

Table 1 W

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$632,794	\$585,888	\$534,146	\$473,492	\$427,355
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)	302	302	302	302	302
3 Other Investments			694	558	3,460
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	302	302	996	860	3,762
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	(7,396)	(372)	9,460	5,336	10,657
7 Notes and Accounts Receivables - Net	18,331	13,669	13,475	11,824	13,443
8 Receivables from Associated Companies	1	0		57	(14)
9 Materials and Supplies	2,643	2,658	2,492	2,331	2,825
10 Prepayments	8,027	320	14,285	10,970	17,103
11 Accrued Utility Revenue	12,734	13,114	13,359	13,171	9,558
12 Misc Current and Accrued Assets	181	179	169	212	219
13 Total Current and Accrued Assets	34,521	29,568	53,240	43,901	53,791
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	5,529	5,534	5,882	6,311	6,664
15 Other Deferred Debits	90,221	78,825	57,254	57,212	42,991
16 Accumulated Deferred Income Taxes	7,445	7,563	9,472	8,162	17,936
17 Total Deferred Debits	103,195	91,923	72,608	71,685	67,590
18 <b>Total Assets and Other Debits</b>	<b>\$770,813</b>	<b>\$707,681</b>	<b>\$660,989</b>	<b>\$589,938</b>	<b>\$552,499</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$29,375	\$29,375	\$29,375	\$29,375	\$29,375
20 Preferred Stock Issued	1,125	1,125	1,125	2,125	2,125
21 Other Paid-in Capital	208,674	177,281	154,503	101,780	71,016
22 Retained Earnings	175,173	161,390	151,667	134,249	123,578
23 Reacquired Capital Stock					
24 Total Proprietary Capital	414,346	369,170	336,669	267,528	226,094
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	126,814	116,795	112,920	115,390	115,640
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable	41,899	42,029	35,150	25,371	30,545
27 Accounts Payable	8,856	12,650	13,182	14,902	7,815
28 Payables to Associated Companies	12,524	20,247	21,162	16,530	18,145
29 Customer Deposits	209	184	208	199	180
30 Taxes Accrued	(1,998)	7,002	5,191	5,532	3,485
31 Interest Accrued	2,206	2,371	2,659	2,323	2,290
32 Matured Long-Term Debt			1,000	297	250
33 Misc Current and Accrued Liabilities	5,913	7,344	12,915	8,809	8,476
34 Total Current and Accrued Liabilities	69,607	91,827	91,467	73,962	71,187
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	4,235	4,344	6,338	5,920	6,910
36 Other Deferred Credits	40,193	40,264	32,450	38,310	42,027
37 Accumulated Deferred Investment Tax Credit	1,617	1,678	1,787	1,841	1,895
38 Accumulated Deferred Income Taxes	108,895	82,904	78,765	86,210	84,985
39 Total Deferred Credits	154,940	129,191	119,341	132,281	135,817
<b>OPERATING RESERVES</b>					
40 Operating Reserves	5,105	699	593	777	3,762
41 <b>Total Liabilities and Other Credits</b>	<b>\$770,813</b>	<b>\$707,681</b>	<b>\$660,989</b>	<b>\$589,938</b>	<b>\$552,499</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$186,783	\$179,565	\$163,077	\$154,772	\$146,293	1
Operating Expense:						
Operation Expense	73,858	69,177	65,123	61,959	55,927	2
Maintenance Expense	11,559	10,306	10,288	9,683	8,574	3
Depreciation and Amortization Expense	15,157	14,460	13,297	12,554	11,502	4
Taxes Other than Income Taxes	39,482	39,881	38,675	38,350	39,255	5
Income Taxes	15,159	13,682	7,861	7,589	7,795	6
Total Operating Expenses	155,216	147,505	135,245	130,134	123,052	7
Net Operating Revenues	31,567	32,060	27,833	24,637	23,240	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	<b>31,567</b>	<b>32,060</b>	<b>27,833</b>	<b>24,637</b>	<b>23,240</b>	<b>10</b>
<b>OTHER INCOME</b>						
Interest and Dividend Income	832	609	602	855	851	11
Allowance for Funds Used During Constructio	2,867	2,107	2,461	2,210	1,358	12
Miscellaneous Nonoperating Income	932	93	(245)	1,146	401	13
Other Income	7	490	(22)	891	161	14
Total Other Income	4,639	3,298	2,796	5,101	2,771	15
Other Income Deductions	217	881	143	63	46	16
Taxes-Other Income and Deductions	9	38	936	350	386	17
<b>Income Available</b>	<b>35,980</b>	<b>34,439</b>	<b>29,550</b>	<b>29,325</b>	<b>25,579</b>	<b>18</b>
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	7,556	7,523	7,704	7,783	7,638	19
Interest on Debt to Associated Co.	5,512	5,684	4,897	3,725	3,037	20
Other Interest Expense	1,352	2,587	3,851	5,414	2,405	21
Total Interest Charges	14,420	15,794	16,451	16,923	13,081	22
Income Before Extraordinary Items	21,560	18,646	13,099	12,402	12,499	23
Extraordinary Items						24
<b>Net Income</b>	<b>\$21,560</b>	<b>\$18,646</b>	<b>\$13,099</b>	<b>\$12,402</b>	<b>\$12,499</b>	<b>25</b>
<b>RETAINED EARNINGS</b>						
Unappropriated (BOP)	\$161,390	\$151,667	\$134,249	\$123,578	\$121,930	26
Balance Transferred from Income	21,560	17,496	13,099	12,402	12,499	27
Appropriated						28
Dividends Declared-Preferred Stock	51	51	2,927	2,727	2,727	29
Dividends Declared-Common Stock	7,726	6,984		3,797	7,613	30
Adjustments to Retained Earnings		(739)	7,246	4,793	(511)	31
Net Change	13,783	9,723	17,418	10,671	1,648	32
Unappropriated (EOP)	175,173	161,390	151,667	134,249	123,578	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	<b>\$175,173</b>	<b>\$161,390</b>	<b>\$151,667</b>	<b>\$134,249</b>	<b>\$123,578</b>	<b>35</b>

