

Table 1 W

**WATER INDUSTRY
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$836,850	\$776,221	\$729,044	\$681,445	\$632,794
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)	302	302	302	302	302
3 Other Investments	12,266	12,181			
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	12,569	12,483	302	302	302
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	605	2,935	2,403	(351)	(7,396)
7 Notes and Accounts Receivables - Net	13,664	13,636	17,686	14,338	18,331
8 Receivables from Associated Companies	5,404	1,923	9,285	3,842	1
9 Materials and Supplies	2,374	2,631	2,750	2,163	2,643
10 Prepayments	9,278	7,950	7,314	7,241	8,027
11 Accrued Utility Revenue	17,848	18,260	16,178	15,352	12,734
12 Misc Current and Accrued Assets	163	174	182	1,691	181
13 Total Current and Accrued Assets	49,335	47,510	55,798	44,276	34,521
DEFERRED DEBITS					
14 Unamort. Debt Expense	5,418	5,708	5,567	5,756	5,529
15 Other Deferred Debits	95,546	113,551	112,962	94,108	90,221
16 Accumulated Deferred Income Taxes	8,852	8,060	6,103	6,630	7,445
17 Total Deferred Debits	109,817	127,319	124,631	106,495	103,195
18 Total Assets and Other Debits	\$1,008,571	\$963,534	\$909,777	\$832,519	\$770,813
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$25,675	\$25,675	\$29,375	\$29,375	\$29,375
20 Preferred Stock Issued	1,125	1,125	1,125	1,125	1,125
21 Other Paid-in Capital	313,404	300,300	247,494	212,535	208,674
22 Retained Earnings	188,580	171,889	199,830	182,288	175,173
23 Reacquired Capital Stock					
24 Total Proprietary Capital	528,784	498,989	477,824	425,322	414,346
LONG-TERM DEBT					
25 Long-Term Debt	182,114	163,651	172,744	166,773	126,814
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable	51,267	36,443	36,607	36,258	41,899
27 Accounts Payable	11,655	19,629	19,492	8,579	8,856
28 Payables to Associated Companies	25,469	22,740	6,388	7,389	12,524
29 Customer Deposits	535	267	221	197	209
30 Taxes Accrued	9,241	10,318	5,564	4,970	(1,998)
31 Interest Accrued	1,933	4,699	3,631	2,716	2,206
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	9,874	10,226	8,895	11,357	5,913
34 Total Current and Accrued Liabilities	109,974	104,324	80,797	71,466	69,607
DEFERRED CREDITS					
35 Customer Advances for Construction	4,187	2,829	3,968	4,638	4,235
36 Other Deferred Credits	22,951	40,671	41,018	41,138	40,193
37 Accumulated Deferred Investment Tax Credits	1,328	1,389	1,449	1,556	1,617
38 Accumulated Deferred Income Taxes	149,808	136,547	121,974	116,126	108,895
39 Total Deferred Credits	178,274	181,434	168,409	163,458	154,940
OPERATING RESERVES					
40 Operating Reserves	9,424	15,135	10,003	5,500	5,105
41 Total Liabilities and Other Credits	\$1,008,571	\$963,533	\$909,776	\$832,519	\$770,813

WATER INDUSTRY
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$234,055	\$226,236	\$214,062	\$200,860	\$186,783	1
Operating Expense:						
Operation Expense	87,820	86,773	80,775	75,855	73,858	2
Maintenance Expense	9,090	11,602	12,612	12,502	11,559	3
Depreciation and Amortization Expense	21,923	21,104	19,571	18,408	15,157	4
Taxes Other than Income Taxes	53,883	50,671	44,235	43,096	39,482	5
Income Taxes	20,566	17,883	17,411	19,387	15,159	6
Total Operating Expenses	193,282	188,033	174,603	169,248	155,216	7
Net Operating Revenues	40,773	38,202	39,458	31,612	31,567	8
Other Utility Operating Income						9
Total Utility Operating Income	40,773	38,202	39,458	31,612	31,567	10
OTHER INCOME						
Interest and Dividend Income	704	647	438	1,762	832	11
Allowance for Funds Used During Construction	8,313	6,039	4,152	3,432	2,867	12
Miscellaneous Nonoperating Income	146	346	233	269	932	13
Other Income	(83)	(49)	(38)	(45)	7	14
Total Other Income	9,080	6,984	4,784	5,418	4,639	15
Other Income Deductions	208	522	1,294	1,250	217	16
Taxes-Other Income and Deductions	31	73	76	(100)	9	17
Income Available	49,615	44,591	42,872	35,880	35,980	18
INTEREST CHARGES						
Interest on Long-Term Debt	9,162	9,300	9,849	9,340	7,556	19
Interest on Debt to Associated Co.	6,165	5,928	6,000	5,368	5,512	20
Other Interest Expense	5,253	4,160	2,219	1,907	1,352	21
Total Interest Charges	20,580	19,388	18,068	16,615	14,420	22
Income Before Extraordinary Items	29,035	25,202	24,804	19,265	21,560	23
Extraordinary Items						24
Net Income	\$29,035	\$25,202	\$24,804	\$19,265	\$21,560	25
RETAINED EARNINGS						
Unappropriated (BOP)	\$171,889	\$199,830	\$182,288	\$175,173	\$161,390	26
Balance Transferred from Income	29,035	25,202	24,804	19,265	21,560	27
Appropriated	5,193	4,817		2,800		28
Dividends Declared-Preferred Stock	38	51	51	51	51	29
Dividends Declared-Common Stock	6,582	13,129	7,211	9,300	7,726	30
Adjustments to Retained Earnings	(532)	(35,147)				31
Net Change	16,691	(27,941)	17,543	7,115	13,783	32
Unappropriated (EOP)	188,580	171,889	199,830	182,288	175,173	33
Appropriated (EOP)						34
Total Retained Earnings	\$188,580	\$171,889	\$199,830	\$182,288	\$175,173	35

Table 3W

**WATER INDUSTRY
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,
(\$000S)**

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$28,503	\$25,202	\$24,804	\$19,265	\$21,560
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	20,564	21,302	20,676	22,087	15,457
3 Deferred Taxes & ITCs	11,926	9,179	4,677	13,989	23,606
4 Receivables and Inventory	(4,903)	2,616	(4,277)	3,929	(3,495)
5 Payables and Accrued Expenses	(9,653)	2,528	11,133	4,159	(5,043)
6 Capitalized AFUDC - Equity Funds	(7,994)	(5,208)	(5,006)	(3,182)	(3,000)
7 Equity In Loss (Earnings) Of Affiliates		1,614	714	2,052	
8 Other Adjustments	8,177	(8,001)	(16,409)	1,157	(3,210)
9	(8,210)	(3,724)	(33,088)	(4,680)	(2,647)
10	(5,390)	8,626	29,542	(6,699)	(10,720)
11 Net Cash From Operating Activities	<u>33,021</u>	<u>54,135</u>	<u>32,766</u>	<u>52,076</u>	<u>32,509</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(72,517)	(62,417)	(61,747)	(63,329)	(58,254)
13 Acquisition Of Other Non-Current Assets				(1,487)	(6,088)
14 Investments In & Advances to Affiliates.	1,060	8,128			
15 Contributions & Advances from Affiliates	(2,114)	(1,714)	(724)	(343)	(193)
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies				(277)	
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(73,571)</u>	<u>(56,003)</u>	<u>(62,471)</u>	<u>(65,436)</u>	<u>(64,534)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	30,848	6,620	37,517	35,964	25,455
25 Common Stock				197	
26 Preferred Stock	558	(2,800)			
27 Short-Term Debt	18,625	(213)	348	(141)	(130)
28 Dividends Paid	(11,812)	(17,997)	(7,262)	(12,151)	(7,777)
29 Other Cash Flows - Financing Activities		17,417	1,855	(3,464)	7,458
30		(626)			(11)
31					
32 Net Cash From Financing Activities	<u>38,219</u>	<u>2,400</u>	<u>32,459</u>	<u>20,406</u>	<u>24,995</u>
33 Net Increase/(Decrease) In Cash Equivalents	(2,331)	533	2,753	7,045	(7,031)
34 Cash & Cash Equivalents At Beginning Of Year	2,936	2,404	(350)	(7,395)	(364)
35 Cash & Cash Equivalents At End Of Year	\$606	\$2,936	\$2,404	(\$350)	(\$7,395)

Table 4 W

WATER INDUSTRY
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES (\$000s)						
Sales to General Customers	\$171,671	\$165,763	\$152,569	\$139,379	\$131,681	1
Sales to Other Water Companies	18,805	18,485	17,055	14,353	8,612	2
Other Sales of Water	24,694	23,425	22,830	23,026	18,720	3
Total Revenues from Sales of Water	215,170	207,672	192,454	176,758	159,012	4
Other Water Operating Revenues	18,885	18,563	21,608	24,099	27,694	5
Total Water Operating Revenues	\$234,055	\$226,235	\$214,062	\$200,857	\$186,706	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	25,968,070	25,824,558	25,913,358	29,303,979	28,034,052	8
Sales to Other Water Companies	3,522,407	3,380,280	3,593,294	2,790,231	1,219,370	9
Other Sales of Water	1,029,529	928,396	941,134	463,485	275,783	10
Total Sales of Water	30,520,006	30,133,234	30,447,786	32,557,695	29,529,205	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	230,406	231,789	232,057	233,453	233,218	13
Sales to Other Water Companies	9,700	9,729	9,158	7,485	7,191	14
Other Sales of Water	2,982	3,227	3,279	3,218	3,100	15
Total Customers	243,088	244,745	244,494	244,156	243,509	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$745.08	\$715.15	\$657.46	\$597.03	\$564.63	18
Average Consumption per Customer (T.Gal)	112.71	111.41	111.67	125.52	120.21	19
Average Revenue per T Gallons Sold	\$6.61	\$6.42	\$5.89	\$4.76	\$4.70	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer						21
Average Consumption per Customer (T.Gal)						22
Average Revenue per T Gallons Sold						23
OPERATION AND MAINTENANCE EXPENSES (\$000s)						
Source of Supply	\$19,747	\$18,838	\$19,643	\$17,439	\$17,784	24
Power and Pumping	14,725	15,186	14,853	14,389	13,455	25
Purification	8,338	9,112	8,213	8,083	7,585	26
Transmission and Distribution	11,647	13,498	13,667	13,617	12,982	27
Customer Accounting and Collecting	8,007	8,427	6,662	7,737	7,504	28
Administrative and General	34,446	33,313	30,348	27,093	22,926	29
Total O & M Expense		\$98,376	\$93,387	\$88,358	\$82,236	30

Table 5 W

**WATER INDUSTRY
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)**

	2013	2012	2011	2010	2009
1 Revenues (\$000s)	\$234,055	\$226,235	\$214,062	\$200,857	\$186,706
2 Sales (Thousands of Gallons)	30,520,006	30,133,234	30,447,786	32,557,695	29,529,205
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$31,117	\$29,996	\$30,245	\$27,484	\$27,781
4 Wages and Benefits	30,329	30,880	30,014	28,643	26,026
5 Other Operation and Maintenance Expense	35,464	37,500	33,128	32,230	28,429
6 Depreciation and Amortization Expense	21,923	21,104	19,571	20,887	15,157
7 Income Taxes-Operating	20,566	17,883	17,411	19,387	15,159
8 Other Taxes-Operating	53,883	50,671	44,235	43,096	39,482
9 Capital Costs	40,773	38,202	39,458	29,129	34,672
10 Total		\$226,235	\$214,062	\$200,857	\$186,706
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	13.3	13.3	14.1	13.7	14.9
12 Wages and Benefits	13.0	13.6	14.0	14.3	13.9
13 Other Operation and Maintenance Expense	15.2	16.6	15.5	16.0	15.2
14 Depreciation and Amortization Expense	9.4	9.3	9.1	10.4	8.1
15 Income Taxes-Operating	8.8	7.9	8.1	9.7	8.1
16 Other Taxes-Operating	23.0	22.4	20.7	21.5	21.1
17 Capital Costs	17.4	16.9	18.4	14.5	18.6
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	1.02	1.00	0.99	0.84	0.94
20 Wages and Benefits	0.99	1.02	0.99	0.88	0.88
21 Other Operation and Maintenance Expense	1.16	1.24	1.09	0.99	0.96
22 Depreciation and Amortization Expense	0.72	0.70	0.64	0.64	0.51
23 Income Taxes-Operating	0.67	0.59	0.57	0.60	0.51
24 Other Taxes-Operating	1.77	1.68	1.45	1.32	1.34
25 Capital Costs	1.34	1.27	1.30	0.89	1.17
26 Total	7.67	7.51	7.03	6.17	6.32

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water	18,875,191	17,579,883	18,302,958	15,970,527	16,570,420
Fuel for Pumping	8,681,762	9,051,517	8,754,001	8,543,399	8,575,117
Chemicals	3,560,125	3,364,738	3,188,374	2,969,640	2,635,448

Total PW, Fuel and Chemicals 31,117,077 29,996,139 30,245,333 27,483,566 27,780,985

Total - Ultimate Customers 31,117,077 29,996,139 30,245,333 27,483,566 27,780,985

Wages and Benefits

Salaries	20,902,902	20,660,290	20,010,709	19,759,178	18,878,324
Pensions and Benefits	9,425,624	10,219,461	10,002,954	8,884,210	7,147,294
Total Wages and Benefits	30,328,526	30,879,752	30,013,663	28,643,388	26,025,618

Other Expenses

Total O&M Expenses	96,909,867	98,375,567	93,386,968	88,357,450	82,236,007
-Total PW, Fuel and Chemicals	31,117,077	29,996,139	30,245,333	27,483,566	27,780,985
-Wages and Benefits	30,328,526	30,879,752	30,013,663	28,643,388	26,025,618
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	35,464,263	37,499,677	33,127,972	32,230,496	28,429,404

Depreciation and Amortization

Depreciation Exp	21,923,365	21,103,693	19,570,915	18,407,977	15,157,364
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 21,923,365 21,103,693 19,570,915 18,407,977 15,157,364

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	31,117,077	29,996,139	30,245,333	27,483,566	27,780,985
divided by Total Gallons	30,520,006	30,133,234	30,447,786	32,557,695	29,529,205
Cost per KWH	0.0010	0.0010	0.0010	0.0008	0.0009
times Sales for Resale MWHs					
Sales for Resale Cost					

Table 6 W

WATER INDUSTRY
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,
(\$000s)

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$322	\$237	\$322	\$320	\$170	1
Source of Supply	70,769	67,597	65,796	62,265	59,317	2
Pumping	111,985	110,219	108,011	105,940	101,884	3
Water Treatment	104,107	90,283	87,745	78,902	78,709	4
Transmission and Distribution	632,833	592,478	559,579	529,093	497,958	5
General	70,762	61,910	56,304	47,590	45,367	6
Purchased or Sold		91				7
Total Plant in Service	990,777	922,816	877,757	824,109	783,405	8
Plant Leased To Others						9
Construction Work In Progress	79,689	75,853	59,040	52,625	30,858	10
Plant Held For Future Use	8,905	8,905	8,905	8,904	8,904	11
Plant Acquisition Adjustments	(11)	(11)	(11)	(11)	(11)	12
Accum. Gains & Losses -	(91)	(91)				
Utility Land & Land Rights	(1,179)	(1,179)	(1,179)	(1,179)	(1,179)	13
Total Plant	1,078,091	1,006,292	944,512	884,447	821,976	14
Accum. Prov. - Depr. & Amort.	241,241	230,071	215,467	203,001	189,182	15
Net Plant	\$836,850	\$776,221	\$729,044	\$681,445	\$632,794	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.45	0.46	0.69	0.62	0.50	17
Total Capitalization (\$000s)	\$762,165	\$699,083	\$687,174	\$628,353	\$583,059	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	24.1%	23.6%	25.4%	26.8%	22.1%	19
Preferred Stock	0.1%	0.2%	0.2%	0.2%	0.2%	20
Common Stock & Retained Earnings	69.2%	71.2%	69.4%	67.5%	70.9%	21
Short-Term Debt	6.6%	5.0%	5.1%	5.5%	6.9%	22
Pretax Coverage of Interest Expense	3.4	3.2	3.4	3.4	3.5	23
Com. Stock Dividends as a % of Earnings	40.7%	75.0%	29.2%	63.2%	36.3%	24
Return on Common Equity	5.7%	4.9%	5.5%	4.6%	5.5%	25
Internal Cash Generated as a % of Cash Outflows for Construction	54.9%	75.2%	66.9%	86.9%	122.6%	26
CWIP as a % of Plant	7.4%	7.5%	6.3%	6.0%	3.8%	27
Number of Employees	302	307	314	313	314	28

Current Assets	49,335,218	47,963,300	55,865,030	44,345,852	34,521,463
Current Liabilities	109,974,231	104,323,699	80,797,321	71,466,073	69,607,398
Total Capitalization	762,165,419	699,083,421	687,173,804	628,352,799	583,058,792
Long-Term Debt	183,381,618	165,094,657	174,350,223	168,530,692	128,712,763
Preferred Stock	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
Common Stock and Retained Earnings (Excl. Preferred Stock)	527,658,801	497,863,764	476,698,581	424,197,107	413,221,029
Short-Term Debt	50,000,000	35,000,000	35,000,000	34,500,000	40,000,000
Pretax Income	70,389,761	62,995,594	61,577,430	56,517,015	46,683,922
Interest Expense	20,579,813	19,388,416	17,968,775	16,615,023	13,408,288
Dividends Paid	11,812,474	17,996,892	7,262,000	12,151,000	7,777,000
Net Income (Excl. Preferred Stock Dividends)	28,997,476	23,985,653	24,852,684	19,214,532	21,402,956
Internal Cash	33,025,183	46,962,362	41,319,753	55,003,815	32,528,769
Cash Outflows for Construction	(60,158,912)	(62,416,555)	(61,747,451)	(63,329,430)	(26,522,715)
CWIP	79,689,414	75,852,653	59,050,431	52,624,546	30,857,816
Total Plant	1,078,090,735	1,006,901,488	944,511,754	884,355,796	821,975,767
Number of Employees	302	307	314	313	314
Salaries and Wages					

**HERITAGE HILLS WATER COMPANY
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$4,319,021	\$4,316,427	\$4,399,658	\$4,473,546	\$4,542,076
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	361,863	425,159	339,080	179,627	174,815
7 Notes and Accounts Receivables - Net	114,364	120,922	132,224	110,382	99,491
8 Receivables from Associated Companies					
23 Materials and Supplies					
10 Prepayments	15,019	10,895	10,915	189,377	11,816
11 Accrued Utility Revenue					
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	491,246	556,976	482,219	479,386	286,122
DEFERRED DEBITS					
14 Unamort. Debt Expense	12,525	14,732	16,940	19,147	
15 Other Deferred Debits	250,896	246,037	269,766	232,539	275,474
16 Accumulated Deferred Income Taxes			48,000	103,000	
17 Total Deferred Debits	263,421	260,769	334,706	354,686	275,474
18 Total Assets and Other Debits	\$5,073,688	\$5,134,172	\$5,216,583	\$5,307,618	\$5,103,672
PROPRIETARY CAPITAL					
19 Common Stock Issued	50,000	50,000	50,000	\$50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital					
22 Retained Earnings	(235,751)	(345,871)	(482,279)	(628,355)	(1,043,738)
23 Reacquired Capital Stock					
24 Total Proprietary Capital	(185,751)	(295,871)	(432,279)	(578,355)	(993,738)
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable	1,267,142	1,443,383	1,606,510	1,758,132	1,898,723
27 Accounts Payable	58,078	25,184	48,841	48,387	47,185
28 Payables to Associated Companies	3,798,295	3,848,435	3,898,155	3,998,349	4,077,434
29 Customer Deposits					
30 Taxes Accrued		8,892	17,500	811	411
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	80,424	79,149	77,856	80,294	73,657
34 Total Current and Accrued Liabilities	5,203,939	5,405,043	5,648,862	5,885,973	6,097,410
DEFERRED CREDITS					
35 Customer Advances for Construction					
36 Other Deferred Credits					
37 Accumulated Deferred Investment Tax Credits					
38 Accumulated Deferred Income Taxes	55,500	25,000			
39 Total Deferred Credits	55,500	25,000			
OPERATING RESERVES					
40 Operating Reserves					
41 Total Liabilities and Other Credits	\$5,073,688	\$5,134,172	\$5,216,583	\$5,307,618	\$5,103,672

