\$12,963	\$0	\$12,963	0.00%
5	Power for Liftstations - SB	716.200	\$19,106	\$0	\$19,106	0.00%
6	Chemicals	718.200	\$8,529	\$0	\$8,529	0.00%
7	Effluent Testing Expenses - SB	719.200	\$3,339	\$0	\$3,339	0.00%
8	Sewer Operating Expense	721.200	\$3,257	\$0	\$3,257	0.00%
9	PWSD#4 Labor	737.200	\$84,166	\$0	\$84,166	0.00%
10	TOTAL OPERATIONS EXPENSE		<u>\$135,125</u>	\$0	<u>\$135,125</u>	
11	MAINTENANCE EXPENSES					
12	Sewer Supplies	720.200	\$3,102	\$0	\$3,102	0.00%
13	Tools and Shop Supplies	722.200	\$516	\$0	\$516	0.00%
14	Contractual Services - Other	730.000	\$0	\$0	\$0	0.00%
15	Equipment Rental - Other	742.000	\$6,007	\$0	\$6,007	0.00%
16	Equipment Maintenance	745.950	\$2,245	\$0	\$2,245	0.00%
17	Outside Services Employed	923.000	\$709	\$0	\$709	0.00%
18	TOTAL MAINTENANCE EXPENSE		<u>\$12,579</u>	\$0	<u>\$12,579</u>	
19	CUSTOMER ACCOUNT EXPENSE					
20	Billing Expense	921.500	\$1,874	\$0	\$1,874	0.00%
21	Bad Debt Expense	950.000	\$552	\$0	\$552	0.00%
22	TOTAL CUSTOMER ACCOUNT EXPENSE		<u>\$2,426</u>	\$0	<u>\$2,426</u>	
23	ADMINISTRATIVE & GENERAL EXPENSES					
24	Accounting Fees	732.200	\$4,332	\$0	\$4,332	0.00%
25	Contracted Legal Fees	733.200	\$597	\$0	\$597	0.00%
26	General Liability - Sewer	757.200	\$3,554	\$0	\$3,554	0.00%
27	Office Supplies	921.000	\$1,954	\$0	\$1,954	0.00%
28	Management Fees	922.000	\$11,373	\$0	\$11,373	0.00%
29	Telephone	925.000	\$590	\$0	\$590	0.00%
30	Travel and Entertainment - Other	927.000	\$88	\$0	\$88	0.00%
31	Travel and Entertainment - Lodging	927.100	\$0	\$0	\$0	0.00%
32	Transportation - Airline/Car	927.200	\$0	\$0	\$0	0.00%
33	Transportation Expense	933.000	\$13,618	\$0	\$13,618	0.00%
34	Customer Refunds	940.000	\$40	\$0	\$40	0.00%
35	Building Rental	941.000	\$5,025	\$0	\$5,025	0.00%
36	Other Misc. Expenses	975.000	\$558	\$0	\$558	0.00%
37	Rate Case Expense	981.000	\$4,112	\$0	\$4,112	0.00%
38	TOTAL ADMINISTRATIVE AND GENERAL		<u>\$45,841</u>	\$0	<u>\$45,841</u>	
39	OTHER OPERATING EXPENSES					
40	PSC Assessment	767.500	\$30,975	\$0	\$30,975	0.00%
41	Licenses and Permits	779.200	\$750	\$0	\$750	0.00%
42	Discounts Taken	929.000	-\$15	\$0	-\$15	0.00%
43	Loss on Disposition of Assets	930.000	-\$1,012	\$0	-\$1,012	0.00%
44	Amortization of SB Development Legal Fees		\$1,549	\$0	\$1,549	0.00%
45	CIAC Amortization Expense		-\$106,755	\$0	-\$106,755	0.00%
46	Depreciation		\$129,425	\$0	\$129,425	0.00%
47	TOTAL OTHER OPERATING EXPENSES		<u>\$54,917</u>	\$0	<u>\$54,917</u>	
48	TAXES OTHER THAN INCOME					
49	Real Estate Taxes	967.200	\$1,335	\$0	\$1,335	0.00%
50	TOTAL TAXES OTHER THAN INCOME		<u>\$1,335</u>	\$0	<u>\$1,335</u>	
51	TOTAL OPERATING EXPENSES		<u>\$252,223</u>	\$0	<u>\$252,223</u>	

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Rate Design Schedule - Sewer

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
52	Interest Expense	(3)	\$4,562	\$0	\$4,562	0.00%
53	Return on Equity	(3)	\$4,225	\$0	\$4,225	0.00%
54	Income Taxes	(3)	\$1,053	\$0	\$1,053	0.00%
55	TOTAL INTEREST RETURN & TAXES		\$9,840	\$0	\$9,840	
56	TOTAL COST OF SERVICE		\$262,063	\$0	\$262,063	
57	Less: Miscellaneous Revenues		\$139,704	\$0	\$139,704	0.00%
58	COST TO RECOVER IN RATES		\$122,359	\$0	\$122,359	
59	INCREMENTAL INCREASE IN RATE REVENUES		<u>-\$174,308</u>			
60	PERCENTAGE OF INCREASE		<u>-39.94%</u>			
61	REQUESTED INCREASE IN REVENUES		\$1,673			

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

Lake Region Water & Sewer Company
 Shawnee Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Rate Base Required Return on Investment Schedule - Sewer

Line Number	<u>A</u> Rate Base Description	<u>B</u> Dollar Amount
1	Plant In Service	\$4,195,128 From Plant Schedule
2	Less Accumulated Depreciation Reserve	<u>\$1,448,263</u> From Depreciation Reserve Schedule
3	Net Plant In Service	\$2,746,865
4	Other Rate Base Items:	\$0
	Deffered Taxes	-\$43,681
	Customer Advances	-\$163,950
	Material and Supplies	\$13,271
	Contribution of Aid of Construction	-\$3,460,325
	CIAC Depreciation	\$1,029,462
5	Total Rate Base	<u>\$121,642</u>
6	Total Weighted Rate of Return Including Income Tax	<u>8.09%</u> From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	<u><u>\$9,839</u></u>

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Rate of Return Including Income Tax - Sewer

	A	B	formulas
1 State Income Tax Rate Statutory / Effective	6.25% (2)	5.81%	(1 - (B2 x .5)) x A1
2 Federal Income Tax Rate Statutory / Effective	15.01% (1) & (2)	14.14%	(1 - B1) x A2
3 Composite Effective Income Tax Rate		19.95%	B1 + B2
4 Equity Tax Factor		1.2492	1 / (1-B3)
5 Recommended Weighted Rate of Return on Equity - Common and Preferred		3.47%	From Capital Structure Schedule
6 Weighted Rate of Return on Equity Including Income Tax		4.34%	B4 x B5
7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		3.75%	From Capital Structure Schedule
8 Total Weighted Rate of Return Including Income Tax		8.09%	B6+B7

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

N

To Rate Base Schedule

Equity Income Required \$4,971
& Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$4,971	\$746
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$4,971	\$746
			Consolidated Tax Rate:	
			Average Tax Rate:	0.1501

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Capital Structure Schedule - Sewer

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

To PreTax Return Rate Schedule

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Plant In Service - Sewer

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$22,970			72.23%	\$16,591
3		TOTAL INTANGIBLE PLANT	\$22,970		\$0		\$16,591
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$5,985			72.23%	\$4,323
6		TOTAL SOURCE OF SUPPLY PLANT	\$5,985		\$0		\$4,323
7		COLLECTION PLANT					
8	352.120	Collection Sewers - Force - SB	\$2,777,585	P-8	\$55,935	100.00%	\$2,833,520
9	353.200	Services to Customers SB	\$129,981	P-9	\$56,537	100.00%	\$186,518
10	354.200	Flow Measuring Devices SB	\$0	P-10	\$5,993	100.00%	\$5,993
11		TOTAL COLLECTION PLANT	\$2,907,566		\$118,465		\$3,026,031
12		PUMPING PLANT					
13	362.200	Receiving Wells and Pump Pits SB	\$258,043	P-13	-\$8,470	100.00%	\$249,573
14	363.200	Pumping Equipment SB	\$18,206	P-14	\$243,737	100.00%	\$261,943
15		TOTAL PUMPING PLANT	\$276,249		\$235,267		\$511,516
16		TREATMENT & DISPOSAL PLANT					
17	372.200	Treatment and Disposal Equipment - SB	\$576,742	P-17	\$768	100.00%	\$577,510
18		TOTAL TREATMENT & DISPOSAL PLANT	\$576,742		\$768		\$577,510
19		GENERAL PLANT					
20	391.000	Office Furniture and Equipment	\$11,172	P-20	-\$3,924	41.33%	\$2,996
21	391.100	Office Electronic Equipment	\$14,917	P-21	-\$6,161	41.33%	\$3,619
22	392.000	Transportation Equipment - GP	\$10,579			72.23%	\$7,641
23	392.100	Transportation Equipment - Pump Truck	\$36,520			72.23%	\$26,378
24	392.200	Transportation Equipment - Sierra Truck	\$19,703			41.33%	\$8,143
25	394.000	Tools, Shop and Garage Equipment	\$6,727	P-25	-\$322	41.33%	\$2,647
26	395.000	Laboratory Equipment	\$1,284	P-26	-\$1,283	72.23%	\$1
27	396.000	Power Operated Equipment - Company Owned	\$11,523	P-27	-\$819	72.23%	\$7,731
28		TOTAL GENERAL PLANT	\$112,425		-\$12,509		\$59,157
29		TOTAL PLANT IN SERVICE	\$3,901,937		\$341,991		\$4,195,128