Table 3W

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$21,560	\$18,059	\$11,451	\$12,402	\$12,499
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	15,457	14,780	13,918	18,752	12,250
3 Deferred Taxes & ITCs	23,606	7,711	(2,543)	7,553	2,805
4 Receivables and Inventory	(3,495)	(3,945)	(2,366)	(1,700)	(532)
5 Payables and Accrued Expenses	(5,043)	(5,487)	6,478	6,707	3,263
6 Capitalized AFUDC - Equity Funds	(3,000)	(2,020)	(2,394)	(2,183)	(1,428)
7 Equity In Loss (Earnings) Of Affiliates			(1,738)	1,230	
8 Other Adjustments	(3,210)	(16,828)	7,235	13,139	4,310
9	(2,647)	4,328	(5,043)	(3,648)	1,166
10	(10,720)	17,765	(1,583)	(4,563)	(1,936)
11 Net Cash From Operating Activities	<u>32,509</u>	<u>34,363</u>	<u>23,415</u>	<u>47,689</u>	<u>32,398</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(58,254)	(64,333)	(76,810)	(56,267)	(35,791)
13 Acquisition Of Other Non-Current Assets	(6,088)	(4,655)	(7,877)	(15,589)	108
14 Investments In & Advances to Affiliates.			57	(188)	(138)
15 Contributions & Advances from Affiliates	(193)	1,390	13,700	160	
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies		(45)			
18 Other Debt & Equity Investments				2,274	2,057
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities	(0)			54	(171)
21		137	152	(30)	4,594
22				65	
23 Net Cash From Investing Activities	<u>(64,534)</u>	<u>(67,507)</u>	<u>(70,779)</u>	<u>(69,520)</u>	<u>(29,342)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	25,455	23,454	10,679	4,723	4,707
25 Common Stock			23,700	12,700	8,000
26 Preferred Stock		3,800	(1,000)	(800)	
27 Short-Term Debt	(130)	6,880	7,888	1,568	1,903
28 Dividends Paid	(7,777)	(7,035)	(2,928)	(6,197)	(10,341)
29 Other Cash Flows - Financing Activities	7,458	(3,779)	13,148	11,718	(2,614)
30	(11)			(7,202)	
31					
32 Net Cash From Financing Activities	<u>24,995</u>	<u>23,320</u>	<u>51,487</u>	<u>16,510</u>	<u>1,656</u>
33 Net Increase/(Decrease) In Cash Equivalents	(7,031)	(9,824)	4,124	(5,321)	4,712
34 Cash & Cash Equivalents At Beginning Of Year	(364)	9,460	5,336	10,657	5,944
35 Cash & Cash Equivalents At End Of Year	(\$7,395)	(\$364)	\$9,460	\$5,336	\$10,657

