

CHESAPEAKE RANCH WATER COMPANY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Net margins	\$ 251,157	\$ (53,748)
Adjustments to reconcile margins to net cash provided by operating activities		
Depreciation	377,960	402,960
Bad debt expenses	-	10,619
Loss(gain) on asset disposal	21,142	13,000
Unrealized loss(gain) on investments	(138,878)	(55,683)
Realized gain on investments	(310)	(1,043)
Changes in operating assets and liabilities (Increase)Decrease		
Accounts receivable	(5,937)	(40,675)
Water distribution supplies	(102,453)	(12,500)
Increase(Decrease)		
Accounts payable	53,061	5,791
Other liabilities and accruals	(36,997)	(63,229)
Net Cash Provided By Operating Activities	<u>418,745</u>	<u>205,492</u>
Cash Flows From Investing Activities		
Acquisition of plant and property, net	(29,355)	(115,629)
Proceeds from sales of investments	893,000	211,274
Purchase of investments	(1,119,075)	(461,948)
Net Cash Used By Investing Activities	<u>(255,430)</u>	<u>(366,303)</u>
Cash Flows From Financing Activities		
Members' subscription fees	20,000	35,000
Payments on long-term obligations	(53,750)	(51,399)
Net Cash Provided By(Used By)Financing Activities	<u>(33,750)</u>	<u>(16,399)</u>
Increase(Decrease) in Cash and Equivalents	129,565	(177,210)
Beginning of Year Cash and Equivalents	<u>18,065</u>	<u>195,275</u>
End of Year Cash and Equivalents	<u>\$ 147,630</u>	<u>\$ 18,065</u>
Supplemental Disclosure		
Cash paid during the year for income taxes	<u>\$ -</u>	<u>\$ -</u>
Interest	<u>\$ 60,633</u>	<u>\$ 62,998</u>

-See independent auditor's report and accompanying notes-

CHESAPEAKE RANCH WATER COMPANY

STATEMENTS OF NET ASSETS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	Unrestricted Net Assets			<u>Total</u>
	<u>Contributions</u>	<u>Revaluation of Land and Building</u>	<u>Cumulative Margins</u>	
Balance June 30, 2022	\$ 6,166,758	\$ 2,080,000	\$ (1,534,892)	\$ 6,711,866
Member Subscriptions				
Issued	35,000	-	-	35,000
Surrendered	-	-	-	-
Net Margin	-	(80,000)	26,252	(53,748)
Balance June 30, 2023	6,201,758	2,000,000	(1,508,640)	6,693,118
Member Subscriptions				
Issued	20,000	-	-	20,000
Surrendered	-	-	-	-
Net Margin	-	(80,000)	331,157	251,157
Balance June 30, 2024	\$ 6,221,758	\$ 1,920,000	\$ (1,177,483)	\$ 6,964,275

-See independent auditor's report and accompanying notes-

CHESAPEAKE RANCH WATER COMPANY

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Operating Revenue		
Residential water service	\$ 1,784,807	\$ 1,735,574
Commercial water sales	21,334	21,290
Transfer fees	11,150	12,050
	1,817,291	1,768,914
Operating Expenses		
Pumping and purification	214,015	216,550
Storage and distribution	184,835	210,235
Administrative and operations	917,555	1,036,720
Professional services	39,215	31,485
Depreciation	377,960	402,960
	1,733,580	1,897,950
Operating Income	83,711	(129,036)
Interest on Long-Term Debt	60,633	62,998
	23,078	(192,034)
Net Operating Margin	23,078	(192,034)
Other Income(Expenses)		
Other income	53,171	53,104
Investment income(loss)	196,050	98,182
Gain(loss) on asset disposal	(21,142)	(13,000)
	228,079	138,286
Total Other Income(Expenses)	228,079	138,286
Net Margin	\$ 251,157	\$ (53,748)

-See independent auditor's report and accompanying notes-

CHESAPEAKE RANCH WATER COMPANY

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
Current Assets		
Cash and cash equivalents	\$ 147,630	\$ 18,065
Accounts receivable-net	359,369	353,432
Prepaid expenses	17,245	17,245
Investments	2,100,845	1,735,589
Water distribution supplies	<u>139,953</u>	<u>37,500</u>
Total Current Assets	<u>2,765,042</u>	<u>2,161,831</u>
Fixed Assets		
Utility plant	9,791,835	9,913,298
Less accumulated depreciation	<u>(6,646,025)</u>	<u>(6,474,489)</u>
Net Utility Plant	3,145,810	3,438,809
Non-utility property	5,022,778	4,991,274
Less accumulated depreciation	<u>(2,503,667)</u>	<u>(2,395,422)</u>
Net Non-Utility Property	<u>2,519,111</u>	<u>2,595,852</u>
Total Fixed Assets	<u>5,664,921</u>	<u>6,034,661</u>
Non Current Assets		
Loan covenant restricted cash	<u>114,100</u>	<u>114,100</u>
Total Non Current Assets	<u>114,100</u>	<u>114,100</u>
Total Assets	<u>\$ 8,544,063</u>	<u>\$ 8,310,592</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 70,977	\$ 17,916
Current maturities of long-term debt	56,245	53,784
Other current liabilities	<u>190,992</u>	<u>227,989</u>
Total Current Liabilities	<u>318,214</u>	<u>299,689</u>
Long-Term Debt, Less Current Maturities	<u>1,261,574</u>	<u>1,317,785</u>
Total Liabilities	<u>1,579,788</u>	<u>1,617,474</u>
Unrestricted Net Assets		
Contributions	6,221,758	6,201,758
Revaluation of land and building	1,920,000	2,000,000
Cumulative margins	<u>(1,177,483)</u>	<u>(1,508,640)</u>
Total Unrestricted Net Assets	<u>6,964,275</u>	<u>6,693,118</u>
Total Liabilities and Net Assets	<u>\$ 8,544,063</u>	<u>\$ 8,310,592</u>

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