To Rate Base & Depreciation Schedules

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-8	Collection Sewers - Force - SB	352.120		\$55,935
	1 - Transfer (Reclass) plant recorded as Horseshoe Bend "Plant Sewers" in previous case. A. Rice		\$38,535	
	2 - Reverse original cost, Villages 12/31/2000. A. Rice		-\$5,400	
	3 - Reverse original cost, Villages 12/31/2001. A. Rice		-\$1,500	
	4 - Reverse original cost, Villages 12/31/2001. A. Rice		-\$4,650	
	5 - Sewer line upgrade, Villages lawsuit determined original cost. A. Rice		\$28,950	
P-9	Services to Customers SB	353.200		\$56,537
	1 - Update plant balance from previous case. A. Rice		\$42,330	
	2 - Adjust inventory to actual. A. Rice		\$4,447	
	3 - Capitalize labor from previous case. A. Rice		\$2,700	
	4- To adjust plant for true-up as of 12/31/13. A. Rice		\$7,060	
P-10	Flow Measuring Devices SB	354.200		\$5,993
	1 - Transfer plant improperly booked from Horseshoe Bend Sewer Acct. 354.10. A. Rice		\$5,993	
P-13	Receiving Wells and Pump Pits SB	362.200		-\$8,470

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - Transfer plant improperly booked to Shawnee Bend Sewer. Transfer to HB Pumping Equip. Acct. 363.10. A. Rice		-\$2,383	
	2 - Transfer to SB Pumping Equip. Acct. 363.00. A. Rice		-\$6,087	
P-14	Pumping Equipment SB	363.200		\$243,737
	1 - Capitalize pumps and control panels from previous case 12/31/2009. A. Rice		\$4,164	
	2 - Lift station pump retirement (Prior to 3/31/2010). A. Rice		-\$6,514	
	3 - Transfer from SB Receiving Wells Acct. 362.20. A. Rice		\$6,087	
	4 - Transfer (reclass) from account 363.10 HB Pumping Equip. to SB. A. Rice		\$240,000	
P-17	Treatment and Disposal Equipment - SB	372.200		\$768
	1- To adjust plant for true-up as of 12/31/13. A. Rice		\$1,868	
	2- To adjust plant for true-up retirement. A. Rice		-\$1,100	
P-20	Office Furniture and Equipment	391.000		-\$3,924
	1- To adjust plant for true-up retirement. A. Rice		-\$3,924	
P-21	Office Electronic Equipment	391.100		-\$6,161
	1- To adjust plant for true-up retirement. A. Rice		-\$6,161	
P-25	Tools, Shop and Garage Equipment	394.000		-\$322

Lake Region Water & Sewer Company
 Shawnee Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Schedule of Adjustments for Plant in Service - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	1- To adjust plant for true-up retirement. A. Rice		-\$322	
P-26	Laboratory Equipment	395.000		-\$1,283
	1- To adjust plant for true-up retirement. A. Rice		-\$1,283	
P-27	Power Operated Equipment - Company Owned	396.000		-\$819
	1- To adjust plant for true-up retirement. A. Rice		-\$819	
Total Plant Adjustments				<u><u>\$341,991</u></u>

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Depreciation Expense - Sewer

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	<u>\$16,591</u>	0.00%	<u>\$0</u>
3		TOTAL INTANGIBLE PLANT	<u>\$16,591</u>		<u>\$0</u>
4		SOURCE OF SUPPLY PLANT			
5	350.000	Land & Land Rights	<u>\$4,323</u>	0.00%	<u>\$0</u>
6		TOTAL SOURCE OF SUPPLY PLANT	<u>\$4,323</u>		<u>\$0</u>
7		COLLECTION PLANT			
8	352.120	Collection Sewers - Force - SB	\$2,833,520	2.00%	\$56,670
9	353.200	Services to Customers SB	\$186,518	2.00%	\$3,730
10	354.200	Flow Measuring Devices SB	<u>\$5,993</u>	3.30%	<u>\$198</u>
11		TOTAL COLLECTION PLANT	<u>\$3,026,031</u>		<u>\$60,598</u>
12		PUMPING PLANT			
13	362.200	Receiving Wells and Pump Pits SB	\$249,573	4.00%	\$9,983
14	363.200	Pumping Equipment SB	<u>\$261,943</u>	10.00%	<u>\$26,194</u>
15		TOTAL PUMPING PLANT	<u>\$511,516</u>		<u>\$36,177</u>
16		TREATMENT & DISPOSAL PLANT			
17	372.200	Treatment and Disposal Equipment - SB	<u>\$577,510</u>	5.00%	<u>\$28,876</u>
18		TOTAL TREATMENT & DISPOSAL PLANT	<u>\$577,510</u>		<u>\$28,876</u>
19		GENERAL PLANT			
20	391.000	Office Furniture and Equipment	\$2,996	5.00%	\$150
21	391.100	Office Electronic Equipment	\$3,619	14.30%	\$517
22	392.000	Transportation Equipment - GP	\$7,641	0.00%	\$0
23	392.100	Transportation Equipment - Pump Truck	\$26,378	5.30%	\$1,398
24	392.200	Transportation Equipment - Sierra Truck	\$8,143	13.00%	\$1,059
25	394.000	Tools, Shop and Garage Equipment	\$2,647	5.00%	\$132
26	395.000	Laboratory Equipment	\$1	5.00%	\$0
27	396.000	Power Operated Equipment - Company Owned	\$7,731	6.70%	\$518
28		TOTAL GENERAL PLANT	<u>\$59,157</u>		<u>\$3,774</u>
29		Total Depreciation	<u><u>\$4,195,128</u></u>		<u><u>\$129,425</u></u>

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Accumulated Depreciation Reserve - Sewer

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
4		SOURCE OF SUPPLY PLANT					
5	350.000	Land & Land Rights	\$0			100.00%	\$0
6		TOTAL SOURCE OF SUPPLY PLANT	\$0		\$0		\$0
7		COLLECTION PLANT					
8	352.120	Collection Sewers - Force - SB	\$583,622	R-8	\$37,872	100.00%	\$621,494
9	353.200	Services to Customers SB	\$17,407	R-9	\$1,830	100.00%	\$19,237
10	354.200	Flow Measuring Devices SB	\$0	R-10	\$2,472	100.00%	\$2,472
11		TOTAL COLLECTION PLANT	\$601,029		\$42,174		\$643,203
12		PUMPING PLANT					
13	362.200	Receiving Wells and Pump Pits SB	\$147,130	R-13	\$1,797	100.00%	\$148,927
14	363.200	Pumping Equipment SB	\$16,340	R-14	\$191,277	100.00%	\$207,617
15		TOTAL PUMPING PLANT	\$163,470		\$193,074		\$356,544
16		TREATMENT & DISPOSAL PLANT					
17	372.200	Treatment and Disposal Equipment - SB	\$195,081	R-17	\$197,918	100.00%	\$392,999
18		TOTAL TREATMENT & DISPOSAL PLANT	\$195,081		\$197,918		\$392,999
19		GENERAL PLANT					
20	391.000	Office Furniture and Equipment	\$7,453	R-20	-\$3,694	41.33%	\$1,554
21	391.100	Office Electronic Equipment	\$6,894	R-21	-\$5,865	41.33%	\$425
22	392.000	Transportation Equipment - GP	\$30,006	R-22	\$688	72.23%	\$22,170
23	392.100	Transportation Equipment - Pump Truck	\$26,076	R-23	\$2,374	72.23%	\$20,549
24	392.200	Transportation Equipment - Sierra Truck	\$10,664	R-24	\$1,281	41.33%	\$4,937
25	394.000	Tools, Shop and Garage Equipment	\$4,336	R-25	-\$158	41.33%	\$1,727
26	395.000	Laboratory Equipment	\$886	R-26	-\$1,267	72.23%	-\$275
27	396.000	Power Operated Equipment - Company Owned	\$6,580	R-27	-\$447	72.23%	\$4,430
28		TOTAL GENERAL PLANT	\$92,895		-\$7,088		\$55,517
29		TOTAL DEPRECIATION RESERVE	\$1,052,475		\$426,078		\$1,448,263