Table 4 W

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

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES (\$000s)</b>						
Sales to General Customers	\$131,681	\$137,533	\$135,265	\$124,767	\$121,509	1
Sales to Other Water Companies	8,612	8,838	7,311	7,863	9,751	2
Other Sales of Water	18,720	14,619	12,959	11,779	11,718	3
Total Revenues from Sales of Water	159,012	160,990	155,535	144,409	142,978	4
Other Water Operating Revenues	27,694	18,540	7,297	10,354	3,309	5
Total Water Operating Revenues	\$186,706	\$179,530	\$162,833	\$154,763	\$146,287	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	28,034,052	32,009,744	30,876,847	31,018,817	32,795,305	8
Sales to Other Water Companies	1,219,370	654,576	1,757,201	2,062,728	690,947	9
Other Sales of Water	275,783	275,097	289,822	303,275	325,581	10
Total Sales of Water	29,529,205	32,939,417	32,923,870	33,384,820	33,811,833	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	233,218	234,814	233,410	232,873	236,020	13
Sales to Other Water Companies	7,191	5,705	5,371	4,978	347	14
Other Sales of Water	3,100	2,382	2,584	2,834	3,274	15
Total Customers	243,509	242,901	241,365	240,685	239,641	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$564.63	\$585.71	\$579.52	\$535.77	\$514.82	18
Average Consumption per Customer (T.Gal)	120.21	136.32	132.29	133.20	138.95	19
Average Revenue per T Gallons Sold	\$4.70	\$4.30	\$4.38	\$4.02	\$3.71	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer						21
Average Consumption per Customer (T.Gal)						22
Average Revenue per T Gallons Sold						23
<b>OPERATION AND MAINTENANCE EXPENSES (\$000s)</b>						
Source of Supply	\$17,784	\$13,169	\$12,240	\$10,841	\$8,758	24
Power and Pumping	13,455	13,564	12,921	13,136	11,466	25
Purification	7,585	7,199	6,414	5,847	6,310	26
Transmission and Distribution	12,982	11,740	11,900	10,954	10,029	27
Customer Accounting and Collecting	7,504	6,332	6,604	7,066	7,061	28
Administrative and General	22,926	27,464	25,333	23,796	20,877	29
Total O & M Expense	\$82,236	\$79,468	\$75,412	\$71,640	\$64,501	30

Table 5 W

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues (\$000s)	\$186,706	\$179,530	\$162,833	\$154,763	\$146,287
2 Sales (Thousands of Gallons)	29,529,205	32,939,417	32,923,870	33,384,820	33,811,833
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$27,781	\$23,614	\$21,650	\$20,546	\$16,859
4 Wages and Benefits	26,026	25,469	24,984	24,185	23,409
5 Other Operation and Maintenance Expense	29,044	31,159	29,514	27,587	24,270
6 Depreciation and Amortization Expense	15,157	14,466	13,288	12,545	11,171
7 Income Taxes-Operating	15,159	13,682	7,861	7,589	7,795
8 Other Taxes-Operating	39,482	39,881	38,675	38,350	39,255
9 Capital Costs	34,057	31,259	26,861	23,961	23,528
10 Total	\$186,706	\$179,530	\$162,833	\$154,763	\$146,287
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	14.9	13.2	13.3	13.3	11.5
12 Wages and Benefits	13.9	14.2	15.3	15.6	16.0
13 Other Operation and Maintenance Expense	15.6	17.4	18.1	17.8	16.6
14 Depreciation and Amortization Expense	8.1	8.1	8.2	8.1	7.6
15 Income Taxes-Operating	8.1	7.6	4.8	4.9	5.3
16 Other Taxes-Operating	21.1	22.2	23.8	24.8	26.8
17 Capital Costs	18.2	17.4	16.5	15.5	16.1
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.94	0.72	0.66	0.62	0.50
20 Wages and Benefits	0.88	0.77	0.76	0.72	0.69
21 Other Operation and Maintenance Expense	0.98	0.95	0.90	0.83	0.72
22 Depreciation and Amortization Expense	0.51	0.44	0.40	0.38	0.33
23 Income Taxes-Operating	0.51	0.42	0.24	0.23	0.23
24 Other Taxes-Operating	1.34	1.21	1.17	1.15	1.16
25 Capital Costs	1.15	0.95	0.82	0.72	0.70
26 Total	6.32	5.45	4.95	4.64	4.33

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

Purchased Water	16,570,420	12,163,113	10,863,580	9,752,704	8,049,964
Fuel for Pumping	8,575,117	9,101,139	8,531,762	8,578,405	7,214,384
Chemicals	2,635,448	2,350,001	2,254,585	2,214,809	1,959,693