HERITAGE HILLS WATER COMPANY
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	\$1,327,933	1
Operating Expense:						
Operation Expense	411,666	369,450	346,389	370,242	354,715	2
Maintenance Expense	53,231	38,050	118,662	49,512	65,751	3
Depreciation and Amortization Expense	132,455	121,780	124,106	117,060	219,481	4
Taxes Other than Income Taxes	456,770	445,133	429,748	408,168	397,482	5
Income Taxes	17,933	23,571				6
Total Operating Expenses	1,072,055	997,984	1,018,905	944,982	1,037,429	7
Net Operating Revenues	413,902	499,942	480,369	587,207	290,504	8
Other Utility Operating Income						9
Total Utility Operating Income	413,902	499,942	480,369	587,207	290,504	10
OTHER INCOME						
Interest and Dividend Income	6,108	5,045	3,844	2,389	2,558	11
Allowance for Funds Used During Construction						12
Miscellaneous Nonoperating Income	110	213	150	90	60	13
Other Income						14
Total Other Income	6,218	5,258	3,994	2,479	2,618	15
Other Income Deductions	9,395	10,606	13,495	13,825		16
Taxes-Other Income and Deductions	30,500	73,000	75,266	(100,359)	3,055	17
Income Available	380,225	421,594	395,602	676,220	290,067	18
INTEREST CHARGES						
Interest on Long-Term Debt	104,811	117,924	129,429	140,460	150,666	19
Interest on Debt to Associated Co.	115,294	117,262	120,097	120,377	120,377	20
Other Interest Expense						21
Total Interest Charges	220,105	235,186	249,526	260,837	271,043	22
Income Before Extraordinary Items	160,120	186,408	146,076	415,383	19,024	23
Extraordinary Items						24
Net Income	\$160,120	\$186,408	\$146,076	\$415,383	\$19,024	25
<hr/>						
RETAINED EARNINGS						
Unappropriated (Beginning)	(\$345,871)	(\$482,279)	(\$628,355)	(\$1,043,738)	(\$1,062,762)	26
Balance Transferred from Income	160,120	186,408	146,076	415,383	19,024	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	50,000	50,000				30
Adjustments to Retained Earnings						31
Net Change	110,120	136,408	146,076	415,383	19,024	32
Unappropriated (EOP)	(235,751)	(345,871)	(482,279)	(628,355)	(1,043,738)	33
Appropriated (EOP)						34
Total Retained Earnings	(\$235,751)	(\$345,871)	(\$482,279)	(\$628,355)	(\$1,043,738)	35

HERITAGE HILLS WATER COMPANY
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$160,120	\$186,408	\$146,076	\$415,383	\$19,024
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	134,662	132,280	132,456	139,235	229,748
3 Deferred Taxes & ITCs	30,500	73,000	55,000	(103,000)	
4 Receivables and Inventory	(1,824)	5,441	(27,609)	(11,333)	9,583
5 Payables and Accrued Expenses	24,002	(32,265)	17,229	1,602	(4,459)
6 Capitalized AFUDC - Equity Funds					
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(140)	280	(280)	(9,782)	(1,811)
9	(31,867)	1,293	5,767	6,637	(8,573)
10	17,776	16,487	127,845	(177,561)	(16,203)
11 Net Cash From Operating Activities	<u>333,229</u>	<u>382,924</u>	<u>456,484</u>	<u>261,181</u>	<u>227,309</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(120,284)	(33,718)	(45,409)	(46,917)	(37,901)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(120,284)</u>	<u>(33,718)</u>	<u>(45,409)</u>	<u>(46,917)</u>	<u>(37,901)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt			(100,000)	(68,861)	
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(226,241)	(213,127)	(151,622)	(140,591)	(130,385)
28 Dividends Paid	(50,000)	(50,000)			
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>(276,241)</u>	<u>(263,127)</u>	<u>(251,622)</u>	<u>(209,452)</u>	<u>(130,385)</u>
33 Net Increase/(Decrease) In Cash Equivalents	(63,296)	86,079	159,453	4,812	59,023
34 Cash & Cash Equivalents At Beginning Of Year	425,159	339,080	179,627	174,815	115,792
35 Cash & Cash Equivalents At End Of Year	\$361,863	\$425,159	\$339,080	\$179,627	\$174,815

**HERITAGE HILLS WATER COMPANY
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	\$1,327,933	1
Sales to Other Water Companies						2
Other Sales of Water						3
Total Revenues from Sales of Water	1,485,957	1,497,926	1,499,274	1,532,189	1,327,933	4
Other Water Operating Revenues						5
Total Water Operating Revenues	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	\$1,327,933	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	90,101	92,780	92,899	100,062	91,103	8
Sales to Other Water Companies						9
Other Sales of Water						10
Total Sales of Water	90,101	92,780	92,899	100,062	91,103	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	2,487	2,487	2,487	2,487	2,487	12
Sales to Other Water Companies						13
Other Sales of Water						14
Total Customers	2,487	2,487	2,487	2,487	2,487	15
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$597.49	\$602.30	\$602.84	\$616.08	\$533.95	16
Average Consumption per Customer (T.Gal)	36.23	37.31	37.35	40.23	36.63	17
Average Revenue per T Gallons Sold	\$16.49	\$16.14	\$16.14	\$15.31	\$14.58	18
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	19
Average Consumption per Customer (T.Gal)	---	---	---	---	---	20
Average Revenue per T Gallons Sold	---	---	---	---	---	21
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply		\$4,863	\$102,226	\$44,804	\$53,609	22
Power and Pumping	123,448	87,178	94,343	92,568	80,034	23
Purification	37,862	29,078	25,806	40,205	49,349	24
Transmission and Distribution	61,442	42,936	1,672	4,375	1,781	25
Customer Accounting and Collecting	8,381	5,861	5,767	442	652	26
Administrative and General	233,764	237,584	235,237	237,360	235,041	27
Total O & M Expense	\$464,897	\$407,500	\$465,051	\$419,754	\$420,466	28

**HERITAGE HILLS WATER COMPANY
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	\$1,327,933
2 Sales (Thousands of Gallons)	90,101	92,780	92,899	100,062	91,103
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$111,461	\$77,993	\$79,485	91,041	79,548
4 Wages and Benefits					
5 Other Operation and Maintenance Expense	353,436	329,507	385,566	328,713	340,918
6 Depreciation and Amortization Expense	132,455	121,780	124,106	117,060	219,481
7 Income Taxes-Operating	17,933	23,571			
8 Other Taxes-Operating	456,770	445,133	429,748	408,168	397,482
9 Capital Costs	413,902	499,942	480,369	587,207	290,504
10 Total	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	\$1,327,933
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	7.5	5.2	5.3	5.9	6.0
12 Wages and Benefits					
13 Other Operation and Maintenance Expense	23.8	22.0	25.7	21.5	25.7
14 Depreciation and Amortization Expense	8.9	8.1	8.3	7.6	16.5
15 Income Taxes-Operating	1.2	1.6			
16 Other Taxes-Operating	30.7	29.7	28.7	26.6	29.9
17 Capital Costs	27.9	33.4	32.0	38.3	21.9
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	1.24	0.84	0.86	0.91	0.87
20 Wages and Benefits					
21 Other Operation and Maintenance Expense	3.92	3.55	4.15	3.29	3.74
22 Depreciation and Amortization Expense	1.47	1.31	1.34	1.17	2.41
23 Income Taxes-Operating	0.20	0.25			
24 Other Taxes-Operating	5.07	4.80	4.63	4.08	4.36
25 Capital Costs	4.59	5.39	5.17	5.87	3.19
26 Total	16.49	16.14	16.14	15.31	14.58

**Purchased Water, Fuel or Power for Pumping
and Chemicals**

Purchased Water					
Fuel for Pumping	85,435	58,584	61,179	68,954	47,229
Chemicals	26,026	19,409	18,306	22,087	32,319
Total PW, Fuel and Chemicals	111,461	77,993	79,485	91,041	79,548
Total - Ultimate Customers					

Wages and Benefits

Salaries					
Pensions and Benefits					
Total Wages and Benefits					

Other Expenses

Total O&M Expenses	464,897	407,500	465,051	419,754	420,466
-Total PW, Fuel and Chemicals	111,461	77,993	79,485	91,041	79,548
-Wages and Benefits					
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	353,436	329,507	385,566	328,713	340,918

Depreciation and Amortization

Depreciation Exp	132,455	121,780	124,106	117,060	219,481
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	132,455	121,780	124,106	117,060	219,481

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals					
divided by Total Gallons					
Cost per KWH					
times Sales for Resale MWHs					
Sales for Resale Cost					

HERITAGE HILLS WATER COMPANY
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible						1
Source of Supply	695,111	688,028	683,787	\$683,787	\$683,787	2
Pumping	241,611	172,317	172,317	172,317	172,317	3
Water Treatment	501,532	501,532	501,532	501,532	501,532	4
Transmission and Distribution	5,976,460	5,952,868	5,943,707	5,935,615	5,919,953	5
General	11,765	11,765	11,765	11,765	11,765	6
Purchased or Sold						7
Total Plant in Service	7,426,479	7,326,510	7,313,108	7,305,016	7,289,354	8
Plant Leased To Others						9
Construction Work In Progress						10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	7,426,479	7,326,510	7,313,108	7,305,016	7,289,354	14
Accum. Prov. - Depr. & Amort.	3,107,458	3,010,083	2,913,450	2,831,470	2,747,278	15
Net Plant	\$4,319,021	\$4,316,427	\$4,399,658	\$4,473,546	\$4,542,076	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.09	0.10	0.09	0.08	0.05	17
Total Capitalization	\$1,081,391	\$1,147,512	\$1,174,231	\$1,179,777	\$904,985	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	117.2%	125.8%	136.8%	149.0%	209.8%	19
Preferred Stock						20
Common Stock & Retained Earnings	-17.2%	-25.8%	-36.8%	-49.0%	-109.8%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	1.9	1.9	1.6	2.6	1.1	23
Com. Stock Dividends as a % of Earnings	31.2%	26.8%				24
Return on Common Equity	NA	NA	NA	NA	NA	25
Internal Cash Generated as a % of Cash Outflows for Construction	277.0%	1104.2%	975.6%	527.2%	652.9%	26
CWIP as a % of Plant						27
Number of Employees						28

Current Assets	491,246.00	556,976.00	482,219.00	479,386.00	286,122
Current Liabilities	5,203,939	5,405,043	5,648,862	5,885,973	6,097,410
Total Capitalization	1,081,391	1,147,512	1,174,231	1,179,777	904,985
Long-Term Debt	1,267,142	1,443,383	1,606,510	1,758,132	1,898,723
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	(185,751)	(295,871)	(432,279)	(578,355)	(993,738)
Short-Term Debt					
Pretax Income	407,553	455,771	409,097	690,045	290,067
Interest Expense	220,105	235,186	249,526	260,837	271,043
Dividends Paid	50,000	50,000			
Net Income (Excl. Preferred Stock Dividends)	160,120	186,408	146,076	415,383	19,024
* Internal Cash	333,229	372,318	442,989	247,357	247,438
Cash Outflows for Construction	120,284	33,718	45,409	46,917	37,901
CWIP					
Total Plant	7,426,479	7,326,510	7,313,108	7,305,016	7,289,354
Number of Employees					
Salaries and Wages					

**JAMAICA WATER SUPPLY COMPANY
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2011	2010	2009	2008	2007
UTILITY PLANT					
1	Net Utility Plant				
OTHER PROPERTY AND INVESTMENTS					
2	Nonutility Property (Net)				
3	Other Investments				
4	Sinking Funds and Other Special Funds				
5	Total Other Property and Investments				
CURRENT AND ACCRUED ASSETS					
6	Cash and Cash Equivalents				
7	Notes and Accounts Receivables - Net				
8	Receivables from Associated Companies				
23	Materials and Supplies				
10	Prepayments				
11	Accrued Utility Revenue				
12	Misc Current and Accrued Assets				
13	Total Current and Accrued Assets				
DEFERRED DEBITS					
14	Unamort. Debt Expense				
15	Other Deferred Debits				
16	Accumulated Deferred Income Taxes				
17	Total Deferred Debits				
18	Total Assets and Other Debits				
PROPRIETARY CAPITAL					
19	Common Stock Issued				
20	Preferred Stock Issued				
21	Other Paid-in Capital				
22	Retained Earnings				
23	Reacquired Capital Stock				
24	Total Proprietary Capital				
LONG-TERM DEBT					
25	Long-Term Debt				
CURRENT AND ACCRUED LIABILITIES					
26	Notes Payable				
27	Accounts Payable				
28	Payables to Associated Companies				
29	Customer Deposits				
30	Taxes Accrued				
31	Interest Accrued				
32	Matured Long-Term Debt				
33	Misc Current and Accrued Liabilities				
34	Total Current and Accrued Liabilities				
DEFERRED CREDITS					
35	Customer Advances for Construction				
36	Other Deferred Credits				
37	Accumulated Deferred Investment Tax Credits				
38	Accumulated Deferred Income Taxes				
39	Total Deferred Credits				
OPERATING RESERVES					
40	Operating Reserves				
41	Total Liabilities and Other Credits				

Note:

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

JAMAICA WATER SUPPLY COMPANY
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

UTILITY OPERATING INCOME

Operating Revenues
Operating Expense:
 Operation Expense
 Maintenance Expense
 Depreciation and Amortization Expense
 Taxes Other than Income Taxes
 Income Taxes
 Total Operating Expenses
Net Operating Revenues

Other Utility Operating Income

Total Utility Operating Income

OTHER INCOME

Interest and Dividend Income
Allowance for Funds Used During Construction
Miscellaneous Nonoperating Income
Other Income
 Total Other Income

Other Income Deductions

Taxes-Other Income and Deductions

Income Available

INTEREST CHARGES

Interest on Long-Term Debt
Interest on Debt to Associated Co.
Other Interest Expense
 Total Interest Charges

Income Before Extraordinary Items

Extraordinary Items

Net Income

RETAINED EARNINGS

Unappropriated (Beginning)

Balance Transferred from Income
Appropriated
Dividends Declared-Preferred Stock
Dividends Declared-Common Stock
Adjustments to Retained Earnings
 Net Change

Unappropriated (EOP)

Appropriated (EOP)

Total Retained Earnings

Note:

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**JAMAICA WATER SUPPLY COMPANY
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31**

Cash Flows From Operating Activities

- 1 Net Income
- Adjustments to reconcile net income to net cash provided by operating activities:
- 2 Depreciation, Depletion & Amortization
- 3 Deferred Taxes & ITCs
- 4 Receivables and Inventory
- 5 Payables and Accrued Expenses
- 6 Capitalized AFUDC - Equity Funds
- 7 Equity In Loss (Earnings) Of Affiliates
- 8 Other Adjustments
- 9
- 10
- 11 Net Cash From Operating Activities

Cash Flows From Investing Activities

- 12 Cash Outflows For Construction
- 13 Acquisition Of Other Non-Current Assets
- 14 Investments In & Advances to Affiliates.
- 15 Contributions & Advances from Affiliates
- Net Proceeds - Sale Or Disposition Of:
- 16 Property, Plant & Equipment
- 17 Investments in Affiliated Companies
- 18 Other Debt & Equity Investments
- 19 Other Non-Current Assets
- 20 Other Cash Flows - Investing Activities
- 21
- 22
- 23 Net Cash From Investing Activities

Cash Flows From Financing Activities

- Net Proceeds (Payments) - Issuing & Retiring:
- 24 Long-Term Debt
- 25 Common Stock
- 26 Preferred Stock
- 27 Short-Term Debt
- 28 Dividends Paid
- 29 Other Cash Flows - Financing Activities
- 30
- 31
- 32 Net Cash From Financing Activities
- 33 Net Increase/(Decrease) In Cash Equivalents
- 34 Cash & Cash Equivalents At Beginning Of Year
- 35 Cash & Cash Equivalents At End Of Year

Note:

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

JAMAICA WATER SUPPLY COMPANY
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

SALES AND CUSTOMER DATA

REVENUES

Unmetered Sales to General Customers
Metered Sales to General Customers
Sales to Other Water Companies
Other Sales of Water
 Total Revenues from Sales of Water
Other Water Operating Revenues

 Total Water Operating Revenues

WATER SALES (Thousands of Gallons)

Unmetered Sales to General Customers
Metered Sales to General Customers
Sales to Other Water Companies
Other Sales of Water

 Total Sales of Water

AVG CUSTOMERS PER MONTH

Unmetered Sales to General Customers
Metered Sales to General Customers
Sales to Other Water Companies
Other Sales of Water

 Total Customers

OPERATING REVENUE RELATIONSHIP

METERED GENERAL CUSTOMERS

Average Annual Bill per Customer
Average Consumption per Customer (T.Gal)
Average Revenue per T Gallons Sold

UNMETERED GENERAL CUSTOMERS

Average Annual Bill per Customer
Average Consumption per Customer (T.Gal)
Average Revenue per T Gallons Sold

OPERATION AND MAINTENANCE EXPENSES

Source of Supply
Power and Pumping
Purification
Transmission and Distribution
Customer Accounting and Collecting
Administrative and General

Total O & M Expense

Note:

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**JAMAICA WATER SUPPLY COMPANY
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

1 Revenues

2 Sales (Thousands of Gallons)

DOLLAR AMOUNTS

3 Purchased Water, Fuel or Power for
Pumping, and Chemicals

4 Wages and Benefits

5 Other Operation and Maintenance Expense

6 Depreciation and Amortization Expense

7 Income Taxes-Operating

8 Other Taxes-Operating

9 Capital Costs

10 Total

PERCENT OF REVENUES

11 Purchased Water, Fuel or Power for
Pumping, and Chemicals

12 Wages and Benefits

13 Other Operation and Maintenance Expense

14 Depreciation and Amortization Expense

15 Income Taxes-Operating

16 Other Taxes-Operating

17 Capital Costs

18 Total

DOLLARS PER THOUSAND GALLONS SOLD

19 Purchased Water, Fuel or Power for
Pumping, and Chemicals

20 Wages and Benefits

21 Other Operation and Maintenance Expense

22 Depreciation and Amortization Expense

23 Income Taxes-Operating

24 Other Taxes-Operating

25 Capital Costs

26 Total

Note:

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

**Purchased Water, Fuel or Power for Pumping
and Chemicals**

Purchased Water
Fuel for Pumping
Chemicals

Total PW, Fuel and Chemicals

Total - Ultimate Customers

Wages and Benefits

Salaries
Pensions and Benefits
Total Wages and Benefits

Other Expenses

Total O&M Expenses
-Total PW, Fuel and Chemicals
-Wages and Benefits
-Other Gains
+Other Losses
-Other Revenues
Other Expenses

Depreciation and Amortization

Depreciation Exp
Amort of Utility Plant
Amort of Other Utility Plant
Amort of Property Losses

Total Depre and Amort

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals
divided by Total Gallons
Cost per KWH
times Sales for Resale MWHs
Sales for Resale Cost

**JAMAICA WATER SUPPLY COMPANY
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,**

WATER UTILITY PLANT

Plant in Service

Intangible
Source of Supply
Pumping
Water Treatment
Transmission and Distribution
General
Purchased or Sold

Total Plant in Service

Plant Leased To Others
Construction Work In Progress
Plant Held For Future Use
Plant Acquisition Adjustments
Accum. Gains & Losses -
 Utility Land & Land Rights

Total Plant

Accum. Prov. - Depr. & Amort.