To Rate Base Schedule

Lake Region Water & Sewer Company
 Shawnee Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-8	Collection Sewers - Force - SB	352.120		\$37,872
	1 - Transfer (reclass) of \$38,535 plant recorded as Horseshoe Bend "Plant Sewers" in previous case. A. Rice		\$9,537	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$28,335	
R-9	Services to Customers SB	353.200		\$1,830
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13.		\$1,830	
R-10	Flow Measuring Devices SB	354.200		\$2,472
	1 - Transfer of \$5,993 plant improperly booked to Horseshoe Bend Sewer. A. Rice		\$2,373	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$99	
R-13	Receiving Wells and Pump Pits SB	362.200		\$1,797
	1 - Transfer to Horseshoe Bend Sewer of \$2,383 of plant improperly booked to Shawnee Bend Sewer. Transfer to Acct. 363.10. A. Rice		-\$1,262	
	2 - Transfer of \$6,087 of plant to SB Pumping Acct. 363.20. A. Rice		-\$3,180	
	3- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$6,239	
R-14	Pumping Equipment SB	363.200		\$191,277

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
	1 - Transfer from SB Receiving Wells Acct. 362.20. A. Rice		\$3,180	
	2 - Transfer (reclass) from Acct. 363.10 HB to SB. Accrued reserves associated with the \$240,000 Pumping Plant transfer from HB to SB. A. Rice		\$300,000	
	3 - Pumping Equip. is over accrued. Reserve rebalance with under accrued Treatment & Disposal Equip. Acct. 372.20. A. Rice		-\$125,000	
	4- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$13,097	
R-17	Treatment and Disposal Equipment - SB	372.200		\$197,918
	1 - Treatment and Disposal Equip. is under accrued. Reserve rebalance with over accrued Pumping Equip. Acct. 363.20. A. Rice		\$125,000	
	2 - Reverse the \$61,969 retired for lagoon land. A Rice 2/10/14 OPC Settlement		\$61,969	
	3 - To adjust balance for error. A. Rice		-\$139	
	3- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$14,128	
	4- To adjust salvage for true-up. A. Rice		-\$1,940	
	5- To adjust plant for true-up retirement. A. Rice		-\$1,100	
R-20	Office Furniture and Equipment	391.000		-\$3,694
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$230	
	2- To adjust plant for true-up retirement. A. Rice		-\$3,924	

Lake Region Water & Sewer Company
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Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-21	Office Electronic Equipment	391.100		-\$5,865
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$296	
	2- To adjust plant for true-up retirement. A. Rice		-\$6,161	
R-22	Transportation Equipment - GP	392.000		\$688
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$688	
R-23	Transportation Equipment - Pump Truck	392.100		\$2,374
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$2,374	
R-24	Transportation Equipment - Sierra Truck	392.200		\$1,281
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$1,281	
R-25	Tools, Shop and Garage Equipment	394.000		-\$158
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$164	
	2- To adjust plant for true-up retirement. A. Rice		-\$322	
R-26	Laboratory Equipment	395.000		-\$1,267
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$16	

Lake Region Water & Sewer Company
 Shawnee Bend Sewer
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 Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
	2- To adjust plant for true-up retirement. A. Rice		-\$1,283	
R-27	Power Operated Equipment - Company Owned	396.000		-\$447
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$372	
	2- To adjust plant for true-up retirement. A. Rice		-\$819	
Total Reserve Adjustments				<u>\$426,078</u>

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Revenue Schedule - Sewer

	A	B	C	D	E	F	G
Line Number	Account Number (Optional)	Revenue Description	Company/ Test Year Amount	Adjustment Number	Jurisdictional Adjustments	Jurisdictional Allocation	Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$283,160	Rev-2	\$13,507	100.00%	\$296,667
Rev-3		Miscellaneous Revenues	-\$260	Rev-3	\$139,964	100.00%	\$139,704
Rev-4		TOTAL ANNUALIZED REVENUES	\$282,900		\$153,471		\$436,371

Lake Region Water & Sewer Company
 Shawnee Bend Sewer
 SR-2013-0459
 Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
 Revenue Adjustment Schedule - Sewer

<u>A</u> Revenue Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
Rev-2	Annualized Rate Revenues			\$13,507
	1. To Annualize Rate Revenues		\$13,507	
	2. Description		\$0	
	3. Description		\$0	
Rev-3	Miscellaneous Revenues			\$139,964
	1. To Annualize Miscellaneous Revenues		\$139,964	
	2. Description		\$0	
Total Revenue Adjustments				<u>\$153,471</u>

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Revenue Summary Schedule - Sewer

Line Number	A Description	Residential Sewer		Commercial Sewer	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	626		12	
3	Bills Per Year	12		12	
4	Customer Bills Per year	7,512		144	
5	Current Customer Charge	<u>\$36.19</u>		<u>\$36.19</u>	
6	Annualized Customer Charge Revenues		\$271,859		\$5,211
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		3,806,260	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>556,372</u>	
10	Commodity Gallons	0		3,249,888	
11	Block 1, Commodity Gallons per Block	0		3,249,888	
12	Block 1, Number of Commodity Gallons per Unit	<u>0</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	0.00		3,249.89	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$6.03</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$19,597
16	Total Annualized Sewer Rate Revenues		<u>\$271,859</u>		<u>\$24,808</u>

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

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Revenue Summary Schedule - Sewer

Line Number	A Description	Total	
		F Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	638	
3	Bills Per Year		
4	Customer Bills Per year	7,656	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$277,070
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	3,806,260	
9	Less: Base Gallons Included In Customer Charge	556,372	
10	Commodity Gallons	3,249,888	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$19,597
16	Total Annualized Sewer Rate Revenues		<u>\$296,667</u>

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

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Miscellaneous Revenues Feeder - Sewer

Line Number	<u>A</u>	<u>B</u>
	Description	Amount
1	To remove clearing account 536	\$0
2	To include Availability Fees	<u>\$139,704</u>
3	Total Miscellaneous Revenues	<u><u>\$139,704</u></u>

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Expense Schedule - Sewer

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2	711.200	Sludge Removal	\$3,530	S-2	\$235	100.00%	\$3,765
3	715.000	Power for Treatment Plants - Other	\$155	S-3	-\$155	100.00%	\$0
4	715.200	Power for Treatment Plants - SB Only	\$13,095	S-4	-\$132	100.00%	\$12,963
5	716.200	Power for Liftstations - SB	\$20,765	S-5	-\$1,659	100.00%	\$19,106
6	718.200	Chemicals	\$8,529			100.00%	\$8,529
7	719.200	Effluent Testing Expenses - SB	\$2,685	S-7	\$654	100.00%	\$3,339
8	721.200	Sewer Operating Expense	\$3,487	S-8	-\$230	100.00%	\$3,257
9	737.200	PWSD#4 Labor	\$73,577	S-9	\$10,589	100.00%	\$84,166
10		TOTAL OPERATIONS EXPENSE	\$125,823		\$9,302		\$135,125
11		MAINTENANCE EXPENSES					
12	720.200	Sewer Supplies	\$3,967	S-12	-\$865	100.00%	\$3,102
13	722.200	Tools and Shop Supplies	\$319	S-13	\$197	100.00%	\$516
14	730.000	Contractual Services - Other	\$9,750	S-14	-\$9,750	66.37%	\$0
15	742.000	Equipment Rental - Other	\$13,647	S-15	\$2,133	38.07%	\$6,007
16	745.950	Equipment Maintenance	-\$277	S-16	\$2,522	100.00%	\$2,245
17	923.000	Outside Services Employed	\$1,407			50.42%	\$709
18		TOTAL MAINTENANCE EXPENSE	\$28,813		-\$5,763		\$12,579
19		CUSTOMER ACCOUNT EXPENSE					
20	921.500	Billing Expense	\$4,889	S-20	-\$352	41.30%	\$1,874
21	950.000	Bad Debt Expense	\$2,205	S-21	-\$396	30.51%	\$552
22		TOTAL CUSTOMER ACCOUNT EXPENSE	\$7,094		-\$748		\$2,426
23		ADMINISTRATIVE & GENERAL EXPENSES					
24	732.200	Accounting Fees	\$3,805	S-24	\$527	100.00%	\$4,332
25	733.200	Contracted Legal Fees	\$9,373	S-25	-\$8,776	100.00%	\$597
26	757.200	General Liability - Sewer	\$2,480	S-26	\$1,074	100.00%	\$3,554
27	921.000	Office Supplies	\$12,969	S-27	-\$8,237	41.30%	\$1,954
28	922.000	Management Fees	\$211,000	S-28	-\$181,125	38.07%	\$11,373
29	925.000	Telephone	\$3,694	S-29	-\$1,759	30.51%	\$590
30	927.000	Travel and Entertainment - Other	\$17,516	S-30	-\$17,229	30.51%	\$88
31	927.100	Travel and Entertainment - Lodging	\$85	S-31	-\$85	30.51%	\$0
32	927.200	Transportation - Airline/Car	\$227	S-32	-\$227	30.51%	\$0
33	933.000	Transportation Expense	\$46,778	S-33	-\$2,142	30.51%	\$13,618
34	940.000	Customer Refunds	\$96			41.30%	\$40
35	941.000	Building Rental	\$13,200			38.07%	\$5,025
36	975.000	Other Misc. Expenses	\$4,516	S-36	-\$2,687	30.51%	\$558
37	981.000	Rate Case Expense	\$322	S-37	\$3,790	100.00%	\$4,112
38		TOTAL ADMINISTRATIVE AND GENERAL	\$326,061		-\$216,876		\$45,841
39		OTHER OPERATING EXPENSES					
40	767.500	PSC Assessment	\$19,870	S-40	\$11,105	100.00%	\$30,975
41	779.200	Licenses and Permits	\$1,500	S-41	-\$750	100.00%	\$750
42	929.000	Discounts Taken	-\$49			30.51%	-\$15
43	930.000	Loss on Disposition of Assets	-\$2,520			40.16%	-\$1,012
44		Amortization of SB Development Legal Fees	\$0	S-44	\$1,549	100.00%	\$1,549
45		CIAC Amortization Expense	\$0	S-45	-\$106,755	100.00%	-\$106,755
46		Depreciation	\$0	S-46	\$129,425	100.00%	\$129,425
47		TOTAL OTHER OPERATING EXPENSES	\$18,801		\$34,574		\$54,917
48		TAXES OTHER THAN INCOME					
49	967.200	Real Estate Taxes	\$4,025	S-49	-\$702	40.16%	\$1,335
50		TOTAL TAXES OTHER THAN INCOME	\$4,025		-\$702		\$1,335
51		TOTAL OPERATING EXPENSES	\$510,617		-\$180,213		\$252,223