Total PW, Fuel and Chemicals 27,780,985 23,614,253 21,649,927 20,545,918 17,224,042

Total - Ultimate Customers 27,780,985 23,614,253 21,649,927 20,545,918 17,224,042

**Wages and Benefits**

Salaries	18,878,324	17,466,577	17,704,812	16,383,233	16,426,058
Pensions and Benefits	7,147,294	8,002,782	7,279,541	7,801,458	6,668,869
Total Wages and Benefits	26,025,618	25,469,359	24,984,353	24,184,691	23,094,928

**Other Expenses**

Total O&M Expenses	82,236,007	79,467,889	75,411,520	71,639,546	64,501,492
-Total PW, Fuel and Chemicals	27,780,985	23,614,253	21,649,927	20,545,918	17,224,042
-Wages and Benefits	26,025,618	25,469,359	24,984,353	24,184,691	23,094,928
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	28,429,404	30,384,278	28,777,239	26,908,937	24,182,523

**Depreciation and Amortization**

Depreciation Exp	15,157,364	14,465,887	13,287,925	12,544,729	11,496,871
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 15,157,364 14,465,887 13,287,925 12,544,729 11,496,871

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

Total PW, Fuel and Chemicals	27,780,985	23,614,253	21,649,927	20,545,918	17,224,042
divided by Total Gallons	29,529,205	32,939,417	32,923,870	33,384,820	33,811,833
Cost per KWH	0.0009	0.0007	0.0007	0.0006	0.0005
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)**

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$27,762	\$26,698	\$26,420	\$26,303	\$24,516	1
Source of Supply	61,408	35,778	31,258	30,204	28,319	2
Pumping	115,748	67,292	64,540	57,443	51,671	3
Water Treatment	226,648	211,688	198,996	182,224	171,469	4
Transmission and Distribution	325,797	303,544	280,736	268,771	251,923	5
General	25,953	20,186	18,451	19,802	19,156	6
Purchased or Sold						7
Total Plant in Service	783,316	665,186	620,400	584,746	547,053	8
Plant Leased To Others	22,180	27,663	18,982	9,196	2,462	9
Construction Work In Progress	17,471	78,754	69,122	44,098	26,123	10
Plant Held For Future Use	111	111	1,112	1,112	1,112	11
Plant Acquisition Adjustments	(11)	874	886	886	886	12
Accum. Gains & Losses - Utility Land & Land Rights	(1,179)	(1,179)	(1,179)	(1,179)	(1,179)	13
<b>Total Plant</b>	821,887	771,318	709,221	638,757	576,355	14
Accum. Prov. - Depr. & Amort.	111,250	107,539	101,998	92,247	86,913	15
<b>Net Plant</b>	\$710,636	\$663,779	\$607,222	\$546,510	\$489,443	16
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	1.23	0.67	0.72	0.64	0.84	17
Total Capitalization (\$000s)	\$352,975	\$318,603	\$289,593	\$236,980	\$213,700	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	22.0%	21.3%	22.1%	28.1%	31.4%	19
Preferred Stock	0.3%	0.4%	0.4%	0.9%	1.0%	20
Common Stock & Retained Earnings	77.7%	78.3%	77.5%	70.9%	64.3%	21
Short-Term Debt			0.3%	0.1%	3.5%	22
Pretax Coverage of Interest Expense	2.9	2.3	1.8	2.0	2.7	23
Com. Stock Dividends as a % of Earnings	32.3%	31.1%	2.1%	68.5%	98.8%	24
Return on Common Equity	4.5%	4.1%	3.1%	3.8%	5.9%	25
Internal Cash Generated as a % of Cash Outflows for Construction	1011.3%	902.4%	-99.5%	-552.9%	663.6%	26
CWIP as a % of Plant	1.8%	15.6%	14.5%	9.4%	5.2%	27
Number of Employees	211	217	219	206	216	28