Net Plant

SELECTED RATIOS AND STATISTICS

Current Assets / Current Liabilities

Total Capitalization

Percent Of Capitalization (incl S-T Debt)

 Long-Term Debt
 Preferred Stock
 Common Stock & Retained Earnings
 Short-Term Debt

Pretax Coverage of Interest Expense

Com. Stock Dividends as a % of Earnings

Return on Common Equity

Internal Cash Generated as a % of
 Cash Outflows for Construction

CWIP as a % of Plant

Number of Employees

Note:

Jamaica Water was acquired by the City of New York on May 31, 1996. The company was not required to file a 1996 PSC annual report.

Current Assets

Current Liabilities

Total Capitalization

Long-Term Debt

Preferred Stock

Common Stock and Retained Earnings
(Excl. Preferred Stock)

Short-Term Debt

Pretax Income

Interest Expense

Dividends Paid

Net Income
(Excl. Preferred Stock Dividends)

Internal Cash

Cash Outflows for Construction

CWIP

Total Plant

Number of Employees

Salaries and Wages

LONG ISLAND WATER CORPORATION
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$171,719,876	\$154,455,474	\$138,902,284	\$127,324,772	\$114,924,749
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)	63,368	63,368	63,368	63,368	63,368
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investment:	63,368	63,368	63,368	63,368	63,368
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	141,426	72,707	49,956	111,372	101,428
7 Notes and Accounts Receivables - Net	3,990,185	2,866,233	2,533,979	2,704,953	2,452,314
8 Receivables from Associated Companies	139,668	771,032	4,609	2,709	1,127
9 Materials and Supplies	466,071	770,930	1,061,883	609,210	618,213
10 Prepayments	1,108,248	981,395	986,011	1,338,368	1,110,672
11 Accrued Utility Revenue	2,528,532	2,319,932	2,230,266	2,260,531	2,242,542
12 Misc Current and Accrued Assets	134,385	174,358	181,581	173,313	181,107
13 Total Current and Accrued Assets	8,508,515	7,956,586	7,048,285	7,200,456	6,707,402
DEFERRED DEBITS					
14 Unamort. Debt Expense	2,417,819	2,483,738	2,473,760	2,408,104	2,165,068
15 Other Deferred Debits	7,199,778	7,830,166	3,727,027	4,940,079	4,843,803
16 Accumulated Deferred Income Taxes	5,801,602	5,810,849	5,951,720	6,132,996	6,213,250
17 Total Deferred Debits	15,419,199	16,124,753	12,152,507	13,481,179	13,222,121
18 Total Assets and Other Debits	\$195,710,959	\$178,600,182	\$158,166,444	\$148,069,775	\$134,917,641
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
20 Preferred Stock Issued	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
21 Other Paid-in Capital	29,010,410	24,654,384	20,608,153	17,578,392	15,546,306
22 Retained Earnings	22,575,639	21,030,346	20,537,740	19,245,998	18,194,229
23 Reacquired Capital Stock					
24 Total Proprietary Capital	62,711,049	56,809,730	52,270,893	47,949,390	44,865,535
LONG-TERM DEBT					
25 Long-Term Debt	70,201,856	56,914,713	64,645,633	58,749,000	48,865,000
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	2,020,292	4,074,620	1,187,592	1,202,507	1,409,559
28 Payables to Associated Companies	14,856,376	17,129,428	1,866,457	2,831,313	7,474,734
29 Customer Deposits					
30 Taxes Accrued	3,753,838	1,098,912	5,066,260	5,697,445	211,901
31 Interest Accrued	514,060	473,196	732,545	629,640	599,765
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	1,695,263	2,132,724	1,173,003	1,109,744	1,056,106
34 Total Current and Accrued Liabilities	22,839,828	24,908,880	10,025,858	11,470,649	10,752,065
DEFERRED CREDITS					
35 Customer Advances for Construction		47,000	47,000	164,140	363,111
36 Other Deferred Credits	(217,078)	6,127,328	7,572,944	8,971,708	7,525,497
37 Accumulated Deferred Investment Tax Cre	223,822	238,822	253,822	268,822	283,822
38 Accumulated Deferred Income Taxes	38,685,690	31,797,403	23,350,294	20,496,066	22,262,612
39 Total Deferred Credits	38,692,434	38,210,554	31,224,060	29,900,736	30,435,042
OPERATING RESERVES					
40 Operating Reserves	1,265,791	1,756,306			
41 Total Liabilities and Other Credits	\$195,710,959	\$178,600,182	\$158,166,444	\$148,069,775	\$134,917,641

LONG ISLAND WATER CORPORATION
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,469	\$46,757,882	1
Operating Expense:						
Operation Expense	20,804,576	21,305,453	19,742,169	18,926,970	17,816,895	2
Maintenance Expense	2,021,310	2,814,980	3,010,501	2,983,243	2,831,573	3
Depreciation and Amortization Expense	4,456,425	3,981,578	3,633,354	3,375,222	3,316,187	4
Taxes Other than Income Taxes	16,041,982	13,982,866	11,427,376	11,385,019	11,512,735	5
Income Taxes	4,624,035	3,403,898	3,311,722	3,470,564	3,503,675	6
Total Operating Expenses	47,948,329	45,488,774	41,125,122	40,141,018	38,981,065	7
Net Operating Revenues	8,935,852	7,954,045	7,594,224	7,409,451	7,776,817	8
Other Utility Operating Income						9
Total Utility Operating Income	8,935,852	7,954,045	7,594,224	7,409,451	7,776,817	10
OTHER INCOME						
Interest and Dividend Income	876		2,532		200,205	11
Allowance for Funds Used During Construc	1,314,574	738,381	478,385	656,504		12
Miscellaneous Nonoperating Income						13
Other Income	1,031	(188)	210		14,324	14
Total Other Income	1,316,480	738,194	481,127	656,504	214,529	15
Other Income Deductions	1,951					16
Taxes-Other Income and Deductions	304	(77)	1,114		5,817	17
Income Available	10,250,077	8,692,316	8,074,236	8,065,955	7,985,529	18
INTEREST CHARGES						
Interest on Long-Term Debt	3,720,925	3,631,436	3,289,086	3,011,943	2,420,573	19
Interest on Debt to Associated Co.						20
Other Interest Expense	211,688	264,970	232,034	351,621	505,932	21
Total Interest Charges	3,932,613	3,896,406	3,521,120	3,363,564	2,926,505	22
Income Before Extraordinary Items	6,317,464	4,795,910	4,553,116	4,702,391	5,059,024	23
Net Extraordinary Items						24
Net Income	\$6,317,464	\$4,795,910	\$4,553,116	\$4,702,391	\$5,059,024	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$21,030,346	\$20,537,740	\$19,245,998	\$18,194,229	\$16,911,972	26
Balance Transferred from Income	6,317,464	4,795,910	4,553,118	4,702,391	5,059,024	27
Appropriated						28
Dividends Declared-Preferred Stock	37,969	50,625	50,626	50,626	50,767	29
Dividends Declared-Common Stock	4,734,202	4,252,679	3,210,750	3,600,000	3,726,000	30
Adjustments to Retained Earnings						31
Net Change	1,545,293	492,606	1,291,742	1,051,765	1,282,257	32
Unappropriated (EOP)	22,575,639	21,030,346	20,537,740	19,245,994	18,194,229	33
Appropriated (EOP)						34
Total Retained Earnings	\$22,575,639	\$21,030,346	\$20,537,740	\$19,245,994	\$18,194,229	35

LONG ISLAND WATER CORPORATION
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$6,317,464	\$4,795,910	\$4,553,116	\$4,702,391	\$5,059,024
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	4,672,281	4,097,000	3,749,000	3,489,000	3,419,000
3 Deferred Taxes & ITCs	7,184,127	5,790,000	2,240,000	3,972,000	5,202,000
4 Receivables and Inventory	(680,499)	308,000	132,000	274,000	106,000
5 Payables and Accrued Expenses	582,988				
6 Capitalized AFUDC - Equity Funds	(1,314,574)	(497,000)	(325,000)	(447,000)	(133,000)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments		(36,000)	(1,610,000)	1,503,000	(2,627,000)
9	(6,670,852)	(2,283,000)	1,630,000	(488,447)	(4,022,000)
10	284,171	841	6,468		1,199,783
11 Net Cash From Operating Activities	<u>10,375,106</u>	<u>12,175,751</u>	<u>10,375,584</u>	<u>13,004,944</u>	<u>8,203,807</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(20,406,252)	(16,968,000)	(14,058,000)	(15,285,000)	(10,775,000)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.					
15 Contributions & Advances from Affiliates	(47,000)	(865,000)	(724,000)	(343,000)	(193,000)
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(20,453,252)</u>	<u>(17,833,000)</u>	<u>(14,782,000)</u>	<u>(15,628,000)</u>	<u>(10,968,000)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	17,571,076	(7,723,000)	5,790,000	9,549,000	9,613,000
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(2,652,038)				
28 Dividends Paid	(4,772,173)	(4,304,000)	(3,262,000)	(3,651,000)	(3,777,000)
29 Other Cash Flows - Financing Activities		17,707,000	1,817,000	(3,265,000)	(3,076,000)
30					
31					
32 Net Cash From Financing Activities	<u>10,146,865</u>	<u>5,680,000</u>	<u>4,345,000</u>	<u>2,633,000</u>	<u>2,760,000</u>
33 Net Increase/(Decrease) In Cash Equivaler	68,719	22,751	(61,416)	9,944	(4,193)
34 Cash & Cash Equivalents At Beginning Of	72,707	49,956	111,372	101,428	105,621
35 Cash & Cash Equivalents At End Of Year	\$141,426	\$72,707	\$49,956	\$111,372	\$101,428

LONG ISLAND WATER CORPORATION
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$42,387,242	\$40,160,323	\$36,409,217	\$35,868,390	\$35,000,507	1
Sales to Other Water Companies	7,106,512	6,759,070	6,256,633	5,910,894	6,222,147	2
Other Sales of Water	4,443,234	4,247,674	4,038,207	3,985,102	3,667,635	3
Total Revenues from Sales of Water	53,936,989	51,167,067	46,704,057	45,764,386	44,890,288	4
Other Water Operating Revenues	2,947,193	2,275,752	2,015,288	1,786,082	1,867,594	5
Total Water Operating Revenues	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,468	\$46,757,882	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	6,941,203	7,020,237	6,999,043	9,031,750	8,237,521	8
Sales to Other Water Companies	1,423,800	1,427,117	1,454,389	448,465	424,528	9
Other Sales of Water	649,376	497,647	476,851			10
Total Sales of Water	9,014,379	8,945,001	8,930,283	9,480,215	8,662,049	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	67,845	67,791	67,901	67,907	67,883	13
Sales to Other Water Companies	5,728	5,701	5,707	5,754	5,744	14
Other Sales of Water	353	345	346	339	339	15
Total Customers	73,926	73,837	73,954	74,000	73,966	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$624.77	\$592.41	\$536.21	\$528.20	\$515.60	18
Average Consumption per Customer (T.Ga)	102.31	103.56	103.08	133.00	121.35	19
Average Revenue per T Gallons Sold	\$6.11	\$5.72	\$5.20	\$3.97	\$4.25	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Ga)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$140,983	\$484,734	\$282,886	\$263,204	\$257,597	24
Power and Pumping	3,821,505	4,517,294	4,576,917	4,538,598	4,047,021	25
Purification	1,794,371	2,647,800	2,092,009	2,139,330	1,977,491	26
Transmission and Distribution	2,455,997	2,804,072	2,997,149	2,925,352	2,830,458	27
Customer Accounting and Collecting	2,120,314	1,914,104	1,709,161	1,733,560	1,657,067	28
Administrative and General	12,492,716	11,752,426	11,094,547	10,310,168	9,878,834	29
Total O & M Expense	\$22,825,886	\$24,120,430	\$22,752,668	\$21,910,212	\$20,648,468	30

**LONG ISLAND WATER CORPORATION
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,468	\$46,757,882
2 Sales (Thousands of Gallons)	9,014,379	8,945,001	8,930,283	9,480,215	8,662,049
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$3,411,310	\$3,753,678	\$3,499,924	\$3,518,464	\$3,129,715
4 Wages and Benefits	9,236,452	9,407,031	9,485,534	8,937,221	8,728,346
5 Other Operation and Maintenance Expense	10,178,125	10,959,722	9,767,209	9,454,528	8,790,407
6 Depreciation and Amortization Expense	4,456,425	3,981,578	3,633,354	3,375,222	3,316,187
7 Income Taxes-Operating	4,624,035	3,403,898	3,311,722	3,470,564	3,503,675
8 Other Taxes-Operating	16,041,982	13,982,866	11,427,376	11,385,019	11,512,735
9 Capital Costs	8,935,853	7,954,048	7,594,225	7,409,450	7,776,818
10 Total	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,468	\$46,757,882
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.0	7.0	7.2	7.4	6.7
12 Wages and Benefits	16.2	17.6	19.5	18.8	18.7
13 Other Operation and Maintenance Expense	17.9	20.5	20.0	19.9	18.8
14 Depreciation and Amortization Expense	7.8	7.5	7.5	7.1	7.1
15 Income Taxes-Operating	8.1	6.4	6.8	7.3	7.5
16 Other Taxes-Operating	28.2	26.2	23.5	23.9	24.6
17 Capital Costs	15.7	14.9	15.6	15.6	16.6
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.38	0.42	0.39	0.37	0.36
20 Wages and Benefits	1.02	1.05	1.06	0.94	1.01
21 Other Operation and Maintenance Expense	1.13	1.23	1.09	1.00	1.01
22 Depreciation and Amortization Expense	0.49	0.45	0.41	0.36	0.38
23 Income Taxes-Operating	0.51	0.38	0.37	0.37	0.40
24 Other Taxes-Operating	1.78	1.56	1.28	1.20	1.33
25 Capital Costs	0.99	0.89	0.85	0.78	0.90
26 Total	6.31	5.97	5.46	5.02	5.40

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	2,247,140	2,443,614	2,351,597	2,386,612	2,153,626
Chemicals	1,164,169	1,310,064	1,148,327	1,131,852	976,089
Total PW, Fuel and Chemicals	3,411,310	3,753,678	3,499,924	3,518,464	3,129,715
Total - Ultimate Customers					

Wages and Benefits

Salaries	7,156,391	6,994,037	6,872,874	6,492,138	6,341,013
Pensions and Benefits	2,080,061	2,412,993	2,612,661	2,445,083	2,387,333
Total Wages and Benefits	9,236,452	9,407,031	9,485,534	8,937,221	8,728,346

Other Expenses

Total O&M Expenses	22,825,886	24,120,430	22,752,668	21,910,213	20,648,468
-Total PW, Fuel and Chemicals	3,411,310	3,753,678	3,499,924	3,518,464	3,129,715
-Wages and Benefits	9,236,452	9,407,031	9,485,534	8,937,221	8,728,346
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	10,178,125	10,959,722	9,767,209	9,454,528	8,790,407

Depreciation and Amortization

Depreciation Exp	4,456,425	3,981,578	3,633,354	3,375,222	3,316,187
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	4,456,425	3,981,578	3,633,354	3,375,222	3,316,187

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	3,411,310	3,753,678	3,499,924	3,518,464	3,129,715
divided by Total Gallons	9,014,379	8,945,001	8,930,283	9,480,215	8,662,049
Cost per KWH	0.0004	0.0004	0.0004	0.0004	0.0004
times Sales for Resale MWHs					
Sales for Resale Cost					

LONG ISLAND WATER CORPORATION
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$148,580	\$148,580	\$148,580	\$148,580	\$591	1
Source of Supply	8,155,106	7,943,487	7,257,748	6,451,408	6,451,407	2
Pumping	12,398,514	11,983,269	11,400,790	10,848,961	10,661,389	3
Water Treatment	37,672,285	28,498,125	28,477,490	20,785,579	20,776,016	4
Transmission and Distribution	141,354,611	133,600,798	125,624,842	116,800,335	109,214,531	5
General	16,705,552	12,654,889	9,483,424	8,750,732	8,746,375	6
Purchased or Sold						7
Total Plant in Service	216,434,648	194,829,148	182,392,874	163,785,595	155,850,309	8
Plant Leased To Others						9
Construction Work In Progress	8,468,233	11,418,092	5,584,178	10,151,175	3,055,445	10
Plant Held For Future Use	110,933	110,933	110,933	110,933	110,933	11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	225,013,813	206,358,173	188,087,985	174,047,703	159,016,687	14
Accum. Prov. - Depr. & Amort.	53,293,938	51,902,699	49,185,702	46,722,931	44,091,938	15
Net Plant	\$171,719,876	\$154,455,474	\$138,902,283	\$127,324,772	\$114,924,749	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.37	0.32	0.70	0.63	0.62	17
Total Capitalization	\$132,912,905	\$113,724,443	\$116,916,526	\$106,698,390	\$93,730,535	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	52.8%	50.0%	55.3%	55.1%	52.1%	19
Preferred Stock	0.8%	1.0%	1.0%	1.1%	1.2%	20
Common Stock & Retained Earnings	46.3%	49.0%	43.7%	43.9%	46.7%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	3.8	3.1	3.2	3.4	3.6	23
Com. Stock Dividends as a % of Earnings	76.0%	90.7%	72.4%	78.5%	77.0%	24
Return on Common Equity	10.7%	8.9%	9.2%	10.3%	12.1%	25
Internal Cash Generated as a % of Cash Outflows for Construction	50.8%	71.8%	73.8%	85.1%	76.1%	26
CWIP as a % of Plant	3.8%	5.5%	3.0%	5.8%	1.9%	27
Number of Employees	83	83	88	90	90	28

Current Assets	8,508,515	7,956,586	7,048,284.74	7,200,455.00	6,707,401.87
Current Liabilities	22,839,828	24,908,880	10,025,858	11,470,649	10,752,065
Total Capitalization	132,912,905	113,724,443	116,916,526	106,698,390	93,730,535
Long-Term Debt	70,201,856	56,914,713	64,645,633	58,749,000	48,865,000
Preferred Stock	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
Common Stock and Retained Earnings (Excl. Preferred Stock)	61,586,049	55,684,730	51,145,893	46,824,390	43,740,535
Short-Term Debt					
Pretax Income	14,877,241	12,096,136	11,389,605	11,536,519	6,816,787
Interest Expense	3,932,613	3,896,406	3,521,120	3,363,564	1,914,642
Dividends Paid	4,772,173	4,304,000	3,262,000	3,651,000	3,777,000
Net Income (Excl. Preferred Stock Dividends)	6,279,495	4,745,208	4,506,137	4,651,765	4,902,144
Internal Cash	10,375,106	12,175,751	10,375,584	13,004,944	8,203,807
Cash Outflows for Construction	20,406,252	16,968,000	14,058,000	15,285,000	10,775,000
CWIP	8,468,233	11,418,092	5,584,178	10,151,175	3,055,445
Total Plant	225,013,813	206,358,173	188,087,985	174,047,703	159,016,687
Number of Employees	83	83	88	90	90
Salaries and Wages					