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-2	Sludge Removal	711.200		\$235
	1 - Staff/OPC Settlement		\$235	
S-3	Power for Treatment Plants - Other	715.000		-\$155
	1 - To remove Ozark Shores expenses - A. Sarver		-\$29	
	2 - To remove amounts booked to incorrect accounts. A. Sarver		-\$126	
S-4	Power for Treatment Plants - SB Only	715.200		-\$132
	1 - To remove account no longer in service. A. Sarver		-\$132	
S-5	Power for Liftstations - SB	716.200		-\$1,659
	1 - To annualize power to reflect rate increase. A. Sarver		\$76	
	2 - To remove amounts booked to incorrect account. A. Sarver		-\$23	
	3 - To remove Ozark Shores expenses. A. Sarver		-\$15	
	4 - To remove amounts booked to incorrect account, transfer to Well Pump Power Acct. 615.20. A. Sarver		-\$1,697	
S-7	Effluent Testing Expenses - SB	719.200		\$654
	1 - To add amounts booked to incorrect accounts. A. Sarver		\$654	
S-8	Sewer Operating Expense	721.200		-\$230
	1 - To normalize sewer operating expense. K. Bolin		-\$230	

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-9	PWSD#4 Labor	737.200		\$10,589
	1 - To annualize payroll, employee benefits, payroll taxes, and workers' compensation. K. Foster		\$8,290	
	2 - To true-up payroll, employee benefits, payroll taxes, and workers' compensation to December 31, 2013. K. Foster		\$2,299	
S-12	Sewer Supplies	720.200		-\$865
	1 - To remove items not necessary to provide safe and adequate service. A. Sarver		-\$12	
	2 - To remove amounts booked to incorrect account. A. Sarver		-\$853	
S-13	Tools and Shop Supplies	722.200		\$197
	1 - To add amount booked to incorrect account. A. Sarver		\$197	
S-14	Contractual Services - Other	730.000		-\$9,750
	1 - To remove expenses associated with plant projects that were not completed. K. Bolin		-\$9,750	
S-15	Equipment Rental - Other	742.000		\$2,133
	1 - To adjust equipment rental expense to reflect Staff's annualized rental expense. E. Carle		\$2,133	
S-16	Equipment Maintenance	745.950		\$2,522
	1 - To normalize equipment maintenance. K. Bolin		\$2,522	
S-20	Billing Expense	921.500		-\$352
	1 - To annualize billing expense based on current postal rates. K. Foster		-\$352	

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-21	Bad Debt Expense	950.000		-\$396
	1 - To adjust bad debt expense to a normalized level. E. Carle		-\$396	
S-24	Accounting Fees	732.200		\$527
	1 - To reallocate accounting fees according to the revenue allocation factor. K. Foster		\$527	
S-25	Contracted Legal Fees	733.200		-\$8,776
	1 - To remove legal fees for Shawnee Bend Litigation and 2012 Finance Authority. K. Foster		-\$9,282	
	2 - To annualize legal fees for 2012 Finance Authority to a three-year average. K. Foster		\$506	
S-26	General Liability - Sewer	757.200		\$1,074
	1 - To annualize insurance to reflect allocation based on plant. A. Sarver		\$1,074	
S-27	Office Supplies	921.000		-\$8,237
	1 - To remove amount booked to incorrect account. A. Sarver		-\$2,350	
	2 - To remove non-recurring expenses. A. Sarver		-\$250	
	3 - To remove account analysis charge. A. Sarver		-\$3,132	
	4 - To remove expenses not necessary to provide safe and adequate service. A. Sarver		-\$2,255	
	5 - To remove expenses already accounted for in payroll. A. Sarver		-\$250	
S-28	Management Fees	922.000		-\$181,125
	1 - To replace executive management fees in test year with costs for executive oversight. K. Foster		-\$181,125	

Lake Region Water & Sewer Company
Shawnee Bend Sewer
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Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-29	Telephone	925.000		-\$1,759
	1 - To annualize cell phone for a two-year average. A. Sarver		-\$81	
	2 - To annualize wireless service to reflect allocation based on payroll. A. Sarver		-\$484	
	3 - To remove disallowed expense. A. Sarver		-\$225	
	4 - To remove wireless service no longer activated. A. Sarver		-\$969	
S-30	Travel and Entertainment - Other	927.000		-\$17,229
	1 - To remove expenses covered by executive oversight adjustment to account 922.00 and other miscellaneous expenses. K. Foster		-\$17,229	
S-31	Travel and Entertainment - Lodging	927.100		-\$85
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$85	
S-32	Transportation - Airline/Car	927.200		-\$227
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$227	
S-33	Transportation Expense	933.000		-\$2,142
	1 - To adjust out misapplied expenses and expenses related to the Shawnee Bend Development Lawsuit, and to adjust expenses related to the 2012 Finance Authority to a three-year average. K. Foster		-\$2,142	
S-36	Other Misc. Expenses	975.000		-\$2,687

Lake Region Water & Sewer Company
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Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - To ajust Misc. Expense to a normalized level. E. Carle		-\$3,501	
	2 - To annualize bank service charges. A. Sarver		\$814	
S-37	Rate Case Expense	981.000		\$3,790
	1 - To normalize rate case expense over a five year period. E. Carle		\$3,790	
S-40	PSC Assessment	767.500		\$11,105
	1 - To adjust PSC/OPC Assessment to the 2014 assessment level. E. Carle		\$11,105	
S-41	Licenses and Permits	779.200		-\$750
	1 - To removed non-recurring expenses. A. Sarver		-\$750	
S-44	Amortization of SB Development Legal Fees			\$1,549
	1 - To amortize legal fees for Shawnee Bend Litigation over five years. K. Foster		\$1,549	
S-45	CIAC Amortization Expense			-\$106,755
	1 - Update Amortized CIAC based on new allocation factors. A. Sarver		-\$106,755	
S-46	Depreciation			\$129,425
	1. To Annualize Depreciation		\$129,425	
S-49	Real Estate Taxes	967.200		-\$702
	1 - To annualize taxes to reflect allocation based on Company's plant. A. Sarver		-\$239	
	2 - To annualize taxes based on true-up. A. Sarver		-\$463	

Lake Region Water & Sewer Company
Shawnee Bend Sewer
SR-2013-0459
Test Year Ending 06/30/2013 True-Up Ending 12/31/2013
Expense Adjustment Schedule - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Expense Adj Number	Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
Total Expense Adjustments				<u><u>-\$180,213</u></u>

Exhibit No.:

Issue: Accounting Schedules

Witness: MO PSC Auditors

Sponsoring Party: MO PSC Staff

Case No: WR-2013-0461

Date Prepared: March 6, 2014



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DEPARTMENT

SHAWNEE BEND WATER

STAFF ACCOUNTING SCHEDULES

LAKE REGION WATER & SEWER COMPANY

CASE NO. WR-2013-0461

Jefferson City, Missouri

March 2014

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Design Schedule - Water

A		B	C	D	E	F
Line Number	Description	Account Number (Optional)	Staff Annualized	Customer Charge	Commodity	Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$218,231			
Rev-3	Miscellaneous Revenues		(1) \$99,599			
Rev-4	TOTAL ANNUALIZED REVENUES		<u>\$317,830</u>			
1	OPERATIONS EXPENSES		(2)			
2	Well Pump Power	615.200	\$15,844	\$0	\$15,844	0.00%
3	Chemicals-(Chlorine)	618.000	\$750	\$0	\$750	0.00%
4	Testing	619.000	\$849	\$0	\$849	0.00%
5	PWSD#4 Labor - Water	637.000	\$52,213	\$0	\$52,213	0.00%
6	TOTAL OPERATIONS EXPENSE		<u>\$69,656</u>	<u>\$0</u>	<u>\$69,656</u>	
7	MAINTENANCE EXPENSES					
8	Supplies and Materials	620.000	\$498	\$0	\$498	0.00%
9	Tools and Shop Supplies	622.000	\$802	\$0	\$802	0.00%
10	Equipment Rental - Water	642.000	\$3,748	\$0	\$3,748	0.00%
11	Maintenance of Well #1 Grand Point	645.100	\$396	\$0	\$396	0.00%
12	Maintenance of Well #2 Villages	645.110	\$278	\$0	\$278	0.00%
13	Maintenance of Mains	645.300	\$1,425	\$0	\$1,425	0.00%
14	Maintenance of Services	645.400	\$2,772	\$0	\$2,772	0.00%
15	Maintenance of Other Plant	645.600	\$351	\$0	\$351	0.00%
16	Outside Services	923.000	\$698	\$0	\$698	0.00%
17	TOTAL MAINTENANCE EXPENSE		<u>\$10,968</u>	<u>\$0</u>	<u>\$10,968</u>	
18	CUSTOMER ACCOUNT EXPENSE					
19	Billing Expense	921.500	\$1,942	\$0	\$1,942	0.00%
20	Bad Debt Expense	950.000	\$419	\$0	\$419	0.00%
21	TOTAL CUSTOMER ACCOUNT EXPENSE		<u>\$2,361</u>	<u>\$0</u>	<u>\$2,361</u>	
22	ADMINISTRATIVE & GENERAL EXPENSES					
23	Contracted Accounting Fees	632.000	\$3,286	\$0	\$3,286	0.00%
24	Contracted Legal Fees	633.000	\$685	\$0	\$685	0.00%
25	General Liability - Water	657.000	\$3,495	\$0	\$3,495	0.00%
26	Office Supplies	921.000	\$2,025	\$0	\$2,025	0.00%
27	Management Fees	922.000	\$7,095	\$0	\$7,095	0.00%
28	Telephone	925.000	\$448	\$0	\$448	0.00%
29	Travel and Entertainment - Other	927.000	\$66	\$0	\$66	0.00%
30	Travel and Entertainment - Lodging	927.100	\$0	\$0	\$0	0.00%
31	Transportation - Airline/Car	927.200	\$0	\$0	\$0	0.00%
32	Transportation Expense	933.000	\$10,329	\$0	\$10,329	0.00%
33	Customer Refunds	940.000	\$41	\$0	\$41	0.00%
34	Building Rent	941.000	\$3,135	\$0	\$3,135	0.00%
35	Other Misc. Expenses	975.000	\$423	\$0	\$423	0.00%
36	Rate Case Expense	981.000	\$4,112	\$0	\$4,112	0.00%
37	TOTAL ADMINISTRATIVE AND GENERAL		<u>\$35,140</u>	<u>\$0</u>	<u>\$35,140</u>	
38	OTHER OPERATING EXPENSES					
39	Licenses and Permits	626.000	\$513	\$0	\$513	0.00%
40	PSC Assessment	667.000	\$1,260	\$0	\$1,260	0.00%
41	Discounts Taken	929.000	-\$11	\$0	-\$11	0.00%
42	Loss on Disposition of Assets	930.000	-\$995	\$0	-\$995	0.00%
43	Amortization of SB Development Legal Fees		\$1,524	\$0	\$1,524	0.00%
44	CIAC Amortization Expense		-\$66,193	\$0	-\$66,193	0.00%
45	Depreciation		\$101,899	\$0	\$101,899	0.00%
46	TOTAL OTHER OPERATING EXPENSES		<u>\$37,997</u>	<u>\$0</u>	<u>\$37,997</u>	
47	TAXES OTHER THAN INCOME					
48	Real Estate Taxes	967.200	\$1,312	\$0	\$1,312	0.00%
49	TOTAL TAXES OTHER THAN INCOME		<u>\$1,312</u>	<u>\$0</u>	<u>\$1,312</u>	
50	TOTAL OPERATING EXPENSES		<u>\$157,434</u>	<u>\$0</u>	<u>\$157,434</u>	

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Design Schedule - Water

<u>A</u>		<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
Line Number	Description	Account Number (Optional)	Staff Annualized	Customer Charge	Commodity	Percentage Rate
51	Interest Expense	(3)	\$39,770	\$0	\$39,770	0.00%
52	Return on Equity	(3)	\$36,832	\$0	\$36,832	0.00%
53	Income Taxes	(3)	\$9,172	\$0	\$9,172	0.00%
54	TOTAL INTEREST RETURN & TAXES		\$85,774	\$0	\$85,774	
55	TOTAL COST OF SERVICE		\$243,208	\$0	\$243,208	
56	Less: Miscellaneous Revenues		\$99,599	\$0	\$99,599	0.00%
57	COST TO RECOVER IN RATES		\$143,609	\$0	\$143,609	
58	INCREMENTAL INCREASE IN RATE REVENUES		<u><u>-\$74,622</u></u>			
59	PERCENTAGE OF INCREASE		<u><u>-23.48%</u></u>			
60	REQUESTED INCREASE IN REVENUES		\$74,197			

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Base Required Return on Investment Schedule - Water

Line Number	<u>A</u> Rate Base Description	<u>B</u> Dollar Amount	
1	Plant In Service	\$4,115,587	From Plant Schedule
2	Less Accumulated Depreciation Reserve	<u>\$853,288</u>	From Depreciation Reserve Schedule
3	Net Plant In Service	\$3,262,300	
4	Other Rate Base Items:	\$0	
	Deferred Taxes	-\$42,952	
	Customer Advances	-\$245,925	
	Material and Supplies	\$13,050	
	Contribution in Aid of Construction	-\$2,673,463	
	CIAC Depreciation	\$747,524	
5	Total Rate Base	<u>\$1,060,534</u>	
6	Total Weighted Rate of Return Including Income Tax	<u>8.09%</u>	From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	<u><u>\$85,774</u></u>	

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate of Return Including Income Tax - Water

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

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

N

To Rate Base Schedule

Equity Income Required **\$43,332**
& Preliminary Federal Tax

Tax Rate Table

Net Income Range		Tax Rate	Amount in Range	Tax on Range
Start	End			
\$0	\$50,000	15.00%	\$43,332	\$6,500
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$43,332	\$6,500
			Consolidated Tax Rate:	
			Average Tax Rate:	0.15

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Capital Structure Schedule - Water

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

To PreTax Return Rate Schedule

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Plant In Service - Water

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$31,666			100.00%	\$31,666
3		TOTAL INTANGIBLE PLANT	\$31,666		\$0		\$31,666
4		SOURCE OF SUPPLY PLANT					
5	310.000	Land & Land Rights - SSP	\$427			100.00%	\$427
6	311.000	Structures & Improvements - SSP	\$22,015	P-6	\$33,583	100.00%	\$55,598
7	314.000	Wells and Springs	\$110,881	P-7	-\$50,090	100.00%	\$60,791
8	316.000	Supply Mains - Well Interconnections	\$79,315			100.00%	\$79,315
9		TOTAL SOURCE OF SUPPLY PLANT	\$212,638		-\$16,507		\$196,131
10		PUMPING PLANT					
11	325.000	Electric Pumping Equipment	\$16,378	P-11	\$74,023	100.00%	\$90,401
12		TOTAL PUMPING PLANT	\$16,378		\$74,023		\$90,401
13		WATER TREATMENT PLANT					
14	331.000	Structures & Improvements - WTP	\$12,799			100.00%	\$12,799
15	332.000	Water Treatment Equipment	\$16,564	P-15	-\$6,884	100.00%	\$9,680
16		TOTAL WATER TREATMENT PLANT	\$29,363		-\$6,884		\$22,479
17		TRANSMISSION & DISTRIBUTION PLANT					
18	342.000	Distribution Reservoirs & Standpipes	\$275,235			100.00%	\$275,235
19	343.000	Transmission & Distribution Mains SB	\$3,042,269	P-19	-\$14,700	100.00%	\$3,027,569
20	345.000	Services	\$291,887	P-20	\$20,022	100.00%	\$311,909
21	346.000	Meters	\$83,320	P-21	\$16,411	100.00%	\$99,731
22	347.000	Meter Installations	\$17,861			100.00%	\$17,861
23	348.000	Hydrants	\$594	P-23	\$24,000	100.00%	\$24,594
24		TOTAL TRANS. & DISTRIBUTION PLANT	\$3,711,166		\$45,733		\$3,756,899
25		GENERAL PLANT					
26	391.000	Office Furniture & Equipment	\$11,172	P-26	-\$3,924	42.77%	\$3,100
27	391.100	Office Electronic Equipment	\$14,917	P-27	-\$6,161	42.77%	\$3,745
28	392.200	Transportation Equipment - Sierra Truck	\$19,703			42.77%	\$8,427
29	394.000	Tools, Shop and Garage Equipment	\$6,727	P-29	-\$322	42.77%	\$2,739
30		TOTAL GENERAL PLANT	\$52,519		-\$10,407		\$18,011
31		TOTAL PLANT IN SERVICE	\$4,053,730		\$85,958		\$4,115,587

To Rate Base & Depreciation Schedules

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Schedule of Adjustments for Plant in Service - Water