Current Assets	30,325,925	28,097,019	33,378,625	27,739,699	34,586,039
Current Liabilities	24,746,926	42,235,092	46,565,543	43,669,290	41,258,075
Total Capitalization	352,975,093	318,602,683	289,593,415	236,980,167	213,700,397
Long-Term Debt	77,712,763	67,823,628	64,069,586	66,651,751	67,005,789
Preferred Stock	1,125,000	1,125,000	1,125,000	2,125,000	2,125,000
Common Stock and Retained Earnings (Excl. Preferred Stock)	274,137,330	249,621,637	224,375,673	168,129,153	137,385,796
Short-Term Debt			1,000,000	310,369	7,429,180
Pretax Income	26,344,315	24,371,130	20,291,706	22,822,195	20,516,477
Interest Expense	9,047,839	10,746,055	11,269,303	11,618,036	7,679,615
Dividends Paid	3,777,000	3,035,000	127,711	3,924,700	7,741,047
Net Income (Excl. Preferred Stock Dividends)	11,680,866	9,754,251	6,006,329	5,732,987	7,838,544
Internal Cash	24,254,810	21,549,986	7,363,729	36,346,835	19,782,507
Cash Outflows for Construction	(2,398,297)	(2,387,979)	7,397,505	6,574,129	(2,981,173)
CWIP	8,677,941	69,961,604	60,329,576	35,305,759	17,337,808
Total Plant	480,016,416	449,327,127	416,258,486	373,652,528	333,327,255
Number of Employees	211	217	219	206	216
Salaries and Wages					

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1	Net Utility Plant				
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2	Nonutility Property (Net)				
3	Other Investments				
4	Sinking Funds and Other Special Funds				
5	Total Other Property and Investments				
<b>CURRENT AND ACCRUED ASSETS</b>					
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				
<b>DEFERRED DEBITS</b>					
14	Unamort. Debt Expense				
15	Other Deferred Debits				
16	Accumulated Deferred Income Taxes				
17	Total Deferred Debits				
18	<b>Total Assets and Other Debits</b>				
<b>PROPRIETARY CAPITAL</b>					
19	Common Stock Issued				
20	Preferred Stock Issued				
21	Other Paid-in Capital				
22	Retained Earnings				
23	Reacquired Capital Stock				
24	Total Proprietary Capital				
<b>LONG-TERM DEBT</b>					
25	Long-Term Debt				
<b>CURRENT AND ACCRUED LIABILITIES</b>					
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				
<b>DEFERRED CREDITS</b>					
35	Customer Advances for Construction				
36	Other Deferred Credits				
37	Accumulated Deferred Investment Tax Credits				
38	Accumulated Deferred Income Taxes				
39	Total Deferred Credits				
<b>OPERATING RESERVES</b>					
40	Operating Reserves				
41	<b>Total Liabilities and Other Credits</b>				

**Note:**

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

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

<b>UTILITY OPERATING INCOME</b>	
Operating Revenues	1
Operating Expense:	
Operation Expense	2
Maintenance Expense	3
Depreciation and Amortization Expense	4
Taxes Other than Income Taxes	5
Income Taxes	6
Total Operating Expenses	7
Net Operating Revenues	8
Other Utility Operating Income	9
<b>Total Utility Operating Income</b>	<b>10</b>
<b>OTHER INCOME</b>	
Interest and Dividend Income	11
Allowance for Funds Used During Construction	12
Miscellaneous Nonoperating Income	13
Other Income	14
Total Other Income	15
Other Income Deductions	16
Taxes-Other Income and Deductions	17
<b>Income Available</b>	<b>18</b>
<b>INTEREST CHARGES</b>	
Interest on Long-Term Debt	19
Interest on Debt to Associated Co.	20
Other Interest Expense	21
Total Interest Charges	22
Income Before Extraordinary Items	23
Extraordinary Items	24
<b>Net Income</b>	<b>25</b>
<hr/>	
<b>RETAINED EARNINGS</b>	
Unappropriated (Beginning)	26
Balance Transferred from Income	27
Appropriated	28
Dividends Declared-Preferred Stock	29
Dividends Declared-Common Stock	30
Adjustments to Retained Earnings	31
Net Change	32
Unappropriated (EOP)	33
Appropriated (EOP)	34
<b>Total Retained Earnings</b>	<b>35</b>

**Note:**

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

**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 PS

**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	1
Metered Sales to General Customers	2
Sales to Other Water Companies	3
Other Sales of Water	4
Total Revenues from Sales of Water	5
Other Water Operating Revenues	6
 Total Water Operating Revenues	 7

**WATER SALES (Thousands of Gallons)**

Unmetered Sales to General Customers	8
Metered Sales to General Customers	9
Sales to Other Water Companies	10
Other Sales of Water	11
 Total Sales of Water	 12

**AVG CUSTOMERS PER MONTH**

Unmetered Sales to General Customers	13
Metered Sales to General Customers	14
Sales to Other Water Companies	15
Other Sales of Water	16
 Total Customers	 17