**UNITED WATER WESTCHESTER
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$41,728,443	\$38,643,341	\$36,194,355	\$33,408,563	\$30,615,391
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)	239,001	239,001	239,001	239,001	239,001
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	239,001	239,001	239,001	239,001	239,001
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	200	35,607	40,232	3,725	6,307
7 Notes and Accounts Receivables - Net	198,352	506,413	911,446	590,404	303,005
8 Receivables from Associated Companies	3,509,510				
9 Materials and Supplies	2,806	3,307	7,459	(247)	
10 Prepayments	341,911	314,244	304,976	297,285	282,253
11 Accrued Utility Revenue	1,827,554	2,059,704	1,949,942	1,701,690	1,492,673
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	5,880,332	2,919,274	3,214,055	2,592,857	2,084,237
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	2,640,999	2,988,503	3,560,783	2,905,112	1,480,512
16 Accumulated Deferred Income Taxes	648,600	434,262	(91,098)	552	382,412
17 Total Deferred Debits	3,289,599	3,422,765	3,469,685	2,905,664	1,862,924
18 Total Assets and Other Debits	\$51,137,376	\$45,224,382	\$43,117,097	\$39,146,085	\$34,801,554
PROPRIETARY CAPITAL					
19 Common Stock Issued	1,685,000	1,685,000	1,685,000	1,685,000	1,685,000
20 Preferred Stock Issued					
21 Other Paid-in Capital	30,161,495	24,295,495	24,029,495	21,829,495	20,429,495
22 Retained Earnings	8,951,323	7,838,652	6,972,586	6,009,375	4,475,706
23 Reacquired Capital Stock					
24 Total Proprietary Capital	40,797,818	33,819,147	32,687,081	29,523,870	26,590,201
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	271,862	1,208,893	2,080,921	1,043,552	678,499
28 Payables to Associated Companies					
29 Customer Deposits	68,975	11,463	10,055	2,100	2,100
30 Taxes Accrued	482,029	860,635	(35,509)	(350,168)	(129,675)
31 Interest Accrued	55				
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	907,101	960,830	579,750	962,648	801,164
34 Total Current and Accrued Liabilities	1,730,023	3,041,821	2,635,217	1,658,132	1,352,088
DEFERRED CREDITS					
35 Customer Advances for Construction	117,698	353,627	225,900	428,924	319,093
36 Other Deferred Credits	226,268	199,145	131,955	52,602	54,066
37 Accumulated Deferred Investment Tax Credits	69,825	71,925	74,029	76,133	78,237
38 Accumulated Deferred Income Taxes	8,195,743	7,738,718	7,362,914	7,406,424	6,405,811
39 Total Deferred Credits	8,609,535	8,363,414	7,794,798	7,964,083	6,857,207
OPERATING RESERVES					
40 Operating Reserves					2,058
41 Total Liabilities and Other Credits	\$51,137,376	\$45,224,382	\$43,117,096	\$39,146,085	\$34,801,554

UNITED WATER WESTCHESTER
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$14,390,107	\$13,639,957	\$13,048,502	\$12,557,094	\$11,939,796	1
Operating Expense:						
Operation Expense	8,376,357	8,014,008	7,692,727	6,282,527	8,042,525	2
Maintenance Expense	186,673	302,400	343,376	444,183	489,039	3
Depreciation and Amortization Expense	1,107,915	1,004,606	874,843	786,674	727,863	4
Taxes Other than Income Taxes	1,883,647	1,840,912	1,774,192	1,768,670	1,626,501	5
Income Taxes	820,633	862,370	700,965	1,114,352	235,144	6
Total Operating Expenses	12,375,225	12,024,297	11,386,103	10,396,406	11,121,073	7
Net Operating Revenues	2,014,883	1,615,659	1,662,399	2,160,688	818,723	8
Other Utility Operating Income						9
Total Utility Operating Income	2,014,883	1,615,659	1,662,399	2,160,688	818,723	10
OTHER INCOME						
Interest and Dividend Income	34,666	35,804	12,763	64,047	7,195	11
Allowance for Funds Used During Construction	25,988	20,339	60,026	48,724	18,388	12
Miscellaneous Nonoperating Income	75,032	229,008	113,861	30,662	29,435	13
Other Income						14
Total Other Income	135,685	285,152	186,650	143,433	55,018	15
Other Income Deductions	(20)	12,733	2,334	7,099	7,294	16
Taxes-Other Income and Deductions						17
Income Available	2,150,587	1,888,078	1,846,715	2,297,022	866,448	18
INTEREST CHARGES						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	990,154	923,368	876,818	763,186	746,801	20
Other Interest Expense	47,763	98,644	6,686	168		21
Total Interest Charges	1,037,917	1,022,012	883,504	763,354	746,801	22
Income Before Extraordinary Items	1,112,670	866,066	963,211	1,533,668	119,647	23
Net Extraordinary Items						24
Net Income	\$1,112,670	\$866,066	\$963,211	\$1,533,668	\$119,647	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$7,838,652	\$6,972,585	\$6,009,374	\$4,475,706	\$4,356,060	26
Balance Transferred from Income	1,112,670	866,066	963,211	1,533,668	119,647	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings						31
Net Change	1,112,670	866,066	963,211	1,533,668	119,647	32
Unappropriated (EOP)	8,951,323	7,838,651	6,972,585	6,009,374	4,475,706	33
Appropriated (EOP)						34
Total Retained Earnings	\$8,951,323	\$7,838,651	\$6,972,585	\$6,009,374	\$4,475,706	35

**UNITED WATER WESTCHESTER
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	1,112,670	\$866,066	\$963,211	\$1,533,668	\$119,647
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	1,107,915	1,004,606	874,843	786,674	727,863
3 Deferred Taxes & ITCs	240,587	(151,660)	46,036	1,380,369	498,215
4 Receivables and Inventory	(2,968,796)	299,423	(576,999)	(496,170)	269,833
5 Payables and Accrued Expenses	(933,192)	(489,540)	662,426	526,539	273,467
6 Capitalized AFUDC - Equity Funds	(25,988)	(20,339)	(60,026)	(48,724)	(18,388)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	347,504	572,280	(655,671)	(1,424,599)	372,912
9 Accounts Payable	27,124	67,190		(1,464)	(1,464)
10 Other Current Liabilities	(406,274)	886,877	386,321	(237,583)	(223,071)
11 Net Cash From Operating Activities	<u>(1,498,450)</u>	<u>3,034,903</u>	<u>1,640,141</u>	<u>2,018,710</u>	<u>2,019,014</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(4,167,029)	(3,433,254)	(3,600,609)	(3,531,123)	(2,083,305)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(4,167,029)</u>	<u>(3,433,254)</u>	<u>(3,600,609)</u>	<u>(3,531,123)</u>	<u>(2,083,305)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	5,630,072	393,726	1,996,976	1,509,831	45,809
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid					
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>5,630,072</u>	<u>393,726</u>	<u>1,996,976</u>	<u>1,509,831</u>	<u>45,809</u>
33 Net Increase/(Decrease) In Cash Equivalents	(35,407)	(4,625)	36,508	(2,582)	(18,482)
34 Cash & Cash Equivalents At Beginning Of Year	35,607	40,233	3,725	6,307	24,789
35 Cash & Cash Equivalents At End Of Year	\$200	\$35,608	\$40,233	\$3,725	\$6,307

**UNITED WATER WESTCHESTER
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$13,042,412	\$12,551,859	\$11,463,920	\$9,932,414	\$9,180,416	1
Sales to Other Water Companies						2
Other Sales of Water	1,347,695	1,088,096	1,584,581	2,624,681	2,759,380	3
Total Revenues from Sales of Water	14,390,107	13,639,956	13,048,501	12,557,095	11,939,796	4
Other Water Operating Revenues						5
Total Water Operating Revenues	\$14,390,107	\$13,639,956	\$13,048,501	\$12,557,095	\$11,939,796	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	1,923,236	1,900,978	1,919,903	1,985,025	1,843,459	8
Sales to Other Water Companies						9
Other Sales of Water	106,340	119,076	116,274	116,907	99,882	10
Total Sales of Water	2,029,576	2,020,054	2,036,177	2,101,932	1,943,341	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	11,875	12,132	12,140	12,170	12,131	13
Sales to Other Water Companies						14
Other Sales of Water	82	82	86	110	90	15
Total Customers	11,957	12,214	12,226	12,280	12,221	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$1,098.31	\$1,034.61	\$944.31	\$816.14	\$756.77	18
Average Consumption per Customer (T.Gal)	161.96	156.69	158.15	163.11	151.96	19
Average Revenue per T Gallons Sold	\$6.78	\$6.60	\$5.97	\$5.00	\$4.98	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$5,852,555	\$5,613,304	\$5,569,800	\$4,439,044	\$5,924,059	24
Power and Pumping	337,713	306,387	286,938	285,196	237,190	25
Purification	44,435	29,436	30,047	37,125	77,898	26
Transmission and Distribution	427,112	477,434	468,239	611,005	820,959	27
Customer Accounting and Collecting	621,796	616,367	506,948	486,259	669,220	28
Administrative and General	1,279,419	1,273,481	1,174,129	868,080	802,238	29
Total O & M Expense	\$8,563,030	\$8,316,408	\$8,036,101	\$6,726,709	\$8,531,564	30

**UNITED WATER WESTCHESTER
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$14,390,107	\$13,639,956	\$13,048,501	\$12,557,095	\$11,939,796
2 Sales (Thousands of Gallons)	2,029,576	2,020,054	2,036,177	2,101,932	1,943,341
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$5,880,869	\$5,641,383	\$5,590,371	\$4,440,104	\$5,926,750
4 Wages and Benefits	717,109	757,072	736,856	572,834	763,230
5 Other Operation and Maintenance Expense	1,965,052	1,917,954	1,708,876	1,713,772	1,841,584
6 Depreciation and Amortization Expense	1,107,915	1,004,606	874,843	786,674	727,863
7 Income Taxes-Operating	820,633	862,370	700,965	1,114,352	235,144
8 Other Taxes-Operating	1,883,647	1,840,912	1,774,192	1,768,670	1,626,501
9 Capital Costs	2,014,882	1,615,659	1,662,398	2,160,689	818,723
10 Total	\$14,390,107	\$13,639,956	\$13,048,501	\$12,557,095	\$11,939,796
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	40.9	41.4	42.8	35.4	49.6
12 Wages and Benefits	5.0	5.6	5.6	4.6	6.4
13 Other Operation and Maintenance Expense	13.7	14.1	13.1	13.6	15.4
14 Depreciation and Amortization Expense	7.7	7.4	6.7	6.3	6.1
15 Income Taxes-Operating	5.7	6.3	5.4	8.9	2.0
16 Other Taxes-Operating	13.1	13.5	13.6	14.1	13.6
17 Capital Costs	14.0	11.8	12.7	17.2	6.9
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	2.90	2.79	2.75	2.11	3.05
20 Wages and Benefits	0.35	0.37	0.36	0.27	0.39
21 Other Operation and Maintenance Expense	0.97	0.95	0.84	0.82	0.95
22 Depreciation and Amortization Expense	0.55	0.50	0.43	0.37	0.37
23 Income Taxes-Operating	0.40	0.43	0.34	0.53	0.12
24 Other Taxes-Operating	0.93	0.91	0.87	0.84	0.84
25 Capital Costs	0.99	0.80	0.82	1.03	0.42
26 Total	7.09	6.75	6.41	5.97	6.14

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water	5,836,732	5,597,044	5,547,786	4,402,363	5,894,449
Fuel for Pumping	44,137	44,339	42,585	37,741	32,301
Chemicals					

Total PW, Fuel and Chemicals 5,880,869 5,641,383 5,590,371 4,440,104 5,926,750

Total - Ultimate Customers 5,880,869 5,641,383 5,590,371 4,440,104 5,926,750

Wages and Benefits

Salaries	804,797	753,251	674,410	663,976	879,343
Pensions and Benefits	(87,688)	3,821	62,446	(91,142)	(116,113)
Total Wages and Benefits	717,109	757,072	736,856	572,834	763,230

Other Expenses

Total O&M Expenses	8,563,030	8,316,408	8,036,103	6,726,710	8,531,564
-Total PW, Fuel and Chemicals	5,880,869	5,641,383	5,590,371	4,440,104	5,926,750
-Wages and Benefits	717,109	757,072	736,856	572,834	763,230
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	1,965,052	1,917,954	1,708,876	1,713,772	1,841,584

Depreciation and Amortization

Depreciation Exp	1,107,915	1,004,606	874,843	786,674	727,863
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	1,107,915	1,004,606	874,843	786,674	727,863

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	5,880,869	5,641,383	5,590,371	4,440,104	5,926,750
divided by Total Gallons	2,029,576	2,020,054	2,036,177	2,101,932	1,943,341
Cost per KWH	0.0029	0.0028	0.0027	0.0021	0.0030
times Sales for Resale MWHs					
Sales for Resale Cost					

UNITED WATER WESTCHESTER
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible						1
Source of Supply	\$71,288	\$71,288	\$71,288	\$71,288	\$71,288	2
Pumping	1,734,249	1,732,557	1,685,893	1,441,020	1,416,752	3
Water Treatment	685					4
Transmission and Distribution	48,615,190	44,186,624	41,314,490	39,276,848	36,264,960	5
General	3,050,566	2,663,359	2,546,341	2,169,595	1,851,723	6
Purchased or Sold						7
Total Plant in Service	53,471,978	48,653,829	45,618,012	42,958,751	39,604,723	8
Plant Leased To Others						9
Construction Work In Progress	413,527	1,394,023	1,156,744	764,600	718,738	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	53,885,505	50,047,852	46,774,756	43,723,351	40,323,461	14
Accum. Prov. - Depr. & Amort.	12,157,062	11,404,510	10,580,401	10,314,788	9,708,070	15
Net Plant	\$41,728,443	\$38,643,342	\$36,194,355	\$33,408,563	\$30,615,391	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	3.40	0.96	1.22	1.56	1.54	17
Total Capitalization	\$40,797,818	\$33,819,147	\$32,687,081	\$29,523,870	\$26,590,201	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	50.1%					19
Preferred Stock	4.5%					20
Common Stock & Retained Earnings	35.3%	100.0%	100.0%	100.0%	100.0%	21
Short-Term Debt	10.1%					22
Pretax Coverage of Interest Expense	2.9	2.7	2.9	4.5	1.5	23
Com. Stock Dividends as a % of Earnings						24
Return on Common Equity	3.0%	2.6%	3.1%	10.4%	0.5%	25
Internal Cash Generated as a % of Cash Outflows for Construction	-36.0%	88.4%	45.6%	57.2%	96.9%	26
CWIP as a % of Plant	0.8%	2.8%	2.5%	1.7%	1.8%	27
Number of Employees						28

Current Assets	5,880,332	2,919,274	3,214,055	2,592,857	2,084,237
Current Liabilities	1,730,023	3,041,821	2,635,217	1,658,132	1,352,088
Total Capitalization	40,797,818	33,819,147	32,687,081	29,523,870	26,590,201
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	40,797,818	33,819,147	32,687,081	29,523,870	26,590,201
Short-Term Debt					
Pretax Income	2,971,200	2,763,182	2,550,013	3,418,473	1,108,886
Interest Expense	1,037,917	1,022,012	883,504	763,354	746,801
Dividends Paid					
Net Income (Excl. Preferred Stock Dividends)	1,112,670	866,066	963,209	1,533,667	119,647
Internal Cash	(1,498,450)	3,034,903	1,640,141	2,018,710	2,019,014
Cash Outflows for Construction	4,167,029	3,433,254	3,600,609	3,531,123	2,083,305
CWIP	413,527	1,394,023	1,156,744	764,600	718,738
Total Plant	53,885,505	50,047,851	46,774,756	43,723,351	40,323,461
Number of Employees					
Salaries and Wages					

**NEW YORK WATER SERVICE CORP
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$54,706,950	\$49,097,072	\$48,519,161	\$47,905,176	\$45,902,394
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments	10,654,423	10,568,764			
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	10,654,423	10,568,764			
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	86,300	770,504	750	750	2,337,381
7 Notes and Accounts Receivables - Net	2,403,483	1,155,248	1,814,130	2,408,455	1,876,957
8 Receivables from Associated Companies	6,479	1,050,755	9,280,674	3,562,966	
9 Materials and Supplies	358,428	388,750	251,258	269,121	277,402
10 Prepayments	447,799	300,496	51,601	39,615	1,323,829
11 Accrued Utility Revenue	1,733,447	2,141,940	2,329,252	2,364,299	1,134,910
12 Misc Current and Accrued Assets	26,270			1,517,526	
13 Total Current and Accrued Assets	5,062,205	5,807,693	13,727,665	10,162,732	6,950,479
DEFERRED DEBITS					
14 Unamort. Debt Expense	889,865	972,945	959,515	1,052,688	1,145,861
15 Other Deferred Debits	17,784,682	25,542,091	35,473,225	36,016,227	35,552,034
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	18,674,546	26,515,036	36,432,740	37,068,915	36,697,895
18 Total Assets and Other Debits	\$89,098,124	\$91,988,565	\$98,679,566	\$95,136,823	\$89,550,768
PROPRIETARY CAPITAL					
19 Common Stock Issued			\$3,674,470	\$3,674,470	\$3,674,470
20 Preferred Stock Issued					
21 Other Paid-in Capital	34,238,889	\$34,238,889	2,133,733	2,079,739	2,050,285
22 Retained Earnings	1,203,434	398,644	32,354,808	30,054,123	29,421,464
23 Reacquired Capital Stock					
24 Total Proprietary Capital	35,442,323	34,637,533	38,163,011	35,808,332	35,146,219
LONG-TERM DEBT					
25 Long-Term Debt	29,354,288	24,736,561	23,298,080	23,223,560	23,149,040
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	1,720,991	1,755,595	561,568	389,466	506,076
28 Payables to Associated Companies	(887,198)	(4,842,900)			
29 Customer Deposits					
30 Taxes Accrued	(1,832,678)	2,096,441	272,360		41,868
31 Interest Accrued	108,615	63,196	325,858	270,792	272,427
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	459,958	1,014,501	2,251,754	2,997,616	61,073
34 Total Current and Accrued Liabilities	(430,312)	86,833	3,411,540	3,657,874	881,444
DEFERRED CREDITS					
35 Customer Advances for Construction	258,328	74,561	12,996	13,272	
36 Other Deferred Credits	9,277,623	18,926,085	21,106,434	20,109,392	19,184,157
37 Accumulated Deferred Investment Tax Credits					
38 Accumulated Deferred Income Taxes	15,177,115	13,486,621	12,687,505	12,324,393	11,189,908
39 Total Deferred Credits	24,713,067	32,487,267	33,806,935	32,447,057	30,374,065
OPERATING RESERVES					
40 Operating Reserves	18,758	40,371			
41 Total Liabilities and Other Credits	\$89,098,124	\$91,988,565	\$98,679,566	\$95,136,823	\$89,550,768