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-6	Structures & Improvements - SSP	311.000		\$33,583
	1 - Third of original engineering cost well #2, Attachment to Bowden 1998 letter. A. Rice		\$1,783	
	2 - Add in #2 well original cost, Attachment to Bowden 1998 letter. A. Rice		\$31,800	
P-7	Wells and Springs	314.000		-\$50,090
	1 - Reverse - Estimated #2 well original cost 12/31/2000. A. Rice		-\$36,000	
	2 - Reverse - Estimated #2 well original cost 12/31/2001. A. Rice		-\$10,000	
	3 - Third of original engineering cost well #2, Attachment to Bowden 1998 letter. A. Rice		\$1,783	
	4 - Add in #2 well original cost, Attachment to Bowden 1998 letter. A. Rice		\$27,673	
	5 - Transfer - Acct. 314.00 to Acct. 325.00, est elect and controls orig. cost well #1. #2 well known cost \$27,673 subt from original balance in wells \$47,819 in 1999. Leaves \$20,000 to transfer. A. Rice		-\$20,000	
	6 - Transfer (reclass) to Pumping Equip. Acct. 325.00. (prior last case 11/7/2003). A. Rice		-\$403	
	7 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 4/8/2004). A. Rice		-\$1,250	
	8 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 6/4/2004). A. Rice		-\$267	
	9 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 6/21/2004). A. Rice		-\$8,950	

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Schedule of Adjustments for Plant in Service - Water

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	10 - Transfer - (reclass) to Water Treatment Equip. Acct 332.00 (prior last case 4/17/2009). A. Rice		-\$2,676	
P-11	Electric Pumping Equipment	325.000		\$74,023
	1 - Transfer - from Wells and Springs Acct. 314.00, est elect and controls orig cost well #1. A. Rice		\$20,000	
	2 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 11/7/2003). A. Rice		\$403	
	3 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 4/8/2004). A. Rice		\$1,250	
	4 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 6/4/2004). A. Rice		\$267	
	5 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case 6/21/2004). A. Rice		\$8,950	
	6 - Add in #2 well pumping original cost, Attachment to Bowden 1998 letter. A. Rice		\$46,852	
	7 - Third of original engineering cost well #2, Attachment to Bowden 1998 letter. A. Rice		\$1,783	
	8 - Retirement of #2 well controls replaced with new upgrade 6/21/04, at 50% of new upgrade cost. A. Rice		-\$4,608	
	9- To adjust plant for true-up retirement. A. Rice		-\$874	
P-15	Water Treatment Equipment	332.000		-\$6,884

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Schedule of Adjustments for Plant in Service - Water

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1 - Transfer (reclass) from Acct 314.00. A. Rice		\$2,676	
	2- To adjust plant for true-up retirement. A. Rice		-\$9,560	
P-19	Transmission & Distribution Mains SB	343.000		-\$14,700
	1 - Transfer eight fire hydrant original cost (\$3,000 each) to Acct 348.00. A. Rice		-\$24,000	
	2 - Reverse - Villages T&D original cost - 12/31/2000. A. Rice		-\$30,825	
	3 - Reverse - Villages T&D original cost - 12/31/2001. A. Rice		-\$2,250	
	4 - Water connects and crossing, Villages lawsuit determined original cost. A. Rice		\$42,375	
P-20	Services	345.000		\$20,022
	1 - Plant not included in previous case true-up. A. Rice		\$14,036	
	2- To adjust plant for true-up as of 12/31/13. A. Rice		\$5,986	
P-21	Meters	346.000		\$16,411
	1 - Meter upgrade installations from previous case. A. Rice		\$4,614	
	2 - Five new water service from previous case. A. Rice		\$845	
	3 - Reclass meters from previous case. A. Rice		\$19,958	
	4 - Record retired meters from previous case. A. Rice		-\$8,160	

Lake Region Water & Sewer Company
 Shawnee Bend Water
 WR-2013-0461
 Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
 Schedule of Adjustments for Plant in Service - Water

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
	5 - Reclass between accounts from previous case. A. Rice		-\$1,924	
	6- To adjust plant for true-up as of 12/31/13. A. Rice		\$1,078	
P-23	Hydrants	348.000		\$24,000
	1 - Transfer eight fire hydrant original cost (\$3,000 each) from Acct 343.00. A. Rice		\$24,000	
P-26	Office Furniture & Equipment	391.000		-\$3,924
	1- To adjust plant for true-up retirement. A. Rice		-\$3,924	
P-27	Office Electronic Equipment	391.100		-\$6,161
	1- To adjust plant for true-up retirement. A. Rice		-\$6,161	
P-29	Tools, Shop and Garage Equipment	394.000		-\$322
	1- To adjust plant for true-up retirement. A. Rice		-\$322	
Total Plant Adjustments				<u>\$85,958</u>

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Depreciation Expense - Water

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	\$31,666	0.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$31,666		\$0
4		SOURCE OF SUPPLY PLANT			
5	310.000	Land & Land Rights - SSP	\$427	0.00%	\$0
6	311.000	Structures & Improvements - SSP	\$55,598	2.50%	\$1,390
7	314.000	Wells and Springs	\$60,791	2.00%	\$1,216
8	316.000	Supply Mains - Well Interconnections	\$79,315	2.00%	\$1,586
9		TOTAL SOURCE OF SUPPLY PLANT	\$196,131		\$4,192
10		PUMPING PLANT			
11	325.000	Electric Pumping Equipment	\$90,401	10.00%	\$9,040
12		TOTAL PUMPING PLANT	\$90,401		\$9,040
13		WATER TREATMENT PLANT			
14	331.000	Structures & Improvements - WTP	\$12,799	2.50%	\$320
15	332.000	Water Treatment Equipment	\$9,680	2.90%	\$281
16		TOTAL WATER TREATMENT PLANT	\$22,479		\$601
17		TRANSMISSION & DISTRIBUTION PLANT			
18	342.000	Distribution Reservoirs & Standpipes	\$275,235	2.50%	\$6,881
19	343.000	Transmission & Distribution Mains SB	\$3,027,569	2.00%	\$60,551
20	345.000	Services	\$311,909	2.50%	\$7,798
21	346.000	Meters	\$99,731	10.00%	\$9,973
22	347.000	Meter Installations	\$17,861	2.50%	\$447
23	348.000	Hydrants	\$24,594	2.00%	\$492
24		TOTAL TRANS. & DISTRIBUTION PLANT	\$3,756,899		\$86,142
25		GENERAL PLANT			
26	391.000	Office Furniture & Equipment	\$3,100	5.00%	\$155
27	391.100	Office Electronic Equipment	\$3,745	14.30%	\$536
28	392.200	Transportation Equipment - Sierra Truck	\$8,427	13.00%	\$1,096
29	394.000	Tools, Shop and Garage Equipment	\$2,739	5.00%	\$137
30		TOTAL GENERAL PLANT	\$18,011		\$1,924
31		Total Depreciation	\$4,115,587		\$101,899

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Accumulated Depreciation Reserve - Water

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
4		SOURCE OF SUPPLY PLANT					
5	310.000	Land & Land Rights - SSP	\$0			100.00%	\$0
6	311.000	Structures & Improvements - SSP	\$12,185	R-6	\$855	100.00%	\$13,040
7	314.000	Wells and Springs	\$34,377	R-7	-\$7,390	100.00%	\$26,987
8	316.000	Supply Mains - Well Interconnections	\$17,251	R-8	\$793	100.00%	\$18,044
9		TOTAL SOURCE OF SUPPLY PLANT	\$63,813		-\$5,742		\$58,071
10		PUMPING PLANT					
11	325.000	Electric Pumping Equipment	\$8,660	R-11	\$6,833	100.00%	\$15,493
12		TOTAL PUMPING PLANT	\$8,660		\$6,833		\$15,493
13		WATER TREATMENT PLANT					
14	331.000	Structures & Improvements - WTP	\$0			100.00%	\$0
15	332.000	Water Treatment Equipment	\$6,455	R-15	-\$9,125	100.00%	-\$2,670
16		TOTAL WATER TREATMENT PLANT	\$6,455		-\$9,125		-\$2,670
17		TRANSMISSION & DISTRIBUTION PLANT					
18	342.000	Distribution Reservoirs & Standpipes	\$47,211	R-18	\$2,752	100.00%	\$49,963
19	343.000	Transmission & Distribution Mains SB	\$614,457	R-19	\$25,251	100.00%	\$639,708
20	345.000	Services	\$51,364	R-20	\$5,812	100.00%	\$57,176
21	346.000	Meters	\$10,775	R-21	\$2,684	100.00%	\$13,459
22	347.000	Meter Installations	\$8,132	R-22	\$259	100.00%	\$8,391
23	348.000	Hydrants	-\$579	R-23	\$5,332	100.00%	\$4,753
24		TOTAL TRANS. & DISTRIBUTION PLANT	\$731,360		\$42,090		\$773,450
25		GENERAL PLANT					
26	391.000	Office Furniture & Equipment	\$7,453	R-26	-\$3,694	42.77%	\$1,608
27	391.100	Office Electronic Equipment	\$6,894	R-27	-\$5,865	42.77%	\$440
28	392.200	Transportation Equipment - Sierra Truck	\$10,664	R-28	\$1,281	42.77%	\$5,109
29	394.000	Tools, Shop and Garage Equipment	\$4,336	R-29	-\$158	42.77%	\$1,787
30		TOTAL GENERAL PLANT	\$29,347		-\$8,436		\$8,944
31		TOTAL DEPRECIATION RESERVE	\$839,635		\$25,620		\$853,288

