

FINANCIAL STATEMENT

1. Will a separate set of books be maintained for the utility business?
Yes

2. Will a separate bank account be maintained for the utility business?
Yes

3. Are the revenues and expenses listed below based on past operations or are they estimated for future operations?
(actual or estimated) Past

REVENUES AND EXPENSES

For 12 Months Ended December 31, 2020 (Date)

<u>Revenues</u>	<u>Water</u>	<u>Sewer</u>
4. Residential service (flat rate)	\$ _____	\$ 152,123
5. Residential service (metered rate)	\$ 43,724	\$ _____
6. Nonresidential service (flat rate)	\$ _____	\$ _____
7. Nonresidential service (metered rate)	\$ _____	\$ _____
8. Other revenues (describe in remarks below)	\$ 105	\$ 394
9. Total Revenues (Lines 4 thru 8)	<u>\$ 43,829</u>	<u>\$ 152,517</u>
10. Total salaries (except owner)	\$ 4,752	\$ 16,848
11. Salaries paid to owner	\$ _____	\$ _____
12. Administrative and office expense (except salaries)	\$ 602	\$ 2,146
13. Maintenance and repair expense (except salaries)	\$ 4,880	\$ 59,770
14. Transportation expenses	\$ 751	\$ 2,664
15. Electric power for pumping	\$ 5,025	\$ 16,016
16. Chemicals for treatment	\$ 3,110	\$ 3,060
17. Testing fees	\$ 1,093	\$ 5,943
18. Permit fees	\$ _____	\$ _____
19. Purchased water/sewer treatment	\$ _____	\$ 306
20. Annual depreciation	\$ 3,508	\$ 7,364
21. Taxes: State income taxes	\$ _____	\$ _____
22. Federal income taxes	\$ _____	\$ _____
23. Gross receipts (or franchise tax)	\$ _____	\$ _____
24. Property taxes	\$ 157	\$ 558
25. Payroll taxes	\$ 373	\$ 1,321
26. Other taxes	\$ 101	\$ 354
27. Interest on debt during year	\$ 5393	\$ 5,597
28. Other expenses (describe in remarks below)	\$ 2,646	\$ 11,219
29. Total Expenses (Lines 10 thru 28)	<u>\$ 32,391</u>	<u>\$ 133,166</u>
30. Net Income (Line 9 minus Line 29)	<u>\$ 11,438</u>	<u>\$ 19,351</u>

Remarks

31. Other Revenues: \$52 of reconnection fees and \$53 of Returned Check Charges

32. Other Expenses: Rent of \$8,250, Insurance of \$2,764, Phone of \$2029, Legal of \$615, Supplies of \$203

33. _____

34. _____

35. _____

NUMBER OF CUSTOMERS SERVED

	<u>Water</u>		<u>Sewer</u>	
	<u>Flat Rate</u>	<u>Metered</u>	<u>Flat Rate</u>	<u>Metered</u>
36. Customers at beginning of year	_____	207	286	_____
37. Customers at end of year	_____	208	288	_____
38. Average gallons used per customer	3,851- water		per month	

PURCHASER'S COST OF UTILITY SYSTEM

1. List Purchaser's cost of utility systems:

Water: **See Attachment G**

Sewer: _____

ORIGINAL COST OF UTILITY SYSTEM

As of Year Ended December 31, 2020 (Date)

Note: List the total original cost to construct and establish the system, whether or not paid for by the Seller.

	<u>Utility Property in Service</u>	
	<u>Water</u>	<u>Sewer</u>
2. Land and rights-of-way	\$ _____	\$ _____
3. Structures and site improvement	\$ _____	\$ _____
4. Wells	\$ _____	\$ _____
5. Pumping equipment	\$ _____	\$ _____
6. Treatment equipment	\$ _____	\$ _____
7. Storage tanks	\$ _____	\$ _____
8. Mains (excluding service connections)	\$ _____	\$ _____
9. Service connections	\$ _____	\$ _____
10. Meters (including spare meters)	\$ _____	\$ _____
11. Office furniture and equipment	\$ _____	\$ _____
12. Transportation equipment	\$ _____	\$ _____
13. Other utility property in service (describe in remarks below)	\$ _____	\$ _____
14. Total utility property in service (Lines 2 thru 13)	\$ <u>169,524</u>	\$ <u>150,102</u>
15. Less: acquisition adjustments (difference between original cost above and cost to Seller)	\$ _____	\$ _____
16. Less: Seller's accumulated depreciation	\$ <u>53,102</u>	\$ <u>75,261</u>
17. Less: Seller's accumulated tap fees and other contributions in aid of construction	\$ _____	\$ _____
18. Seller's net investment in utility property (Line 14 minus 15, 16, & 17)	\$ <u>116,422</u>	\$ <u>74,841</u>

	<u>Utility Property Not in Service</u>	
	<u>Water</u>	<u>Sewer</u>
19. Construction work in progress	\$ _____	\$ _____
20. Property held for future use	\$ _____	\$ _____
21. Other (describe in remarks below)	\$ _____	\$ _____

Remarks

22. _____

23. _____

24. **See Attachment H**

25. _____

ANNUAL DEPRECIATION

26. If annual depreciation is claimed using a composite rate for the entire system, show rate of depreciation used:

Water: Although the depreciation rates could not be obtained from the seller, the annual depreciation expense seems to be about \$3,508

Sewer: Although the depreciation rates could not be obtained from the seller, the annual depreciation expense seems to be about \$7,364

27. If annual depreciation is claimed using individual rates for each type of equipment, show rates of depreciation used: _____