NEW YORK WATER SERVICE CORP
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$26,920,969	\$27,926,354	\$27,258,288	\$27,478,959	\$23,428,175	1
Operating Expense:						
Operation Expense	10,626,328	10,410,037	9,019,286	9,293,490	9,033,288	2
Maintenance Expense	943,933	1,297,535	1,476,697	1,576,844	1,581,126	3
Depreciation and Amortization Expense	2,063,964	2,140,146	2,204,227	2,063,630	1,964,521	4
Taxes Other than Income Taxes	8,274,979	8,763,610	8,165,489	8,175,200	6,540,840	5
Income Taxes	1,709,354	1,895,614	1,564,399	1,633,240	1,246,353	6
Total Operating Expenses	23,618,559	24,506,942	22,430,098	22,742,404	20,366,128	7
Net Operating Revenues	3,302,411	3,419,412	4,828,190	4,736,555	3,062,047	8
Other Utility Operating Income						9
Total Utility Operating Income	3,302,411	3,419,412	4,828,190	4,736,555	3,062,047	10
OTHER INCOME						
Interest and Dividend Income	531				562	11
Allowance for Funds Used During Construction	295,236	58,551	16,622	27,560	40,986	12
Miscellaneous Nonoperating Income				11,553	60,241	13
Other Income		(2,390)	(4,992)	(26,670)	(10,820)	14
Total Other Income	295,767	56,161	11,630	12,443	90,969	15
Other Income Deductions	(70)		1,096,588	1,023,146	89,268	16
Taxes-Other Income and Deductions						17
Income Available	3,598,247	3,475,573	3,743,232	3,725,852	3,063,748	18
INTEREST CHARGES						
Interest on Long-Term Debt	1,156,905	1,216,042	1,393,193	1,393,193	1,393,193	19
Interest on Debt to Associated Co.						20
Other Interest Expense	106,231	111,398	49,354			21
Total Interest Charges	1,263,136	1,327,440	1,442,547	1,393,193	1,393,193	22
Income Before Extraordinary Items	2,335,111	2,148,133	2,300,685	2,332,659	1,670,555	23
Net Extraordinary Items						24
Net Income	\$2,335,111	\$2,148,133	\$2,300,685	\$2,332,659	\$1,670,555	25
<hr/>						
RETAINED EARNINGS						
Unappropriated (Beginning)	\$398,644	\$32,354,808	\$30,054,123	\$29,421,464	\$27,750,909	26
Balance Transferred from Income	2,335,111	2,148,133	2,300,685	2,332,659	1,670,555	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	1,530,320	2,669,541		1,700,000		30
Adjustments to Retained Earnings		(31,434,756)				31
Net Change	804,790	(31,956,164)	2,300,685	632,659	1,670,555	32
Unappropriated (EOP)	1,203,434	398,644	32,354,808	30,054,123	29,421,464	33
Appropriated (EOP)						34
Total Retained Earnings	\$1,203,434	\$398,644	\$32,354,808	\$30,054,123	\$29,421,464	35

Notes:

NEW YORK WATER SERVICE CORP
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$2,335,111	\$2,148,133	\$2,300,685	\$2,332,659	\$1,670,555
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	362,147	2,253,147	3,284,587	3,164,543	2,131,082
3 Deferred Taxes & ITCs	1,045,075	481,874	363,112	1,134,485	2,734,403
4 Receivables and Inventory	(1,136,600)	1,338,645	748,679	(600,984)	800,689
5 Payables and Accrued Expenses	(4,472,847)	2,975,362	499,528	1,258,904	(1,661,556)
6 Capitalized AFUDC - Equity Funds		(58,551)	(16,622)	(27,560)	(40,986)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(1,500,389)	(2,259,941)	(4,615,055)	(2,489,737)	2,564,239
9		(640,000)			
10		(1,363,456)			
11 Net Cash From Operating Activities	<u>(3,367,503)</u>	<u>4,875,213</u>	<u>2,564,914</u>	<u>4,772,310</u>	<u>8,198,426</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(5,682,766)	(4,092,786)	(2,693,428)	(4,025,580)	(3,228,837)
13 Acquisition Of Other Non-Current Assets				(1,487,339)	(6,087,967)
14 Investments In & Advances to Affiliates.	958,617	8,229,919			
15 Contributions & Advances from Affiliates	(863,684)	(5,182,864)			
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(5,587,833)</u>	<u>(1,045,731)</u>	<u>(2,693,428)</u>	<u>(5,512,919)</u>	<u>(9,316,804)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	4,798,300	(390,187)	74,520	74,520	74,520
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	5,003,152				
28 Dividends Paid	(1,530,320)	(2,669,541)		(1,700,000)	
29 Other Cash Flows - Financing Activities			53,994	29,458	34,207
30					
31					
32 Net Cash From Financing Activities	<u>8,271,132</u>	<u>(3,059,728)</u>	<u>128,514</u>	<u>(1,596,022)</u>	<u>108,727</u>
33 Net Increase/(Decrease) In Cash Equivalents	(684,204)	769,754		(2,336,631)	(1,009,651)
34 Cash & Cash Equivalents At Beginning Of Year	770,504	750	750	2,337,381	3,347,032
35 Cash & Cash Equivalents At End Of Year	\$86,300	\$770,504	\$750	\$750	\$2,337,381

NEW YORK WATER SERVICE CORP
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$22,751,364	\$23,750,083	\$22,549,752	\$22,440,422	\$19,813,142	1
Sales to Other Water Companies	2,188,740	1,752,933	2,219,976	2,556,073	1,693,353	2
Other Sales of Water	1,980,866	2,423,338	2,488,560	1,866,738	1,619,963	3
Total Revenues from Sales of Water	26,920,970	27,926,354	27,258,288	26,863,233	23,126,458	4
Other Water Operating Revenues				615,726	301,717	5
Total Water Operating Revenues	\$26,920,970	\$27,926,354	\$27,258,288	\$27,478,959	\$23,428,175	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	4,701,063	4,598,528	4,500,361	5,003,189	4,193,501	8
Sales to Other Water Companies	517,147	347,840	666,933	884,377	721,820	9
Other Sales of Water						10
Total Sales of Water	5,218,210	4,946,368	5,167,294	5,887,566	4,915,321	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	42,593	42,708	43,027	42,992	42,825	13
Sales to Other Water Companies	1,801	1,806	1,225	1,150	1,067	14
Other Sales of Water	318	309	315	309	281	15
Total Customers	44,712	44,823	44,567	44,451	44,173	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$534.16	\$556.10	\$524.08	\$521.97	\$462.65	17
Average Consumption per Customer (T.Gal)	110.37	107.67	104.59	116.37	97.92	18
Average Revenue per T Gallons Sold	\$4.84	\$5.16	\$5.01	\$4.49	\$4.72	19
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	20
Average Consumption per Customer (T.Gal)	---	---	---	---	---	21
Average Revenue per T Gallons Sold	---	---	---	---	---	22
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$80,874	\$191,935	\$216,965	\$185,181	\$176,829	23
Power and Pumping	2,363,813	2,154,933	1,808,996	1,943,129	1,695,592	24
Purification	966,413	1,005,993	1,203,485	1,302,584	1,163,197	25
Transmission and Distribution	1,195,432	1,458,730	1,287,689	1,407,317	1,399,929	26
Customer Accounting and Collecting	223,763	124,991	260,017	703,713	818,643	27
Administrative and General	6,739,966	6,770,990	5,718,831	5,328,408	5,360,224	28
Total O & M Expense	\$11,570,262	\$11,707,572	\$10,495,983	\$10,870,332	\$10,614,414	29

**NEW YORK WATER SERVICE CORP
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$26,920,970	\$27,926,354	\$27,258,288	\$27,478,959	\$23,428,175
2 Sales (Thousands of Gallons)	5,218,210	4,946,368	5,167,294	5,887,566	4,915,321
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$2,243,653	\$2,253,863	\$2,096,636	\$2,281,201	\$1,957,665
4 Wages and Benefits	3,847,724	4,538,383	4,635,953	4,810,671	5,342,242
5 Other Operation and Maintenance Expense	5,478,885	4,915,326	3,763,394	3,778,460	3,314,507
6 Depreciation and Amortization Expense	2,063,964	2,140,146	2,204,227	2,063,630	1,964,521
7 Income Taxes-Operating	1,709,354	1,895,614	1,564,399	1,633,240	1,246,353
8 Other Taxes-Operating	8,274,979	8,763,610	8,165,489	8,175,200	6,540,840
9 Capital Costs	3,302,411	3,419,412	4,828,190	4,736,557	3,062,047
10 Total	\$26,920,970	\$27,926,354	\$27,258,288	\$27,478,959	\$23,428,175
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	8.3	8.1	7.7	8.3	8.4
12 Wages and Benefits	14.3	16.3	17.0	17.5	22.8
13 Other Operation and Maintenance Expense	20.4	17.6	13.8	13.8	14.1
14 Depreciation and Amortization Expense	7.7	7.7	8.1	7.5	8.4
15 Income Taxes-Operating	6.3	6.8	5.7	5.9	5.3
16 Other Taxes-Operating	30.7	31.4	30.0	29.8	27.9
17 Capital Costs	12.3	12.2	17.7	17.2	13.1
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.43	0.46	0.41	0.39	0.40
20 Wages and Benefits	0.74	0.92	0.90	0.82	1.09
21 Other Operation and Maintenance Expense	1.05	0.99	0.73	0.64	0.67
22 Depreciation and Amortization Expense	0.40	0.43	0.43	0.35	0.40
23 Income Taxes-Operating	0.33	0.38	0.30	0.28	0.25
24 Other Taxes-Operating	1.59	1.77	1.58	1.39	1.33
25 Capital Costs	0.63	0.69	0.93	0.80	0.62
26 Total	5.16	5.65	5.28	4.67	4.77

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	1,469,419	1,728,368	1,466,898	1,600,918	1,368,421
Chemicals	774,235	525,495	629,738	680,283	589,244
Total PW, Fuel and Chemicals	2,243,653	2,253,863	2,096,636	2,281,201	1,957,665
Total - Ultimate Customers	2,243,653	2,253,863	2,096,636	2,281,201	1,957,665

Wages and Benefits

Salaries	2,361,270	2,663,108	2,932,095	3,293,072	3,324,854
Pensions and Benefits	1,486,454	1,875,275	1,703,858	1,517,599	2,017,388
Total Wages and Benefits	3,847,724	4,538,383	4,635,953	4,810,671	5,342,242

Other Expenses

Total O&M Expenses	11,570,262	11,707,572	10,495,983	10,870,332	10,614,414
-Total PW, Fuel and Chemicals	2,243,653	2,253,863	2,096,636	2,281,201	1,957,665
-Wages and Benefits	3,847,724	4,538,383	4,635,953	4,810,671	5,342,242
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	5,478,885	4,915,326	3,763,394	3,778,460	3,314,507

Depreciation and Amortization

Depreciation Exp	2,063,964	2,140,146	2,204,227	2,063,630	1,964,521
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	2,063,964	2,140,146	2,204,227	2,063,630	1,964,521

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	2,243,653	2,253,863	2,096,636	2,281,201	1,957,665
divided by Total Gallons	5,218,210	4,946,368	5,167,294	5,887,566	4,915,321
Cost per KWH	0.0004	0.0005	0.0004	0.0004	0.0004
times Sales for Resale MWHs					
Sales for Resale Cost					

NEW YORK WATER SERVICE CORP
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$31,152	\$31,152	\$31,152	\$31,152	\$31,152	1
Source of Supply	4,632,517	4,632,517	4,593,935	2,980,692	2,650,292	2
Pumping	14,703,868	14,624,083	14,648,077	14,561,266	14,460,853	3
Water Treatment	10,719,123	10,716,094	10,646,194	10,479,332	10,337,329	4
Transmission and Distribution	53,338,968	48,390,729	47,809,878	46,711,680	45,003,321	5
General	4,716,796	3,701,811	5,820,673	5,232,160	4,474,487	6
Purchased or Sold						7
Total Plant in Service	88,142,424	82,096,386	83,549,909	79,996,181	76,957,434	8
Plant Leased To Others						9
Construction Work In Progress	4,664,886	3,668,414	645,622	1,489,576	516,737	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	92,807,310	85,764,800	84,195,531	81,485,757	77,474,171	14
Accum. Prov. - Depr. & Amort.	38,100,361	36,667,728	35,676,370	33,580,581	31,571,777	15
Net Plant	\$54,706,950	\$49,097,072	\$48,519,161	\$47,905,176	\$45,902,394	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	(11.76)	66.88	4.02	2.78	7.89	17
Total Capitalization	\$64,796,611	\$59,374,094	\$61,461,091	\$59,031,892	\$58,295,259	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	45.3%	41.7%	37.9%	39.3%	39.7%	19
Preferred Stock						20
Common Stock & Retained Earnings	54.7%	58.3%	62.1%	60.7%	60.3%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	4.2	4.0	4.4	4.6	3.2	23
Com. Stock Dividends as a % of Earnings	65.5%	124.3%		72.9%		24
Return on Common Equity	6.7%	5.9%	6.2%	6.6%	4.9%	25
Internal Cash Generated as a % of Cash Outflows for Construction	59.3%	119.1%	95.2%	118.5%	253.9%	26
CWIP as a % of Plant	5.0%	4.3%	0.8%	1.8%	0.7%	27
Number of Employees	33	34	41	42	50	28

Current Assets	5,062,205	5,807,693.00	13,727,665.00	10,162,732.00	6,950,479.00
Current Liabilities	(430,312)	86,833	3,411,540	3,657,874	881,444
Total Capitalization	64,796,611	59,374,094	61,461,091	59,031,892	58,295,259
Long-Term Debt	29,354,288	24,736,561	23,298,080	23,223,560	23,149,040
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	35,442,323	34,637,533	38,163,011	35,808,332	35,146,219
Short-Term Debt					
Pretax Income	5,307,602	5,371,187	6,404,219	6,382,238	4,399,369
Interest Expense	1,263,136	1,327,440	1,442,547	1,393,193	1,393,193
Dividends Paid	1,530,320	2,669,541		1,700,000	
Net Income (Excl. Preferred Stock Dividends)	2,335,111	2,148,133	2,300,685	2,332,659	1,670,555
Internal Cash	(3,367,503)	4,875,213	2,564,914	4,772,310	8,198,426
Cash Outflows for Construction	(5,682,766)	4,092,786	2,693,428	4,025,580	3,228,837
CWIP	4,664,886	3,668,414	645,622	1,489,576	516,737
Total Plant	92,807,310	86,274,210	84,195,531	81,485,858	77,474,171
Number of Employees	33	34	41	42	50
Salaries and Wages					

SEA CLIFF WATER COMPANY
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$9,720,101	\$9,443,407	\$9,456,827	\$9,357,747	\$8,856,427
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments	1,611,940	1,612,078			
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	1,611,940	1,612,078			
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	8,324	74,428			(614,032)
7 Notes and Accounts Receivables - Net	404,953	218,162	283,143	256,600	199,416
8 Receivables from Associated Companies	630	101,599		276,594	
9 Materials and Supplies	28,476	(6,863)	48,486	37,296	48,002
10 Prepayments	100,344	181,299	47,653	38,070	39,248
11 Accrued Utility Revenue	410,503	330,949	401,069	451,327	336,674
12 Misc Current and Accrued Assets	2,556				
13 Total Current and Accrued Assets	955,787	899,574	780,351	1,059,887	9,308
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	1,097,173	938,591	1,996,608	1,953,410	1,790,389
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	1,097,173	938,591	1,996,608	1,953,410	1,790,389
18 Total Assets and Other Debits	\$13,385,002	\$12,893,650	\$12,233,786	\$12,371,044	\$10,656,124
PROPRIETARY CAPITAL					
19 Common Stock Issued			\$24,950	24,950	24,950
20 Preferred Stock Issued					
21 Other Paid-in Capital	4,358,395	\$2,858,395	2,017,959	2,017,959	2,017,959
22 Retained Earnings	158,418	23,408	3,189,985	2,953,075	2,318,465
23 Reacquired Capital Stock					
24 Total Proprietary Capital	4,516,813	2,881,803	5,232,894	4,995,984	4,361,374
LONG-TERM DEBT					
25 Long-Term Debt	558,332		3,800,000	3,800,000	3,800,000
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	159,521	112,880	2,975	173,000	15,664
28 Payables to Associated Companies	5,044,905	6,239,351	74,370		
29 Customer Deposits					
30 Taxes Accrued	(359,734)	68,493	(133,607)	264,381	(82,398)
31 Interest Accrued	21,036			15,311	7,655
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	38,756	120,419	419,671	446,982	354,518
34 Total Current and Accrued Liabilities	4,904,484	6,541,143	363,409	899,674	295,439
DEFERRED CREDITS					
35 Customer Advances for Construction	19,931	28,698	28,698	63,438	63,438
36 Other Deferred Credits	1,004,622	1,224,049	665,658	658,172	328,230
37 Accumulated Deferred Investment Tax Credits				46,300	46,300
38 Accumulated Deferred Income Taxes	2,378,993	2,212,148	2,143,127	1,907,476	1,761,343
39 Total Deferred Credits	3,403,546	3,464,895	2,837,483	2,675,386	2,199,311
OPERATING RESERVES					
40 Operating Reserves	1,825	5,809			
41 Total Liabilities and Other Credits	\$13,385,002	\$12,893,650	\$12,233,786	\$12,371,044	\$10,656,124

SEA CLIFF WATER COMPANY
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$3,422,676	\$2,768,996	\$2,780,840	\$3,115,777	\$2,487,332	1
Operating Expense:						
Operation Expense	843,982	775,135	692,231	701,207	775,251	2
Maintenance Expense	97,977	112,994	121,218	88,849	144,707	3
Depreciation and Amortization Expense	226,883	256,894	271,593	244,540	200,861	4
Taxes Other than Income Taxes	1,539,381	1,440,612	1,160,712	882,574	689,148	5
Income Taxes	294,262	71,521	83,755	445,149	308,624	6
Total Operating Expenses	3,002,485	2,657,156	2,329,509	2,362,319	2,118,591	7
Net Operating Revenues	420,191	111,840	451,331	753,458	368,741	8
Other Utility Operating Income						9
Total Utility Operating Income	420,191	111,840	451,331	753,458	368,741	10
OTHER INCOME						
Interest and Dividend Income	52					11
Allowance for Funds Used During Construction	23,258	1,681	1,978	907	70,419	12
Miscellaneous Nonoperating Income					(50)	13
Other Income		(412)	1,970		3,650	14
Total Other Income	23,309	1,269	3,948	907	74,019	15
Other Income Deductions			1,368	1,988	1,078	16
Taxes-Other Income and Deductions	(6)					17
Income Available	443,507	113,109	453,911	752,377	441,682	18
INTEREST CHARGES						
Interest on Long-Term Debt	21,036					19
Interest on Debt to Associated Co.	(0)	32,004	192,022	101,324	21,104	20
Other Interest Expense	20,480	4,948	24,979	16,443	29,070	21
Total Interest Charges	41,516	36,952	217,001	117,767	50,174	22
Income Before Extraordinary Items	401,991	76,157	236,910	634,610	391,508	23
Net Extraordinary Items						24
Net Income	\$401,991	\$76,157	\$236,910	\$634,610	\$391,508	25
<hr/>						
RETAINED EARNINGS						
Unappropriated (Beginning)	\$23,408	\$3,189,985	\$2,953,075	\$2,318,465	\$1,926,957	26
Balance Transferred from Income	401,991	76,157	236,910	634,610	391,508	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	266,981	156,351				30
Adjustments to Retained Earnings		(3,086,383)				31
Net Change	135,010	(3,166,577)	236,910	634,610	391,508	32
Unappropriated (EOP)	158,418	23,408	3,189,985	2,953,075	2,318,465	33
Appropriated (EOP)						34
Total Retained Earnings	\$158,418	\$23,408	\$3,189,985	\$2,953,075	\$2,318,465	35