To Rate Base Schedule

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-6	Structures & Improvements - SSP	311.000		\$855
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$855	
R-7	Wells and Springs	314.000		-\$7,390
	1 - Transfer to Pumping Equipment Acct. 325.00, est elect and controls orig. cost well #1. #2 well known cost \$27,673 subtr from original balance in wells \$47,819. Leaves \$20,000 to transfer. A. Rice		-\$5,799	
	2 - Transfer - (reclass) to Pumping Equip. Acct 325.00 (prior last case 11/7/2003). A. Rice		-\$80	
	3 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 4/8/2004). A. Rice		-\$231	
	4 - Transfer - (reclass) to Pumping Equip. Acct 325.00 (prior last case 6/4/2004). A. Rice		-\$48	
	5 - Transfer - (reclass) to Pumping Equip. Acct. 325.00 (prior last case 6/21/2004). A. Rice		-\$1,615	
	6 - Transfer - (reclass) to Water Treatment Equipment Acct. 332.00 (prior last case 4/17/2009). A. Rice		-\$225	
	7- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$608	
R-8	Supply Mains - Well Interconnections	316.000		\$793
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$793	

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-11	Electric Pumping Equipment	325.000		\$6,833
	1 - Transfer from Wells and Springs Acct. 314.00, est elect and controls orig cost well #1. A. Rice		\$5,799	
	2 - Transfer (reclass) from Wells and Springs Acct. 314.00 (prior last case bookings). A. Rice		\$80	
	3 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case bookings). A. Rice		\$231	
	4 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case bookings). A. Rice		\$48	
	5 - Transfer (reclass) from Wells and Springs Acct. 314.00, (prior last case bookings). A. Rice		\$1,615	
	6 - Retirement of #2 well controls, were replaced in 2004. A. Rice		-\$4,608	
	7- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$4,542	
	8- To adjust plant for true-up retirement. A. Rice		-\$874	
R-15	Water Treatment Equipment	332.000		-\$9,125
	1 - Transfer (reclass) from Acct 314.00. A. Rice		\$225	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$210	
	3- To adjust plant for true-up retirement. A. Rice		-\$9,560	

Lake Region Water & Sewer Company
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Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-18	Distribution Reservoirs & Standpipes	342.000		\$2,752
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$2,752	
R-19	Transmission & Distribution Mains SB	343.000		\$25,251
	1 - Transfer eight fire hydrant original cost (\$3,000 each) 67 yrs @ 2.5% to Acct. 348.00. A Rice		-\$5,025	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$30,276	
R-20	Services	345.000		\$5,812
	1- Additional reserves for services added to plant this case that were omitted in the prior rate case A Rice/OPC Settlement		\$1,333	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$4,479	
R-21	Meters	346.000		\$2,684
	1- Additional reserves for services added to plant this case that were omitted in the prior rate case A Rice/OPC Settlement		\$1,345	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$1,339	
R-22	Meter Installations	347.000		\$259
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$259	
R-23	Hydrants	348.000		\$5,332

Lake Region Water & Sewer Company
Shawnee Bend Water
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Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
	1 - Transfer eight fire hydrant original cost (\$3,000 each) 67 yrs @ 2.5% from Acct. 343.00. A. Rice		\$5,025	
	2- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$307	
R-26	Office Furniture & Equipment	391.000		-\$3,694
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$230	
	2- To adjust plant for true-up retirement. A. Rice		-\$3,924	
R-27	Office Electronic Equipment	391.100		-\$5,865
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$296	
	2- To adjust plant for true-up retirement. A. Rice		-\$6,161	
R-28	Transportation Equipment - Sierra Truck	392.200		\$1,281
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$1,281	
R-29	Tools, Shop and Garage Equipment	394.000		-\$158
	1- To adjust accumulated depreciation reserve for true-up as of 12/31/13. A. Rice		\$164	
	2- To adjust plant for true-up retirement. A. Rice		-\$322	
Total Reserve Adjustments				<u>\$25,620</u>

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Revenue Schedule - Water

	A	B	C	D	E	F	G
Line Number	Account Number (Optional)	Revenue Description	Company/ Test Year Amount	Adjustment Number	Jurisdictional Adjustments	Jurisdictional Allocation	Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$208,623	Rev-2	\$9,608	100.00%	\$218,231
Rev-3		Miscellaneous Revenues	\$6,632	Rev-3	\$92,967	100.00%	\$99,599
Rev-4		TOTAL ANNUALIZED REVENUES	\$215,255		\$102,575		\$317,830

Lake Region Water & Sewer Company
 Shawnee Bend Water
 WR-2013-0461
 Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
 Revenue Adjustment Schedule - Water

<u>A</u> Revenue Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
Rev-2	Annualized Rate Revenues			\$9,608
	1. To Annualize Rate Revenues		\$9,608	
Rev-3	Miscellaneous Revenues			\$92,967
	1. To Annualize Miscellaneous Revenues		\$92,967	
Total Revenue Adjustments				<u>\$102,575</u>

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Residential 5/8"		Residential 1"	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	591		13	
3	Bills Per Year	12		12	
4	Customer Bills Per year	7,092		156	
5	Current Customer Charge	<u>\$12.99</u>		<u>\$24.18</u>	
6	Annualized Customer Charge Revenues		\$92,125		\$3,772
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	39,806,353		1,334,019	
9	Less: Base Gallons Included In Customer Charge	<u>10,638,000</u>		<u>682,500</u>	
10	Commodity Gallons	29,168,353		651,519	
11	Block 1, Commodity Gallons per Block	29,168,353		651,519	
12	Block 1, Number of Commodity Gallons per Unit	<u>1,000</u>		<u>1,000</u>	
13	Block 1, Commodity Billing Units	29,168.35		651.52	
14	Block 1, Existing Commodity Charge	<u>\$2.49</u>		<u>\$2.49</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$72,629		\$1,622
16	Total Annualized Water Rate Revenues		<u>\$164,754</u>		<u>\$5,394</u>

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Revenue Feeder Schedule - Water

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

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Revenue Feeder Schedule - Water

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

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Revenue Feeder Schedule - Water

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

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

Lake Region Water & Sewer Company
Shawnee Bend Water
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Rate Revenue Feeder Schedule - Water

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

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Total	
		V Amount	W Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	660	
3	Bills Per Year		
4	Customer Bills Per year	7,920	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$133,306
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	80,440,563	
9	Less: Base Gallons Included In Customer Charge	46,334,017	
10	Commodity Gallons	34,106,546	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$84,925
16	Total Annualized Water Rate Revenues		<u>\$218,231</u>

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

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Miscellaneous Revenues Feeder - Water

Line Number	<u>A</u> Description	<u>B</u> Amount
1	To annualize Late Fees	\$4,641
2	To remove Clearing Account 471.10	\$0
3	To annualize Non-Utility Revenue	\$1,034
4	To annualize Other Water Revenue	\$788
5	To include Availability Fees	<u>\$93,136</u>
6	Total Miscellaneous Revenues	<u><u>\$99,599</u></u>

Lake Region Water & Sewer Company
Shawnee Bend Water
WR-2013-0461
Test Year Ending 06/30/2013 True-Up Ending 12/13/2013
Expense Schedule - Water

