

CHESAPEAKE RANCH WATER COMPANY
BALANCE SHEETS
June 30, 2014 and 2013

ASSETS	2014	2013
Utility plant, at original cost	\$ 8,715,103	\$ 8,257,244
Less accumulated depreciation and amortization	<u>(3,839,240)</u>	<u>(3,692,408)</u>
Net utility plant	4,875,863	4,564,836
Non-utility property, net	<u>3,421,687</u>	<u>3,572,871</u>
Utility plant and non-utility property, net	<u>8,297,550</u>	<u>8,137,707</u>
Current assets:		
Cash and cash equivalents	523,267	741,171
Accounts receivable	372,467	368,565
Prepaid expenses	<u>13,086</u>	<u>9,555</u>
Total current assets	<u>908,820</u>	<u>1,119,291</u>
Total assets	<u><u>\$ 9,206,370</u></u>	<u><u>\$ 9,256,998</u></u>
 EQUITY AND LIABILITIES		
Members' equity:		
Contributions	\$ 6,026,258	\$ 6,008,258
Revaluation of land and building	2,720,000	2,800,000
Cumulative margins	<u>(1,492,206)</u>	<u>(1,559,496)</u>
Total members' equity	7,254,052	7,248,762
Long-term debt, less current maturities	1,725,217	1,761,136
Current liabilities:		
Accounts payable	28,464	57,558
Current maturities of long-term debt	35,955	34,382
Other current liabilities	<u>162,682</u>	<u>155,160</u>
Total current liabilities	227,101	247,100
Commitments and contingencies	<u>-</u>	<u>-</u>
Total equity and liabilities	<u><u>\$ 9,206,370</u></u>	<u><u>\$ 9,256,998</u></u>

The accompanying notes are an integral part of these financial statements.

CHESAPEAKE RANCH WATER COMPANY
STATEMENTS OF REVENUE AND EXPENSES
For the years ended June 30, 2014 and 2013

	2014	2013
Operating revenue		
Residential water service	\$ 1,443,325	\$ 1,468,649
Commercial water sales	10,098	11,454
Transfer fees	8,200	7,600
Total operating revenue	<u>1,461,623</u>	<u>1,487,703</u>
Operating expenses:		
Pumping and purification	177,360	188,572
Storage and distribution	136,126	94,157
Administrative and operations	651,185	678,866
Depreciation and amortization	454,083	452,578
Total operating expenses	<u>1,418,754</u>	<u>1,414,173</u>
Operating income	42,869	73,530
Interest on long-term debt	<u>80,118</u>	<u>81,592</u>
Net operating margin	(37,249)	(8,062)
Other income	23,846	22,712
Interest and dividend income	<u>693</u>	<u>673</u>
Net margin	<u>\$ (12,710)</u>	<u>\$ 15,323</u>

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