SEA CLIFF WATER COMPANY
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$401,991	\$76,157	\$236,910	\$634,610	\$391,508
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	241,276	262,187	272,961	244,540	200,861
3 Deferred Taxes & ITCs	28,136	190,405	243,137	476,075	452,759
4 Receivables and Inventory	(600,793)	(343,664)	16,878	(160,786)	88,355
5 Payables and Accrued Expenses	(226,910)	(172,629)	(571,005)	604,235	(388,693)
6 Capitalized AFUDC - Equity Funds		(1,681)	(1,978)	(907)	(70,419)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(102,954)	111,295	(4,353)	(163,021)	(107,851)
9			(9,583)	(345)	(2,041)
10			(29,410)	1,178	304
11 Net Cash From Operating Activities	<u>(259,254)</u>	<u>122,070</u>	<u>153,557</u>	<u>1,635,579</u>	<u>564,783</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(496,093)	(323,141)	(153,557)	(744,953)	(1,720,147)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.	101,106	(101,599)			
15 Contributions & Advances from Affiliates	(1,203,214)	4,333,449			
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies				(276,594)	
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(1,598,201)</u>	<u>3,908,709</u>	<u>(153,557)</u>	<u>(1,021,547)</u>	<u>(1,720,147)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt					
25 Common Stock					
26 Preferred Stock	558,332	(3,800,000)			
27 Short-Term Debt	1,500,000				
28 Dividends Paid	(266,981)	(156,351)			
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>1,791,351</u>	<u>(3,956,351)</u>			
33 Net Increase/(Decrease) In Cash Equivalents	(66,104)	74,428		614,032	(1,155,364)
34 Cash & Cash Equivalents At Beginning Of Year	74,428			(614,032)	541,332
35 Cash & Cash Equivalents At End Of Year	\$8,324	\$74,428			(\$614,032)

SEA CLIFF WATER COMPANY
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$2,632,597	\$1,701,964	\$1,639,809	\$1,935,426	\$1,651,069	1
Sales to Other Water Companies	223,131	519,295	350,189	421,080	389,155	2
Other Sales of Water	299,559	333,895	321,621	322,032	318,838	3
Total Revenues from Sales of Water	3,155,287	2,555,154	2,311,619	2,678,538	2,359,062	4
Other Water Operating Revenues	267,388	213,842	469,221	437,240	128,270	5
Total Water Operating Revenues	\$3,422,675	\$2,768,996	\$2,780,840	\$3,115,778	\$2,487,332	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	369,634	187,371	355,522	323,739	399,651	8
Sales to Other Water Companies	165,702	27,184	82,495	75,912		9
Other Sales of Water						10
Total Sales of Water	535,336	214,555	438,017	399,651	399,651	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	3,941	3,948	3,949	3,953	3,947	13
Sales to Other Water Companies	355	397	375	379	376	14
Other Sales of Water	48	16	48	50	50	15
Total Customers	4,344	4,361	4,372	4,382	4,373	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$668.00	\$431.10	\$415.25	\$489.61	\$418.31	18
Average Consumption per Customer (T.Gal)	93.79	47.46	90.03	81.90	101.25	19
Average Revenue per T Gallons Sold	\$7.12	\$9.08	\$4.61	\$5.98	\$4.13	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$10,305	\$9,839	\$7,447	\$10,432	\$12,326	24
Power and Pumping	212,372	206,749	198,485	179,676	196,849	25
Purification	36,947	78,519	59,063	57,247	82,516	26
Transmission and Distribution	121,387	106,086	102,096	94,241	149,240	27
Customer Accounting and Collecting	18,316	35,302	56,259	44,501	63,036	28
Administrative and General	542,632	451,634	390,100	403,959	415,991	29
Total O & M Expense	\$941,959	\$888,129	\$813,450	\$790,056	\$919,958	30

**SEA CLIFF WATER COMPANY
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$3,422,675	\$2,768,996	\$2,780,840	\$3,115,778	\$2,487,332
2 Sales (Thousands of Gallons)	535,336	214,555	438,017	399,651	399,651
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$178,549	\$205,135	\$200,471	\$193,474	\$220,204
4 Wages and Benefits	292,960	315,981	316,924	299,155	394,775
5 Other Operation and Maintenance Expense	470,450	367,013	296,055	297,427	304,979
6 Depreciation and Amortization Expense	226,883	256,894	271,593	244,540	200,861
7 Income Taxes-Operating	294,262	71,521	83,755	445,149	308,624
8 Other Taxes-Operating	1,539,381	1,440,612	1,160,712	882,574	689,148
9 Capital Costs	420,191	111,840	451,330	753,459	368,741
10 Total	\$3,422,675	\$2,768,996	\$2,780,840	\$3,115,778	\$2,487,332
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	5.2	7.4	7.2	6.2	8.9
12 Wages and Benefits	8.6	11.4	11.4	9.6	15.9
13 Other Operation and Maintenance Expense	13.7	13.3	10.6	9.5	12.3
14 Depreciation and Amortization Expense	6.6	9.3	9.8	7.8	8.1
15 Income Taxes-Operating	8.6	2.6	3.0	14.3	12.4
16 Other Taxes-Operating	45.0	52.0	41.7	28.3	27.7
17 Capital Costs	12.3	4.0	16.2	24.2	14.8
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.33	0.96	0.46	0.48	0.55
20 Wages and Benefits	0.55	1.47	0.72	0.75	0.99
21 Other Operation and Maintenance Expense	0.88	1.71	0.68	0.74	0.76
22 Depreciation and Amortization Expense	0.42	1.20	0.62	0.61	0.50
23 Income Taxes-Operating	0.55	0.33	0.19	1.11	0.77
24 Other Taxes-Operating	2.88	6.71	2.65	2.21	1.72
25 Capital Costs	0.78	0.52	1.03	1.89	0.92
26 Total	6.39	12.91	6.35	7.80	6.22

**Purchased Water, Fuel or Power for Pumping
and Chemicals**

Purchased Water					
Fuel for Pumping	160,032	170,691	162,995	161,623	169,626
Chemicals	18,517	34,444	37,476	31,851	50,578

Total PW, Fuel and Chemicals 178,549 205,135 200,471 193,474 220,204

Total - Ultimate Customers

Wages and Benefits

Salaries	218,563	263,740	273,907	251,455	370,820
Pensions and Benefits	74,397	52,241	43,017	47,700	23,955
Total Wages and Benefits	292,960	315,981	316,924	299,155	394,775

Other Expenses

Total O&M Expenses	941,959	888,129	813,450	790,056	919,958
-Total PW, Fuel and Chemicals	178,549	205,135	200,471	193,474	220,204
-Wages and Benefits	292,960	315,981	316,924	299,155	394,775

Other Expenses 470,450 367,013 296,055 297,427 304,979

Depreciation and Amortization

Depreciation Exp	226,883	256,894	271,593	244,540	200,861
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depr and Amort 226,883 256,894 271,593 244,540 200,861

SEA CLIFF WATER COMPANY
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible						1
Source of Supply	\$236,404	\$236,404	\$239,682	\$239,682	\$204,391	2
Pumping	906,677	906,677	1,015,806	1,007,621	1,000,239	3
Water Treatment	444,762	444,762	346,071	345,325	340,157	4
Transmission and Distribution	10,372,894	10,126,037	9,827,768	9,321,692	8,902,610	5
General	635,890	709,987	895,387	872,571	835,163	6
Purchased or Sold						7
Total Plant in Service	12,596,627	12,423,866	12,324,714	11,786,891	11,282,560	8
Plant Leased To Others						9
Construction Work In Progress	280,489	157,379	141,770	524,058	353,355	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	12,877,116	12,581,245	12,466,484	12,310,949	11,635,915	14
Accum. Prov. - Depr. & Amort.	3,157,016	3,137,838	3,009,655	2,953,200	2,779,450	15
Net Plant	\$9,720,101	\$9,443,407	\$9,456,829	\$9,357,749	\$8,856,465	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.19	0.14	2.15	1.18	0.03	17
Total Capitalization	\$5,075,146	\$2,881,803	\$9,032,894	\$8,795,984	\$8,161,374	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	11.0%		42.1%	43.2%	46.6%	19
Preferred Stock						20
Common Stock & Retained Earnings	89.0%	100.0%	57.9%	56.8%	53.4%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	17.8	5.0	4.6	10.2	15.0	23
Com. Stock Dividends as a % of Earnings	66.4%	205.3%				24
Return on Common Equity	10.9%	1.9%	6.5%	13.6%	9.4%	25
Internal Cash Generated as a % of Cash Outflows for Construction	52.3%	37.8%	91.0%	219.6%	32.8%	26
CWIP as a % of Plant	2.2%	1.2%	1.1%	4.3%	3.0%	27
Number of Employees	3	5	4	4	5	28

Current Assets	955,787	899,574.00	780,351.00	1,059,887	9,308
Current Liabilities	4,904,484	6,541,143	363,409	899,674	295,439
Total Capitalization	5,075,146	2,881,803	9,032,894	8,795,984	8,161,374
Long-Term Debt	558,332		3,800,000	3,800,000	3,800,000
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	4,516,813	2,881,803	5,232,894	4,995,984	4,361,374
Short-Term Debt					
Pretax Income	737,769	184,630	535,993	1,199,514	751,384
Interest Expense	41,516	36,952	117,767	117,767	50,174
Dividends Paid	266,981	156,351			
Net Income (Excl. Preferred Stock Dividends)	401,991	76,157	332,483	634,610	391,508
Internal Cash	(259,254)	122,070	139,769	1,635,579	564,783
Cash Outflows for Construction	(496,093)	323,141	153,557	744,953	1,720,147
CWIP	280,489	157,379	141,770	524,058	353,355
Total Plant	12,877,116	12,772,027	12,466,484	12,310,949	11,635,915
Number of Employees	3	5	4	4	5
Salaries and Wages					

**UNITED WATER NEW ROCHELLE
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$181,388,207	\$175,452,794	\$170,475,164	\$165,409,083	\$159,576,135
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	200	12,683	22,849	(1,182,331)	213,041
7 Notes and Accounts Receivables - Net	2,153,184	2,435,480	3,724,391	2,526,026	8,972,933
8 Receivables from Associated Companies	49,483				
9 Materials and Supplies	428,297	456,354	571,429	365,013	524,330
10 Prepayments	321,913	123,092	203,783	58,219	726,214
11 Accrued Utility Revenue	4,792,541	5,061,467	3,628,417	3,631,997	3,245,498
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	7,745,619	8,089,076	8,150,869	5,398,924	13,682,016
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	29,204,380	35,546,120	34,390,803	24,351,916	19,496,422
16 Accumulated Deferred Income Taxes	2,543,140	1,549,680	373,792	556,273	(646,354)
17 Total Deferred Debits	31,747,520	37,095,800	34,764,595	24,908,189	18,850,068
18 Total Assets and Other Debits	\$220,881,345	\$220,637,670	\$213,390,628	\$195,716,196	\$192,108,219
PROPRIETARY CAPITAL					
19 Common Stock Issued	50,000	50,000	50,000	\$50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital	108,411,250	108,411,250	108,411,250	99,686,250	99,686,250
22 Retained Earnings	65,818,722	66,017,651	65,267,903	59,857,761	61,502,691
23 Reacquired Capital Stock					
24 Total Proprietary Capital	174,279,972	174,478,901	173,729,153	159,594,011	161,238,941
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	3,474,489	3,076,161	4,446,095	1,504,461	2,680,102
28 Payables to Associated Companies	113,921	105,341	184,909	180,589	286,982
29 Customer Deposits	135,348	3,268	34,898	20,829	28,879
30 Taxes Accrued	3,305,967	2,590,519	(1,054,862)	(634,436)	760,695
31 Interest Accrued	91		141,994		
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	4,554,973	3,577,171	2,516,176	4,079,649	1,505,577
34 Total Current and Accrued Liabilities	11,584,790	9,352,459	6,269,210	5,151,092	5,262,234
DEFERRED CREDITS					
35 Customer Advances for Construction	408,621	311,018	430,385	594,745	313,243
36 Other Deferred Credits	5,198,015	5,524,305	3,910,294	3,196,396	1,144,124
37 Accumulated Deferred Investment Tax Credits	442,012	458,704	475,396	492,088	508,780
38 Accumulated Deferred Income Taxes	26,783,512	26,512,554	25,057,097	24,358,693	21,443,626
39 Total Deferred Credits	32,832,159	32,806,581	29,873,172	28,641,922	23,409,773
OPERATING RESERVES					
40 Operating Reserves	2,184,424	3,999,729	3,519,093	2,329,771	2,197,271
41 Total Liabilities and Other Credits	\$220,881,345	\$220,637,670	\$213,390,628	\$195,716,796	\$192,108,219

UNITED WATER NEW ROCHELLE
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$50,591,295	\$49,712,441	\$48,966,236	\$43,555,966	\$40,309,191	1
Operating Expense:						
Operation Expense	22,763,461	22,013,328	21,706,994	20,010,912	18,669,184	2
Maintenance Expense	1,137,691	1,013,693	1,254,712	1,466,351	1,151,587	3
Depreciation and Amortization Expense	5,037,327	4,969,052	4,463,127	4,243,389	1,852,401	4
Taxes Other than Income Taxes	7,523,129	7,161,945	6,999,533	6,905,832	6,847,583	5
Income Taxes	3,838,243	3,934,216	3,952,868	6,698,212	3,442,863	6
Total Operating Expenses	40,299,851	39,092,233	38,377,234	39,324,696	31,963,619	7
Net Operating Revenues	10,291,444	10,620,208	10,589,002	4,231,270	8,345,572	8
Other Utility Operating Income						9
Total Utility Operating Income	10,291,444	10,620,208	10,589,002	4,231,270	8,345,572	10
OTHER INCOME						
Interest and Dividend Income	367,059	354,774	227,480	1,492,247	616,919	11
Allowance for Funds Used During Construction	265,981	277,472	(206,760)	72,558	604,790	12
Miscellaneous Nonoperating Income	743	36,718	46,366	171,262	(127)	13
Other Income	16,983	6,965	227			14
Total Other Income	650,765	675,929	67,313	1,736,067	1,221,582	15
Other Income Deductions	133,470	162,414	149,072	71,985	22,479	16
Taxes-Other Income and Deductions						17
Income Available	10,808,739	11,133,723	10,507,243	5,895,352	9,544,675	18
INTEREST CHARGES						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	4,895,903	4,694,344	4,677,056	4,261,839	4,500,434	20
Other Interest Expense	386,804	246,520	420,045	478,443	48,154	21
Total Interest Charges	5,282,707	4,940,864	5,097,101	4,740,282	4,548,588	22
Income Before Extraordinary Items	5,526,032	6,192,859	5,410,142	1,155,070	4,996,087	23
Net Extraordinary Items						24
Net Income	\$5,526,032	\$6,192,859	\$5,410,142	\$1,155,070	\$4,996,087	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$66,017,651	\$65,267,903	\$59,857,761	\$61,502,691	\$56,506,605	26
Balance Transferred from Income	5,526,032	6,192,859	5,410,142	1,155,070	4,996,087	27
Appropriated	5,193,000	4,817,000		2,800,000		28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings	(531,961)	(626,112)				31
Net Change	(198,929)	749,747	5,410,142	(1,644,930)	4,996,087	32
Unappropriated (EOP)	65,818,722	66,017,651	65,267,903	59,857,761	61,502,691	33
Appropriated (EOP)						34
Total Retained Earnings	\$65,818,722	\$66,017,651	\$65,267,903	\$59,857,761	\$61,502,691	35

**UNITED WATER NEW ROCHELLE
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$4,994,071	\$6,192,859	\$5,410,142	\$1,155,070	\$4,996,087
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	5,037,327	4,969,052	4,463,127	6,722,361	1,852,401
3 Deferred Taxes & ITCs	(739,194)			1,695,748	3,903,136
4 Receivables and Inventory	529,795	(29,065)	(1,400,599)	6,605,624	(4,402,766)
5 Payables and Accrued Expenses	1,516,883	(81,494)	2,727,865	1,283,989	(577,574)
6 Capitalized AFUDC - Equity Funds	(265,981)	277,472	(420,426)	(72,558)	(604,790)
7 Equity In Loss (Earnings) Of Affiliates		1,614,011	713,898	2,052,272	
8 Other Adjustments	6,341,740	80,691	(145,564)	667,995	4,231,314
9	(326,290)	(1,596,496)	(34,128,945)	(389,250)	(296,390)
10	(1,298,678)	4,349,437	24,747,490	(8,594,346)	(3,712,142)
11 Net Cash From Operating Activities	<u>15,789,672</u>	<u>15,776,466</u>	<u>1,966,988</u>	<u>11,126,905</u>	<u>5,389,276</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(10,706,758)	(10,343,522)	(9,486,808)	(9,722,286)	(15,865,407)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments				9	
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(10,706,758)</u>	<u>(10,343,522)</u>	<u>(9,486,808)</u>	<u>(9,722,277)</u>	<u>(15,865,407)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	97,603		8,725,000		(162,890)
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid	(5,193,000)	(4,817,000)		(2,800,000)	
29 Other Cash Flows - Financing Activities					10,500,000
30		(626,110)			(10,500)
31					
32 Net Cash From Financing Activities	<u>(5,095,397)</u>	<u>(5,443,110)</u>	<u>8,725,000</u>	<u>(2,800,000)</u>	<u>10,326,610</u>
33 Net Increase/(Decrease) In Cash Equivalents	(12,482)	(10,166)	1,205,180	(1,395,372)	(149,521)
34 Cash & Cash Equivalents At Beginning Of Year	12,683	22,849	(1,182,331)	213,041	362,562
35 Cash & Cash Equivalents At End Of Year	\$200	\$12,683	\$22,849	(\$1,182,331)	\$213,041

Notes:

1 Cash and Cash Equivalents are restated to reflect inclusion of Working Funds in Cash and Cash Equivalents. Net changes in Working Funds are shown on Line 29 - Other Cash Flows - Financing Activities.