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2	615.200	Well Pump Power	\$13,866	W-2	\$1,978	100.00%	\$15,844
3	618.000	Chemicals-(Chlorine)	\$750			100.00%	\$750
4	619.000	Testing	\$1,195	W-4	-\$346	100.00%	\$849
5	637.000	PWSD#4 Labor - Water	\$67,914	W-5	-\$15,701	100.00%	\$52,213
6		TOTAL OPERATIONS EXPENSE	\$83,725		-\$14,069		\$69,656
7		MAINTENANCE EXPENSES					
8	620.000	Supplies and Materials	\$906	W-8	-\$408	100.00%	\$498
9	622.000	Tools and Shop Supplies	\$615	W-9	\$187	100.00%	\$802
10	642.000	Equipment Rental - Water	\$4,500	W-10	\$11,280	23.75%	\$3,748
11	645.100	Maintenance of Well #1 Grand Point	\$350	W-11	\$46	100.00%	\$396
12	645.110	Maintenance of Well #2 Villages	\$175	W-12	\$103	100.00%	\$278
13	645.300	Maintenance of Mains	\$0	W-13	\$1,425	100.00%	\$1,425
14	645.400	Maintenance of Services	\$7,773	W-14	-\$5,001	100.00%	\$2,772
15	645.600	Maintenance of Other Plant	\$271	W-15	\$80	100.00%	\$351
16	923.000	Outside Services	\$1,407			49.58%	\$698
17		TOTAL MAINTENANCE EXPENSE	\$15,997		\$7,712		\$10,968
18		CUSTOMER ACCOUNT EXPENSE					
19	921.500	Billing Expense	\$4,889	W-19	-\$352	42.80%	\$1,942
20	950.000	Bad Debt Expense	\$2,205	W-20	-\$396	23.14%	\$419
21		TOTAL CUSTOMER ACCOUNT EXPENSE	\$7,094		-\$748		\$2,361
22		ADMINISTRATIVE & GENERAL EXPENSES					
23	632.000	Contracted Accounting Fees	\$3,624	W-23	-\$338	100.00%	\$3,286
24	633.000	Contracted Legal Fees	\$9,354	W-24	-\$8,669	100.00%	\$685
25	657.000	General Liability - Water	\$2,363	W-25	\$1,132	100.00%	\$3,495
26	921.000	Office Supplies	\$12,969	W-26	-\$8,237	42.80%	\$2,025
27	922.000	Management Fees	\$211,000	W-27	-\$181,125	23.75%	\$7,095
28	925.000	Telephone	\$3,694	W-28	-\$1,759	23.14%	\$448
29	927.000	Travel and Entertainment - Other	\$17,516	W-29	-\$17,229	23.14%	\$66
30	927.100	Travel and Entertainment - Lodging	\$85	W-30	-\$85	23.14%	\$0
31	927.200	Transportation - Airline/Car	\$227	W-31	-\$227	23.14%	\$0
32	933.000	Transportation Expense	\$46,778	W-32	-\$2,142	23.14%	\$10,329
33	940.000	Customer Refunds	\$96			42.80%	\$41
34	941.000	Building Rent	\$13,200			23.75%	\$3,135
35	975.000	Other Misc. Expenses	\$4,516	W-35	-\$2,687	23.14%	\$423
36	981.000	Rate Case Expense	\$322	W-36	\$3,790	100.00%	\$4,112
37		TOTAL ADMINISTRATIVE AND GENERAL	\$325,744		-\$217,576		\$35,140
38		OTHER OPERATING EXPENSES					
39	626.000	Licenses and Permits	\$693	W-39	-\$180	100.00%	\$513
40	667.000	PSC Assessment	\$1,584	W-40	-\$324	100.00%	\$1,260
41	929.000	Discounts Taken	-\$49			23.14%	-\$11
42	930.000	Loss on Disposition of Assets	-\$2,520			39.49%	-\$995
43		Amortization of SB Development Legal Fees	\$0	W-43	\$1,524	100.00%	\$1,524
44		CIAC Amortization Expense	\$0	W-44	-\$66,193	100.00%	-\$66,193
45		Depreciation	\$0	W-45	\$101,899	100.00%	\$101,899
46		TOTAL OTHER OPERATING EXPENSES	-\$292		\$36,726		\$37,997
47		TAXES OTHER THAN INCOME					
48	967.200	Real Estate Taxes	\$4,025	W-48	-\$702	39.49%	\$1,312
49		TOTAL TAXES OTHER THAN INCOME	\$4,025		-\$702		\$1,312
50		TOTAL OPERATING EXPENSES	\$436,293		-\$188,657		\$157,434

Lake Region Water & Sewer Company
Shawnee Bend Water
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Expense Adjustment Schedule - Water

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
W-2	Well Pump Power	615.200		\$1,978
	1 - To annualize power to reflect rate increase. A. Sarver		\$281	
	2 - To add amount booked to incorrect account. A. Sarver		\$1,697	
W-4	Testing	619.000		-\$346
	1 - To remove amounts booked to incorrect accounts. A. Sarver		-\$346	
W-5	PWSD#4 Labor - Water	637.000		-\$15,701
	1 - To annualize payroll, employee benefits, payroll taxes, and workers' compensation. K. Foster		-\$17,080	
	2 - To true-up payroll, employee benefits, payroll taxes, and workers' compensation to December 31, 2013. K. Foster		\$1,379	
W-8	Supplies and Materials	620.000		-\$408
	1 - To remove items not necessary to provide safe and adequate service. A. Sarver		-\$27	
	2 - To remove amounts booked to incorrect accounts. A. Sarver		-\$381	
W-9	Tools and Shop Supplies	622.000		\$187
	1 - To add amount booked to incorrect account. A. Sarver		\$187	
W-10	Equipment Rental - Water	642.000		\$11,280
	1 - To adjust equipment rental expense to reflect Staff's annualized rental expense. E. Carle		\$11,280	

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<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
W-11	Maintenance of Well #1 Grand Point	645.100		\$46
	1 - To adjust water maintenance to a normalized level. E. Carle		\$46	
W-12	Maintenance of Well #2 Villages	645.110		\$103
	1 - To adjust water maintenance to a normalized level. E. Carle		\$103	
W-13	Maintenance of Mains	645.300		\$1,425
	1 - To adjust water maintenance to a normalized level. E. Carle		\$1,425	
W-14	Maintenance of Services	645.400		-\$5,001
	1 - To adjust water maintenance to a normalized level. E. Carle		-\$5,001	
W-15	Maintenance of Other Plant	645.600		\$80
	1 - To adjust water maintenance to a normalized level. E. Carle		\$80	
W-19	Billing Expense	921.500		-\$352
	1 - To annualize billing expense based on current postal rates. K. Foster		-\$352	
W-20	Bad Debt Expense	950.000		-\$396
	1 - To adjust bad debt expense to a normalized level. E. Carle		-\$396	
W-23	Contracted Accounting Fees	632.000		-\$338
	1 - To reallocate accounting fees according to the revenue allocation factor. K. Foster		-\$338	

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W-24	Contracted Legal Fees	633.000		-\$8,669
	1 - To remove legal fees for Shawnee Bend Litigation and 2012 Finance Authority. K. Foster		-\$9,184	
	2 - To annualize legal fees for 2012 Finance Authority to a three-year average. K. Foster		\$515	
W-25	General Liability - Water	657.000		\$1,132
	1 - To annualize insurance to reflect allocation based on plant. A. Sarver		\$1,132	
W-26	Office Supplies	921.000		-\$8,237
	1 - To remove amount booked to incorrect account. A. Sarver		-\$2,350	
	2 - To remove non-recurring expenses. A. Sarver		-\$250	
	3 - To remove account analysis charge. A. Sarver		-\$3,132	
	4 - To remove expense not necessary to provide safe and adequate service. A. Sarver		-\$2,255	
	5 - To remove expenses accounted for in payroll. A. Sarver		-\$250	
W-27	Management Fees	922.000		-\$181,125
	1 - To replace executive management fees in test year with costs for executive oversight. K. Foster		-\$181,125	
W-28	Telephone	925.000		-\$1,759
	1 - To annualize cell phone for a two-year average. A. Sarver		-\$81	
	2 - To annualize wireless service to reflect allocation based on payroll. A. Sarver		-\$484	
	3 - To remove disallowed expense. A. Sarver		-\$225	

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	4 - To remove wireless service no longer activated. A. Sarver		-\$969	
W-29	Travel and Entertainment - Other	927.000		-\$17,229
	1 - To remove expenses covered by executive oversight adjustment to account 922.00 and other miscellaneous expenses. K. Foster		-\$17,229	
W-30	Travel and Entertainment - Lodging	927.100		-\$85
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$85	
W-31	Transportation - Airline/Car	927.200		-\$227
	1 - To remove expenses covered by executive oversight adjustment to account 922.00. K. Foster		-\$227	
W-32	Transportation Expense	933.000		-\$2,142
	1 - To adjust out misapplied expenses and expenses related to the Shawnee Bend Development Lawsuit, and to adjust expenses related to the 2012 Finance Authority to a three-year average. K. Foster		-\$2,142	
W-35	Other Misc. Expenses	975.000		-\$2,687
	1 - To adjust Misc. Expense to a normalized level. E. Carle		-\$3,501	
	2 - To annualize bank service charge. A. Sarver		\$814	
W-36	Rate Case Expense	981.000		\$3,790
	1 - To normalize rate case expense over a five year period. E. Carle		\$3,790	

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<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
W-39	Licenses and Permits	626.000		-\$180
	1 - To correct amounts booked to incorrect account A. Sarver		\$20	
	2 - To remove non-recurring expenses. A. Sarver		-\$200	
W-40	PSC Assessment	667.000		-\$324
	1 - To adjust PSC/OPC Assessment to the 2014 assessment level. E. Carle		-\$324	
W-43	Amortization of SB Development Legal Fees			\$1,524
	1 - To amortize legal fees for Shawnee Bend Litigation over five years. K. Foster		\$1,524	
W-44	CIAC Amortization Expense			-\$66,193
	1 - Update Amortized CIAC based on new allocation factors. A. Sarver		-\$66,193	
W-45	Depreciation			\$101,899
	1. To Annualize Depreciation		\$101,899	
W-48	Real Estate Taxes	967.200		-\$702
	1 - To annualize taxes to reflect allocation based on Company's plant. A. Sarver		-\$239	
	2 - To annualize taxes based on true-up. A. Sarver		-\$463	
Total Expense Adjustments				<u><u>-\$188,657</u></u>