UNITED WATER NEW ROCHELLE
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$29,735,888	\$28,319,856	\$25,553,446	\$18,736,567	\$21,187,267	1
Sales to Other Water Companies	8,416,638	8,679,310	7,513,698	4,800,013	231,808	2
Other Sales of Water	5,769,938	5,156,189	4,653,234	5,571,227	2,544,236	3
Total Revenues from Sales of Water	43,922,464	42,155,355	37,720,378	29,107,807	23,963,310	4
Other Water Operating Revenues	6,668,831	7,557,086	11,245,860	14,448,159	16,345,880	5
Total Water Operating Revenues	\$50,591,295	\$49,712,441	\$48,966,238	\$43,555,966	\$40,309,191	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	3,898,130	3,911,285	3,894,080	4,172,095	4,921,999	8
Sales to Other Water Companies	1,160,263	1,313,043	1,114,499	1,097,926	65,281	9
Other Sales of Water	168,577	203,529	201,580	218,016	83,739	10
Total Sales of Water	5,226,970	5,427,857	5,210,159	5,488,037	5,071,019	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	28,937	28,970	29,058	30,710	30,821	13
Sales to Other Water Companies	1,620	1,631	1,651	2	2	14
Other Sales of Water	339	692	805	745	769	15
Total Customers	30,896	31,293	31,514	31,457	31,592	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$1,027.61	\$977.56	\$879.39	\$610.11	\$687.44	18
Average Consumption per Customer (T.Gal)	134.71	135.01	134.01	135.85	159.70	19
Average Revenue per T Gallons Sold	\$7.63	\$7.24	\$6.56	\$4.49	\$4.30	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$12,920,193	\$11,876,055	\$12,664,548	\$11,507,211	\$10,472,661	24
Power and Pumping	2,016,689	1,949,329	1,940,592	1,784,565	1,895,096	25
Purification	658,698	593,024	582,032	449,939	525,620	26
Transmission and Distribution	2,125,620	2,026,574	2,101,150	2,410,302	2,093,999	27
Customer Accounting and Collecting	1,536,960	1,764,630	1,440,408	1,478,849	1,651,585	28
Administrative and General	4,642,991	4,817,410	4,232,975	3,846,397		29
Total O & M Expense	\$23,901,152	\$23,027,021	\$22,961,705	\$21,477,263	\$16,638,962	30

**UNITED WATER NEW ROCHELLE
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$50,591,295	\$49,712,441	\$48,966,238	\$43,555,966	\$40,309,191
2 Sales (Thousands of Gallons)	5,226,970	5,427,857	5,210,159	5,488,037	5,071,019
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$14,288,971	\$13,192,267	\$13,905,860	\$12,539,728	\$11,768,514
4 Wages and Benefits	5,230,935	4,448,227	4,129,763	4,470,940	2,464,290
5 Other Operation and Maintenance Expense	4,381,247	5,386,527	4,926,082	4,466,595	2,406,157
6 Depreciation and Amortization Expense	5,037,327	4,969,052	4,463,127	6,722,361	1,852,401
7 Income Taxes-Operating	3,838,243	3,934,216	3,952,868	6,698,212	3,442,863
8 Other Taxes-Operating	7,523,129	7,161,945	6,999,533	6,905,832	6,847,583
9 Capital Costs	10,291,444	10,620,208	10,589,005	1,752,298	11,527,382
10 Total	\$50,591,295	\$49,712,441	\$48,966,238	\$43,555,966	\$40,309,191
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	28.2	26.5	28.4	28.8	29.2
12 Wages and Benefits	10.3	8.9	8.4	10.3	6.1
13 Other Operation and Maintenance Expense	8.7	10.8	10.1	10.3	6.0
14 Depreciation and Amortization Expense	10.0	10.0	9.1	15.4	4.6
15 Income Taxes-Operating	7.6	7.9	8.1	15.4	8.5
16 Other Taxes-Operating	14.9	14.4	14.3	15.9	17.0
17 Capital Costs	20.3	21.4	21.6	4.0	28.6
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	2.73	2.43	2.67	2.28	2.32
20 Wages and Benefits	1.00	0.82	0.79	0.81	0.49
21 Other Operation and Maintenance Expense	0.84	0.99	0.95	0.81	0.47
22 Depreciation and Amortization Expense	0.96	0.92	0.86	1.22	0.37
23 Income Taxes-Operating	0.73	0.72	0.76	1.22	0.68
24 Other Taxes-Operating	1.44	1.32	1.34	1.26	1.35
25 Capital Costs	1.97	1.96	2.03	0.32	2.27
26 Total	9.68	9.16	9.40	7.94	7.95

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water	12,863,635	11,810,056	12,587,966	11,406,534	10,397,098
Fuel for Pumping	1,083,805	1,048,962	989,569	906,265	1,093,621
Chemicals	341,530	333,249	328,325	226,929	277,795

Total PW, Fuel and Chemicals 14,288,971 13,192,267 13,905,860 12,539,728 11,768,514

Total - Ultimate Customers 14,288,971 13,192,267 13,905,860 12,539,728 11,768,514

Wages and Benefits

Salaries	3,309,323	2,572,236	2,446,461	2,411,465	2,464,290
Pensions and Benefits	1,921,612	1,875,991	1,683,302	2,059,475	
Total Wages and Benefits	5,230,935	4,448,227	4,129,763	4,470,940	2,464,290

Other Expenses

Total O&M Expenses	23,901,152	23,027,020	22,961,705	21,477,263	16,638,962
-Total PW, Fuel and Chemicals	14,288,971	13,192,267	13,905,860	12,539,728	11,768,514
-Wages and Benefits	5,230,935	4,448,227	4,129,763	4,470,940	2,464,290
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	4,381,247	5,386,527	4,926,082	4,466,595	2,406,157

Depreciation and Amortization

Depreciation Exp	5,037,327	4,969,052	4,463,127	4,243,389	1,852,401
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	5,037,327	4,969,052	4,463,127	4,243,389	1,852,401

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	14,288,971	13,192,267	13,905,860	12,539,728	11,768,514
divided by Total Gallons	5,226,970	5,427,857	5,210,159	5,488,037	5,071,019
Cost per KWH	0.0027	0.0024	0.0027	0.0023	0.0023
times Sales for Resale MWHs					
Sales for Resale Cost					

**UNITED WATER NEW ROCHELLE
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$48,256	(\$36,725)	\$48,254	\$48,247	\$47,428	1
Source of Supply	22,060,784	22,060,784	22,063,169	22,020,913	21,436,248	2
Pumping	46,776,863	45,774,743	45,737,474	45,667,805	43,810,893	3
Water Treatment	2,970,275	2,947,645	2,971,817	2,967,127	2,964,471	4
Transmission and Distribution	122,575,860	116,517,481	109,860,819	103,058,049	97,475,747	5
General	17,769,950	14,778,471	11,703,419	9,907,651	9,250,174	6
Purchased or Sold		90,845				7
Total Plant in Service	212,201,989	202,133,244	192,384,952	183,669,792	174,984,960	8
Plant Leased To Others						9
Construction Work In Progress	2,609,991	2,473,311	2,989,973	3,832,088	3,188,106	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights	(90,846)	(90,846)				13
Total Plant	214,721,134	204,515,709	195,374,925	187,501,880	178,173,066	14
Accum. Prov. - Depr. & Amort.	33,332,927	29,062,915	24,899,762	22,092,797	18,596,932	15
Net Plant	\$181,388,207	\$175,452,794	\$170,475,163	\$165,409,083	\$159,576,135	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.67	0.91	1.31	1.06	2.60	17
Total Capitalization	\$174,279,972	\$174,478,901	\$173,729,153	\$159,594,011	\$161,238,941	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt						19
Preferred Stock						20
Common Stock & Retained Earnings	100.0%	100.0%	100.0%	100.0%	100.0%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	2.8	3.1	2.9	2.7	2.9	23
Com. Stock Dividends as a % of Earnings				242.4%		24
Return on Common Equity	3.2%	3.6%	3.2%	0.7%	3.3%	25
Internal Cash Generated as a % of Cash Outflows for Construction	147.5%	83.3%	111.2%	144.7%	-34.0%	26
CWIP as a % of Plant	1.2%	1.2%	1.5%	2.0%	1.8%	27
Number of Employees	67	61	61	62	61	28

Current Assets	7,745,619	8,542,301.35	8,217,868.00	5,468,924	13,682,015.70
Current Liabilities	11,584,790	9,352,459	6,269,209	5,151,092	5,262,234
Total Capitalization	174,279,972	174,478,901	173,729,153	159,594,011	161,238,941
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	174,279,972	174,478,901	173,729,153	159,594,011	161,238,941
Short-Term Debt					
Pretax Income	14,780,452	15,230,353	14,609,183	12,665,549	13,010,016
Interest Expense	5,282,707	4,940,864	5,097,101	4,740,282	4,548,588
Dividends Paid	5,193,000	4,817,000		2,800,000	
Net Income (Excl. Preferred Stock Dividends)	5,526,032	6,192,859	5,410,142	1,155,070	4,996,087
Internal Cash	15,789,672	8,614,449	10,547,833	14,068,826	5,389,276
Cash Outflows for Construction	10,706,758	10,343,522	9,486,808	9,722,286	(15,865,407)
CWIP	2,609,991	2,473,311	2,989,973	3,832,088	3,188,106
Total Plant	214,721,134	204,424,864	195,374,925	187,411,034	178,173,066
Number of Employees	67	61	61	62	61
Salaries and Wages					

**UNITED WATER NEW YORK
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$367,004,115	\$338,555,170	\$315,101,545	\$288,149,977	\$264,028,198
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	5,369	1,528,247	1,935,078	523,360	(9,663,749)
7 Notes and Accounts Receivables - Net	4,294,402	6,069,745	7,940,031	5,560,821	4,165,395
8 Receivables from Associated Companies					
9 Materials and Supplies	1,042,236	974,056	765,928	802,945	1,093,375
10 Prepayments	6,845,890	5,937,191	5,610,728	5,186,734	4,450,534
11 Accrued Utility Revenue	6,347,475	6,145,000	5,451,353	4,791,987	4,149,983
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	18,535,372	20,654,239	21,703,118	16,865,847	4,195,538
DEFERRED DEBITS					
14 Unamort. Debt Expense	2,098,030	2,236,498	2,116,305	2,276,502	2,218,332
15 Other Deferred Debits	35,760,265	38,576,799	32,224,153	22,780,558	26,144,612
16 Accumulated Deferred Income Taxes	(167,264)	239,015	(201,136)	(184,485)	1,458,182
17 Total Deferred Debits	37,691,031	41,052,312	34,139,322	24,872,575	29,821,126
18 Total Assets and Other Debits	\$423,230,518	\$400,261,721	\$370,943,985	\$329,888,399	\$298,044,862
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$13,856,490	\$13,856,490	\$13,856,490	\$13,856,490	\$13,856,490
20 Preferred Stock Issued					
21 Other Paid-in Capital	99,278,053	99,278,053	84,278,053	64,278,053	64,278,053
22 Retained Earnings	90,629,449	77,455,653	72,581,315	65,448,180	60,949,156
23 Reacquired Capital Stock					
24 Total Proprietary Capital	203,763,992	190,590,196	170,715,858	143,582,723	139,083,699
LONG-TERM DEBT					
25 Long-Term Debt	82,000,000	82,000,000	81,000,000	81,000,000	51,000,000
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable	50,000,000	35,000,000	35,000,000	34,500,000	40,000,000
27 Accounts Payable	3,892,967	9,224,833	10,763,949	4,076,429	3,478,204
28 Payables to Associated Companies	2,532,996	248,096	347,370	368,272	669,921
29 Customer Deposits	330,764	252,130	176,143	174,153	177,694
30 Taxes Accrued	3,834,613	3,845,987	1,592,065	245,664	(2,814,703)
31 Interest Accrued	1,288,945	4,163,088	2,430,427	1,800,201	1,325,938
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	2,055,316	2,261,756	1,805,094	1,637,200	2,023,418
34 Total Current and Accrued Liabilities	63,935,601	54,995,890	52,115,048	42,801,919	44,860,472
DEFERRED CREDITS					
35 Customer Advances for Construction	3,382,657	2,013,747	3,222,750	3,141,892	2,944,963
36 Other Deferred Credits	6,829,749	8,046,771	7,318,528	7,902,982	12,220,421
37 Accumulated Deferred Investment Tax Credits	573,202	599,158	625,117	651,076	677,035
38 Accumulated Deferred Income Taxes	57,382,829	53,465,002	50,203,879	48,342,144	45,033,217
39 Total Deferred Credits	68,168,437	64,124,678	61,370,274	60,038,094	60,875,636
OPERATING RESERVES					
40 Operating Reserves	5,362,488	8,550,957	5,742,805	2,465,663	2,225,055
41 Total Liabilities and Other Credits	\$423,230,518	\$400,261,721	\$370,943,985	\$329,888,399	\$298,044,862

UNITED WATER NEW YORK
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$78,430,614	\$75,378,293	\$70,182,491	\$63,532,240	\$59,178,984	1
Operating Expense:						
Operation Expense	23,004,883	22,982,600	20,816,047	19,516,989	18,288,656	2
Maintenance Expense	4,437,486	5,777,017	6,110,203	5,708,453	5,153,620	3
Depreciation and Amortization Expense	8,655,131	8,426,197	7,853,270	7,466,266	6,748,481	4
Taxes Other than Income Taxes	17,880,737	16,749,044	14,001,590	13,321,632	11,628,859	5
Income Taxes	9,261,835	7,718,801	7,756,443	6,028,494	6,160,409	6
Total Operating Expenses	63,240,072	61,653,659	56,537,553	52,041,834	47,980,025	7
Net Operating Revenues	15,190,542	13,724,634	13,644,938	11,490,406	11,198,959	8
Other Utility Operating Income						9
Total Utility Operating Income	15,190,542	13,724,634	13,644,938	11,490,406	11,198,959	10
OTHER INCOME						
Interest and Dividend Income	286,173	248,249	190,777	203,023	4,800	11
Allowance for Funds Used During Construction	6,385,905	4,925,349	3,790,731	2,585,558	2,132,523	12
Miscellaneous Nonoperating Income	70,496	76,472	72,270	46,647	842,916	13
Other Income	(100,559)	(52,956)	(35,839)	(18,289)		14
Total Other Income	6,642,015	5,197,114	4,017,939	2,816,939	2,980,239	15
Other Income Deductions	62,737	304,433	30,661	132,110	96,659	16
Taxes-Other Income and Deductions						17
Income Available	21,769,820	18,617,315	17,632,216	14,175,235	14,082,539	18
INTEREST CHARGES						
Interest on Long-Term Debt	4,158,072	4,335,070	5,036,868	4,794,188	3,591,996	19
Interest on Debt to Associated Co.						20
Other Interest Expense	4,437,952	3,407,907	1,462,214	882,023	768,453	21
Total Interest Charges	8,596,024	7,742,977	6,499,082	5,676,211	4,360,449	22
Income Before Extraordinary Items	13,173,796	10,874,338	11,133,134	8,499,024	9,722,090	23
Net Extraordinary Items						24
Net Income	\$13,173,796	\$10,874,338	\$11,133,134	\$8,499,024	\$9,722,090	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$77,455,652	\$72,581,314	\$65,448,180	\$60,949,156	\$55,227,066	26
Balance Transferred from Income	13,173,796	10,874,338	11,133,134	8,499,024	9,722,090	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock		6,000,000	4,000,000	4,000,000	4,000,000	30
Adjustments to Retained Earnings						31
Net Change	13,173,796	4,874,338	7,133,134	4,499,024	5,722,090	32
Unappropriated (EOP)	90,629,448	77,455,652	72,581,314	65,448,180	60,949,156	33
Appropriated (EOP)						34
Total Retained Earnings	\$90,629,448	\$77,455,652	\$72,581,314	\$65,448,180	\$60,949,156	35

**UNITED WATER NEW YORK
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$13,173,796	\$10,874,338	\$11,133,134	\$8,499,024	\$9,722,090
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	8,765,496	8,380,617	7,757,662	7,429,219	6,768,631
3 Deferred Taxes & ITCs	4,298,150	2,795,013	1,852,427	4,925,635	10,834,432
4 Receivables and Inventory	1,504,688	968,511	(3,001,559)	(1,747,000)	(305,921)
5 Payables and Accrued Expenses	(6,048,915)	626,920	7,466,728	381,080	(1,950,986)
6 Capitalized AFUDC - Equity Funds	(6,385,905)	(4,925,349)	(3,790,731)	(2,585,558)	(2,132,523)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	2,816,534	(6,352,646)	(9,443,595)	3,364,054	(8,083,019)
9	(1,217,022)	728,243	(584,454)	(4,317,439)	1,846,272
10	(4,108,542)	4,735,611	4,199,549	2,564,775	(8,425,017)
11 Net Cash From Operating Activities	<u>12,798,280</u>	<u>17,831,258</u>	<u>15,589,161</u>	<u>18,513,790</u>	<u>8,273,959</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(30,690,068)	(26,739,064)	(30,742,231)	(28,794,852)	(24,124,418)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(30,690,068)</u>	<u>(26,739,064)</u>	<u>(30,742,231)</u>	<u>(28,794,852)</u>	<u>(24,124,418)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	1,368,910	13,790,997	20,080,858	24,500,000	15,095,796
25 Common Stock				196,929	
26 Preferred Stock		1,000,000			
27 Short-Term Debt	15,000,000		500,000		
28 Dividends Paid		(6,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
29 Other Cash Flows - Financing Activities		(290,022)	(16,070)	(228,758)	
30					
31					
32 Net Cash From Financing Activities	<u>16,368,910</u>	<u>8,500,975</u>	<u>16,564,788</u>	<u>20,468,171</u>	<u>11,095,796</u>
33 Net Increase/(Decrease) In Cash Equivalents	(1,522,878)	(406,831)	1,411,718	10,187,109	(4,754,663)
34 Cash & Cash Equivalents At Beginning Of Year	1,528,247	1,935,078	523,360	(9,663,749)	(4,909,086)
35 Cash & Cash Equivalents At End Of Year	\$5,369	\$1,528,247	\$1,935,078	\$523,360	(\$9,663,749)

UNITED WATER NEW YORK
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$59,105,168	\$57,352,838	\$53,000,096	\$48,491,467	\$42,407,976	1
Sales to Other Water Companies						2
Other Sales of Water	10,581,971	9,925,741	9,466,331	8,386,618	7,768,615	3
Total Revenues from Sales of Water	69,687,139	67,278,579	62,466,427	56,878,085	50,176,591	4
Other Water Operating Revenues*	8,743,476	8,099,714	7,716,064	6,650,697	8,994,236	5
						6
Total Water Operating Revenues	\$78,430,615	\$75,378,293	\$70,182,491	\$63,528,782	\$59,170,827	7
WATER SALES (Thousands of Gallons)						
Sales to General Customers	7,997,524	8,068,378	8,083,169	8,621,828	7,987,095	8
Sales to Other Water Companies						9
Other Sales of Water	70,866	73,569	103,055	88,159	62,517	10
						11
Total Sales of Water	8,068,390	8,141,947	8,186,224	8,709,987	8,049,612	12
AVG CUSTOMERS PER MONTH						
Sales to General Customers	71,425	72,484	72,096	71,835	71,501	13
Sales to Other Water Companies						14
Other Sales of Water	1,772	1,718	1,637	1,592	1,531	15
						16
Total Customers	73,197	74,202	73,733	73,427	73,032	17
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$827.51	\$791.25	\$735.13	\$675.04	\$593.11	18
Average Consumption per Customer (T.Gal)	111.97	111.31	112.12	120.02	111.71	19
Average Revenue per T Gallons Sold	\$7.39	\$7.11	\$6.56	\$5.62	\$5.31	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$726,062	\$647,393	\$786,068	\$976,988	\$875,105	24
Power and Pumping	5,645,658	5,756,024	5,750,349	5,364,299	5,097,833	25
Purification	4,752,371	4,692,561	4,172,419	4,001,153	3,665,946	26
Transmission and Distribution	5,043,756	6,295,870	6,511,320	5,945,067	5,510,540	27
Customer Accounting and Collecting	3,318,385	3,795,793	2,579,423	3,155,337	2,527,437	28
Administrative and General	7,956,137	7,571,977	7,126,671	5,782,957	5,765,415	29
Total O & M Expense	\$27,442,369	\$28,759,617	\$26,926,250	\$25,225,801	\$23,442,276	30

**UNITED WATER NEW YORK
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$78,430,615	\$75,378,293	\$70,182,491	\$63,528,782	\$59,170,827
2 Sales (Thousands of Gallons)	8,068,390	8,141,947	8,186,224	8,709,987	8,049,612
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$4,910,441	\$4,781,257	\$4,786,248	\$4,302,612	\$4,566,796
4 Wages and Benefits	10,599,179	10,946,704	10,271,145	9,204,208	7,942,033
5 Other Operation and Maintenance Expense	11,932,749	13,031,656	11,868,857	11,718,622	10,933,447
6 Depreciation and Amortization Expense	8,655,131	8,426,197	7,853,270	7,466,266	6,748,481
7 Income Taxes-Operating	9,261,835	7,718,801	7,756,443	6,028,494	6,160,409
8 Other Taxes-Operating	17,880,737	16,749,044	14,001,590	13,321,632	11,628,859
9 Capital Costs	15,190,543	13,724,634	13,644,938	11,486,948	11,190,802
10 Total	\$78,430,615	\$75,378,293	\$70,182,491	\$63,528,782	\$59,170,827
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.3	6.3	6.8	6.8	7.7
12 Wages and Benefits	13.5	14.5	14.6	14.5	13.4
13 Other Operation and Maintenance Expense	15.2	17.3	16.9	18.4	18.5
14 Depreciation and Amortization Expense	11.0	11.2	11.2	11.8	11.4
15 Income Taxes-Operating	11.8	10.2	11.1	9.5	10.4
16 Other Taxes-Operating	22.8	22.2	20.0	21.0	19.7
17 Capital Costs	19.4	18.2	19.4	18.1	18.9
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.61	0.59	0.58	0.49	0.57
20 Wages and Benefits	1.31	1.34	1.25	1.06	0.99
21 Other Operation and Maintenance Expense	1.48	1.60	1.45	1.35	1.36
22 Depreciation and Amortization Expense	1.07	1.03	0.96	0.86	0.84
23 Income Taxes-Operating	1.15	0.95	0.95	0.69	0.77
24 Other Taxes-Operating	2.22	2.06	1.71	1.53	1.44
25 Capital Costs	1.88	1.69	1.67	1.32	1.39
26 Total	9.72	9.26	8.57	7.29	7.35

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water	174,824	172,784	167,206	161,630	278,873
Fuel for Pumping	3,506,945	3,472,388	3,600,932	3,270,725	3,584,939
Chemicals	1,228,672	1,136,085	1,018,110	870,257	702,984
Total PW, Fuel and Chemicals	4,910,441	4,781,257	4,786,248	4,302,612	4,566,796
Total - Ultimate Customers	4,910,441	4,781,257	4,786,248	4,302,612	4,566,796

Wages and Benefits

Salaries	6,803,691	7,108,469	6,512,543	6,380,911	5,249,390
Pensions and Benefits	3,795,488	3,838,234	3,758,602	2,823,297	2,692,642
Total Wages and Benefits	10,599,179	10,946,704	10,271,145	9,204,208	7,942,033

Other Expenses

Total O&M Expenses	27,442,369	28,759,617	26,926,250	25,225,442	23,442,276
-Total PW, Fuel and Chemicals	4,910,441	4,781,257	4,786,248	4,302,612	4,566,796
-Wages and Benefits	10,599,179	10,946,704	10,271,145	9,204,208	7,942,033
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	11,932,749	13,031,656	11,868,857	11,718,622	10,933,447

Depreciation and Amortization

Depreciation Exp	8,655,131	8,426,197	7,853,270	7,466,266	6,748,481
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	8,655,131	8,426,197	7,853,270	7,466,266	6,748,481

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	4,910,441	4,781,257	4,786,248	4,302,612	4,566,796
divided by Total Gallons	8,068,390	8,141,947	8,186,224	8,709,987	8,049,612
Cost per Gallon	0.0006	0.0006	0.0006	0.0005	0.0006

UNITED WATER NEW YORK
COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$93,725	\$93,725	\$93,655	\$90,872	\$89,248	1
Source of Supply	33,450,976	30,508,711	29,526,195	28,500,418	27,681,199	2
Pumping	33,918,030	33,781,262	32,554,479	31,449,037	29,771,771	3
Water Treatment	51,605,182	46,981,623	44,650,050	43,669,226	43,635,743	4
Transmission and Distribution	246,294,102	229,615,301	215,627,215	204,250,615	191,574,730	5
General	26,848,265	26,425,726	24,830,244	19,827,066	19,413,582	6
Purchased or Sold						7
Plant In Service	392,210,280	367,406,347	347,281,838	327,787,234	312,166,273	8
Plant Leased To Others						9
Construction Work In Progress	63,034,763	56,493,817	47,571,660	35,434,678	22,179,875	10
Plant Held For Future Use	8,794,537	8,794,537	8,794,537	8,792,615	8,792,615	11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights	(1,179,408)	(1,179,412)	(1,179,412)	(1,179,412)	(1,179,412)	13
Total Plant	462,860,172	431,515,289	402,468,623	370,835,115	341,959,351	14
Accum. Prov. - Depr. & Amort.	95,856,057	92,960,119	87,367,078	82,685,138	77,931,153	15
Net Plant	\$367,004,115	\$338,555,170	\$315,101,545	\$288,149,977	\$264,028,198	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.29	0.38	0.42	0.39	0.09	17
Total Capitalization	\$335,763,992	\$307,590,196	\$286,715,858	\$259,082,723	\$230,083,699	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	24.4%	26.7%	28.3%	31.3%	22.2%	19
Preferred Stock						20
Common Stock & Retained Earnings	60.7%	62.0%	59.5%	55.4%	60.4%	21
Short-Term Debt	14.9%	11.4%	12.2%	13.3%	17.4%	22
Pretax Coverage of Interest Expense	3.6	3.4	3.9	3.6	4.7	23
Com. Stock Dividends as a % of Earnings		61.8%	35.9%	47.1%	41.1%	24
Return on Common Equity	6.7%	5.4%	7.1%	6.0%	7.5%	25
Internal Cash Generated as a % of Cash Outflows for Construction	41.7%	66.7%	50.7%	64.3%	34.3%	26
CWIP as a % of Plant	13.6%	13.1%	11.8%	9.6%	6.5%	27
Number of Employees	111	119	115	110	103	28

Current Assets	18,535,372.00	20,654,239.00	21,703,118.00	16,865,847	4,195,538
Current Liabilities	63,935,601	54,995,890	52,115,048	42,801,919	44,860,472
Total Capitalization	335,763,992	307,590,196	286,715,858	259,082,723	230,083,699
Long-Term Debt	82,000,000	82,000,000	81,000,000	81,000,000	51,000,000
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	203,763,992	190,590,196	170,715,858	143,582,723	139,083,699
Short-Term Debt	50,000,000	35,000,000	35,000,000	34,500,000	40,000,000
Pretax Income	31,094,392	26,640,549	25,419,320	20,335,839	20,339,607
Interest Expense	8,596,024	7,742,977	6,499,082	5,676,211	4,360,449
Dividends Paid		6,000,000	4,000,000	4,000,000	4,000,000
Net Income (Excl. Preferred Stock Dividends)	13,173,796	9,708,467	11,133,134	8,499,024	9,722,090
Internal Cash	12,798,280	17,831,258	15,589,161	18,513,790	8,273,959
Cash Outflows for Construction	30,690,068	26,739,064	30,742,231	28,794,852	24,124,418
CWIP	63,034,763	56,493,817	47,581,660	35,434,678	22,179,875
Total Plant	462,860,172	431,515,289	402,468,623	370,835,115	341,959,351
Number of Employees	111	119	115	110	103
Salaries and Wages					

**UNITED WATER OWEGO
COMPARATIVE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
UTILITY PLANT					
1 Net Utility Plant	\$6,263,277	\$6,257,298	\$5,995,322	\$5,416,289	\$4,348,766
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	1,150	16,155	14,824	12,871	49,290
7 Notes and Accounts Receivables - Net	104,694	263,332	346,829	180,066	261,470
8 Receivables from Associated Companies	1,698,068				
9 Materials and Supplies	47,671	44,452	43,474	79,260	81,645
10 Prepayments	97,077	101,503	98,696	93,222	81,963
11 Accrued Utility Revenue	207,481	201,213	187,646	150,345	131,993
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	2,156,141	626,656	691,469	515,764	606,361
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	1,608,301	1,882,907	1,319,237	928,445	637,501
16 Accumulated Deferred Income Taxes	25,844	26,197	22,009	21,805	37,404
17 Total Deferred Debits	1,634,145	1,909,104	1,341,246	950,250	674,905
18 Total Assets and Other Debits	\$10,053,563	\$8,793,058	\$8,028,037	\$6,882,303	\$5,630,032
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600
20 Preferred Stock Issued					
21 Other Paid-in Capital	7,945,181	6,563,181	6,015,181	5,065,181	4,665,181
22 Retained Earnings	(521,196)	(529,457)	(591,811)	(652,629)	(644,983)
23 Reacquired Capital Stock					
24 Total Proprietary Capital	7,457,585	6,067,324	5,456,970	4,446,152	4,053,798
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	56,536	151,204	400,370	141,337	40,771
28 Payables to Associated Companies	9,658	12,333	16,866	10,060	14,444
29 Customer Deposits					
30 Taxes Accrued	57,126	(251,785)	(160,414)	(253,881)	13,902
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	82,557	79,878	71,356	43,244	37,129
34 Total Current and Accrued Liabilities	205,877	(8,370)	328,178	(59,240)	106,246
DEFERRED CREDITS					
35 Customer Advances for Construction				231,380	231,380
36 Other Deferred Credits	631,845	622,911	311,837	246,286	(263,872)
37 Accumulated Deferred Investment Tax Credits	18,853	19,909	20,965	22,021	23,077
38 Accumulated Deferred Income Taxes	1,148,898	1,309,241	1,169,063	1,291,188	798,294
39 Total Deferred Credits	1,799,596	1,952,061	1,501,865	1,790,875	788,879
OPERATING RESERVES					
40 Operating Reserves	590,505	782,043	741,025	704,516	681,109
41 Total Liabilities and Other Credits	\$10,053,563	\$8,793,058	\$8,028,037	\$6,882,303	\$5,630,032

UNITED WATER OWEGO
COMPARATIVE STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
UTILITY OPERATING INCOME						
Operating Revenues	\$1,929,162	\$1,868,949	\$1,606,744	\$1,537,570	\$1,353,546	1
Operating Expense:						
Operation Expense	988,631	903,324	758,667	752,896	877,847	2
Maintenance Expense	211,680	245,565	177,092	184,785	142,049	3
Depreciation and Amortization Expense	243,265	203,441	146,395	111,196	127,569	4
Taxes Other than Income Taxes	282,279	287,359	275,881	249,301	238,391	5
Income Taxes	(554)	(27,411)	40,900	(3,350)	262,288	6
Total Operating Expenses	1,725,302	1,612,278	1,398,934	1,294,828	1,648,144	7
Net Operating Revenues	203,860	256,671	207,810	242,742	(294,598)	8
Other Utility Operating Income						9
Total Utility Operating Income	203,860	256,671	207,810	242,742	(294,598)	10
OTHER INCOME						
Interest and Dividend Income	8,382	3,374	689	148		11
Allowance for Funds Used During Construction	1,864	17,653	10,601	40,081	116	12
Miscellaneous Nonoperating Income		3,500		9,217		13
Other Income						14
Total Other Income	10,246	24,527	11,291	49,446	116	15
Other Income Deductions	50	32,264	155	19	218	16
Taxes-Other Income and Deductions						17
Income Available	214,056	248,934	218,946	292,169	(294,700)	18
INTEREST CHARGES						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	163,758	161,034	134,316	121,029	123,339	20
Other Interest Expense	42,037	25,545	23,812	178,786	60	21
Total Interest Charges	205,795	186,579	158,128	299,815	123,399	22
Income Before Extraordinary Items	8,261	62,355	60,818	(7,646)	(418,099)	23
Net Extraordinary Items						24
Net Income	\$8,261	\$62,355	\$60,818	(\$7,646)	(\$418,099)	25
RETAINED EARNINGS						
Unappropriated (Beginning)	(\$529,456)	(\$591,811)	(\$652,629)	(\$644,983)	(\$226,884)	26
Balance Transferred from Income	8,261	62,355	60,818	(7,646)	(418,099)	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings						31
Net Change	8,261	62,355	60,818	(7,646)	(418,099)	32
Unappropriated (EOP)	(521,196)	(529,456)	(591,811)	(652,629)	(644,983)	33
Appropriated (EOP)						34
Total Retained Earnings	(\$521,196)	(\$529,456)	(\$591,811)	(\$652,629)	(\$644,983)	35

UNITED WATER OWEGO
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009
Cash Flows From Operating Activities					
1 Net Income	\$8,261	\$62,355	\$60,818	(\$7,646)	(\$418,099)
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	243,265	203,441	140,921	111,196	127,569
3 Deferred Taxes & ITCs	(161,046)		(122,329)	507,437	(18,613)
4 Receivables and Inventory	(1,548,917)	68,950	(168,278)	65,437	(60,697)
5 Payables and Accrued Expenses	(94,664)	(298,337)	330,460	102,297	(732,939)
6 Capitalized AFUDC - Equity Funds	(1,864)	17,653	(390,793)		
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	274,606	(116,605)	65,551	(290,945)	441,211
9	8,934	(1,056)	(1,056)	510,158	(163,038)
10	121,799		104,068	(255,635)	456,672
11 Net Cash From Operating Activities	<u>(1,149,626)</u>	<u>(63,600)</u>	<u>19,362</u>	<u>742,299</u>	<u>(367,934)</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(247,380)	(483,070)	(967,409)	(1,178,719)	(418,514)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					(1)
21					
22 Reduction in Working Funds					
23 Net Cash From Investing Activities	<u>(247,380)</u>	<u>(483,070)</u>	<u>(967,409)</u>	<u>(1,178,719)</u>	<u>(418,515)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	1,382,000	548,000	950,000	400,000	788,412
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid					
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>1,382,000</u>	<u>548,000</u>	<u>950,000</u>	<u>400,000</u>	<u>788,412</u>
33 Net Increase/(Decrease) In Cash Equivalents	(15,006)	1,330	1,953	(36,420)	1,963
34 Cash & Cash Equivalents At Beginning Of Year	16,156	14,822	12,869	49,289	47,326
35 Cash & Cash Equivalents At End Of Year	\$1,150	\$16,152	\$14,822	\$12,869	\$49,289

1 Cash and Cash Equivalents are restated to reflect inclusion of Working Funds in Cash and Cash Equivalents. Net changes in Working Funds are shown on Line 29 - Other Cash Flows - Financing Activities.

UNITED WATER OWEGO
COMPARATIVE STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012	2011	2010	2009	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$530,431	\$427,960	\$453,513	\$441,944	\$1,112,456	1
Sales to Other Water Companies	869,906	774,249	714,306	665,087	75,377	2
Other Sales of Water	270,580	249,763	277,330	269,672	41,101	3
Total Revenues from Sales of Water	1,670,917	1,451,972	1,445,149	1,376,703	1,228,934	4
Other Water Operating Revenues	258,245	416,646	161,595	160,867	55,883	5
Total Water Operating Revenues	\$1,929,162	\$1,868,618	\$1,606,744	\$1,537,570	\$1,284,817	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	47,179	45,001	68,381	66,291	359,723	8
Sales to Other Water Companies	255,495	265,096	274,978	283,551	7,741	9
Other Sales of Water	34,370	34,575	43,374	40,403	29,645	10
Total Sales of Water	337,044	344,672	386,733	390,245	397,109	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	1,303	1,269	1,399	1,399	1,623	13
Sales to Other Water Companies	196	194	200	200	2	14
Other Sales of Water	70	65	42	73	40	15
Total Customers	1,569	1,528	1,641	1,672	1,665	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$407.08	\$337.24	\$324.17	\$315.90	\$685.43	17
Average Consumption per Customer (T.Gal)	36.21	35.46	48.88	47.38	221.64	18
Average Revenue per T Gallons Sold	\$11.24	\$9.51	\$6.63	\$6.67	\$3.09	19
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	20
Average Consumption per Customer (T.Gal)	---	---	---	---	---	21
Average Revenue per T Gallons Sold	---	---	---	---	---	22
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	16,050	10,376	13,503	12,226	11,598	23
Power and Pumping	203,691	207,950	196,018	201,383	205,463	24
Purification	47,074	35,888	48,518	54,980	42,901	25
Transmission and Distribution	215,883	286,744	197,845	219,461	175,380	26
Customer Accounting and Collecting	159,508	170,114	104,263	134,163	115,957	27
Administrative and General	558,105	437,817	375,610	315,467	468,600	28
Total O & M Expense	\$1,200,312	\$1,148,890	\$935,758	\$937,680	\$1,019,899	29

**UNITED WATER OWEGO
DISTRIBUTION OF REVENUES
FOR THE YEAR ENDED DECEMBER 31,**

	2013	2012	2011	2010	2009
1 Revenues	\$1,929,162	\$1,868,618	\$1,606,744	\$1,537,570	\$1,284,817
2 Sales (Thousands of Gallons)	337,044	344,672	386,733	390,245	397,109
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$91,825	\$90,564	\$86,338	\$116,942	\$131,792
4 Wages and Benefits	404,168	466,355	437,487	348,359	390,702
5 Other Operation and Maintenance Expense	704,319	591,971	411,933	472,379	497,405
6 Depreciation and Amortization Expense	243,265	203,441	146,395	111,196	127,569
7 Income Taxes-Operating	(554)	(27,411)	40,900	(3,350)	262,288
8 Other Taxes-Operating	282,279	287,359	275,881	249,301	238,391
9 Capital Costs	203,860	256,340	207,811	242,743	(363,330)
10 Total	\$1,929,162	\$1,868,618	\$1,606,744	\$1,537,570	\$1,284,817
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	4.8	4.8	5.4	7.6	10.3
12 Wages and Benefits	21.0	25.0	27.2	22.7	30.4
13 Other Operation and Maintenance Expense	36.5	31.7	25.6	30.7	38.7
14 Depreciation and Amortization Expense	12.6	10.9	9.1	7.2	9.9
15 Income Taxes-Operating	(0.0)	(1.5)	2.5	(0.2)	20.4
16 Other Taxes-Operating	14.6	15.4	17.2	16.2	18.6
17 Capital Costs	10.6	13.7	12.9	15.8	(28.3)
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.27	0.26	0.22	0.30	0.33
20 Wages and Benefits	1.20	1.35	1.13	0.89	0.98
21 Other Operation and Maintenance Expense	2.09	1.72	1.07	1.21	1.25
22 Depreciation and Amortization Expense	0.72	0.59	0.38	0.28	0.32
23 Income Taxes-Operating	(0.0)	(0.1)	0.11	(0.0)	0.66
24 Other Taxes-Operating	0.84	0.83	0.71	0.64	0.60
25 Capital Costs	0.60	0.74	0.54	0.62	(0.9)
26 Total	5.72	5.42	4.15	3.94	3.24

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	84,849	84,572	78,246	110,561	125,354
Chemicals	6,976	5,992	8,092	6,381	6,438
Total PW, Fuel and Chemicals	91,825	90,564	86,338	116,942	131,792
Total - Ultimate Customers	91,825	90,564	86,338	116,942	131,792

Wages and Benefits

Salaries	248,867	305,449	298,419	266,161	248,613
Pensions and Benefits	155,301	160,906	139,068	82,198	142,089
Total Wages and Benefits	404,168	466,355	437,487	348,359	390,702

Other Expenses

Total O&M Expenses	1,200,312	1,148,890	935,758	937,680	1,019,899
-Total PW, Fuel and Chemicals	91,825	90,564	86,338	116,942	131,792
-Wages and Benefits	404,168	466,355	437,487	348,359	390,702
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	704,319	591,971	411,933	472,379	497,405

Depreciation and Amortization

Depreciation Exp	243,265	203,441	146,395	111,196	127,569
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	243,265	203,441	146,395	111,196	127,569

Total PW, Fuel and Chemicals related to Sales for Resale (Not Used)

Total PW, Fuel and Chemicals	91,825	90,564	86,338	116,942	131,792
divided by Total Gallons	337,044	344,672	386,733	390,245	397,109
Cost per KWH	0.0003	0.0003	0.0002	0.0003	0.0003
times Sales for Resale MWHs					
Sales for Resale Cost					

Current Assets	2,156,141.14	626,655.53	691,469	515,764	606,361
Current Liabilities	205,877	(8,370)	328,178	(59,240)	106,246
Total Capitalization	7,457,585	6,067,324	5,456,970	4,446,152	4,053,798
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	7,457,585	6,067,324	5,456,970	4,446,152	4,053,798
Short-Term Debt					
Pretax Income	213,552	253,787	260,000	288,838	(32,194)
Interest Expense	205,795	186,579	158,128	299,815	123,398
Dividends Paid					
Net Income (Excl. Preferred Stock Dividends)	8,261	62,355	60,818	(7,646)	(418,098)
Internal Cash	(1,145,898)	(63,600)	19,362	742,299	(367,933)
Cash Outflows for Construction	247,380	483,070	967,409	1,178,719	418,514
CWIP	217,525	247,619	950,484	428,371	845,560
Total Plant	8,499,205	8,182,564	7,830,342	7,236,770	6,103,762
Number of Employees	5	5	5	5	5
Salaries and Wages					