**OPERATING REVENUE RELATIONSHIP**

**METERED GENERAL CUSTOMERS**

Average Annual Bill per Customer	18
Average Consumption per Customer (T.Gal)	19
Average Revenue per T Gallons Sold	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	24
Power and Pumping	25
Purification	26
Transmission and Distribution	27
Customer Accounting and Collecting	28
Administrative and General	29
 <b>Total O &amp; M Expense</b>	 30

**Note:**

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

**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 PS

**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**

<b>Plant in Service</b>	
Intangible	1
Source of Supply	2
Pumping	3
Water Treatment	4
Transmission and Distribution	5
General	6
Purchased or Sold	7
 Total Plant in Service	 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
 <b>Total Plant</b>	 14
 Accum. Prov. - Depr. & Amort.	 15
 <b>Net Plant</b>	 16

**SELECTED RATIOS AND STATISTICS**

Current Assets / Current Liabilities	17
Total Capitalization	18
<u>Percent Of Capitalization (incl S-T Debt)</u>	
Long-Term Debt	19
Preferred Stock	20
Common Stock & Retained Earnings	21
Short-Term Debt	22
Pretax Coverage of Interest Expense	23
Com. Stock Dividends as a % of Earnings	24
Return on Common Equity	25
Internal Cash Generated as a % of Cash Outflows for Construction	26
CWIP as a % of Plant	27
Number of Employees	28

**Note:**

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

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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,**

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$114,924,749	\$106,721,698	\$97,577,597	\$92,998,336	\$87,543,144
<b>OTHER PROPERTY AND INVESTMENTS</b>					
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 Investments	63,368	63,368	63,368	63,368	63,368
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	101,428	105,621	156,227	465,472	448,239
7 Notes and Accounts Receivables - Net	2,452,314	1,398,610	3,426,062	4,061,781	4,784,635
8 Receivables from Associated Companies	1,127	99	-	-	-
23 Materials and Supplies	618,213	658,066	586,464	491,414	516,420
10 Prepayments	1,110,672	643,281	603,093	592,064	584,473
11 Accrued Utility Revenue	2,242,542	2,338,989	4,023,883	3,873,634	4,138,711
12 Misc Current and Accrued Assets	181,107	179,377	169,019	198,659	154,772
13 Total Current and Accrued Assets	6,707,402	5,324,043	8,964,748	9,683,024	10,627,251
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	2,165,068	1,923,188	2,024,469	2,125,749	2,228,166
15 Other Deferred Debits	4,843,803	2,575,361	1,820,231	2,243,974	7,141,048
16 Accumulated Deferred Income Taxes	6,213,250	6,423,327	6,634,280	6,871,224	6,927,931
17 Total Deferred Debits	13,222,121	10,921,876	10,478,980	11,240,947	16,297,145
18 <b>Total Assets and Other Debits</b>	<b>\$134,917,641</b>	<b>\$123,030,986</b>	<b>\$117,084,693</b>	<b>\$113,985,675</b>	<b>\$114,530,908</b>
<b>PROPRIETARY CAPITAL</b>					
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	15,546,306	10,517,585	10,500,000	10,500,000	10,500,000
22 Retained Earnings	18,194,229	16,911,972	15,982,258	16,454,836	17,310,000
23 Reacquired Capital Stock					
24 Total Proprietary Capital	44,865,535	38,554,557	37,607,258	38,079,836	28,435,000
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	48,865,000	38,920,000	38,920,000	38,930,000	38,930,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable				60,369	7,179,180
27 Accounts Payable	1,409,559	1,462,363	894,647	547,437	1,595,939
28 Payables to Associated Companies	7,474,734	15,584,345	14,102,445	656,811	144,560
29 Customer Deposits					3,767
30 Taxes Accrued	211,901	2,210,387	(432,074)	2,322,115	91,016
31 Interest Accrued	599,765	557,628	557,629	557,845	546,057
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	1,056,106	1,249,428	1,233,279	1,343,637	1,884,280
34 Total Current and Accrued Liabilities	10,752,065	21,064,151	16,355,926	5,488,214	11,444,799
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	363,111	398,667	261,553	109,553	44,553
36 Other Deferred Credits	7,525,497	9,171,618	7,746,457	11,592,615	17,841,963
37 Accumulated Deferred Investment Tax Cred	283,822	298,822	313,822	328,822	343,822
38 Accumulated Deferred Income Taxes	22,262,612	14,623,171	15,879,677	19,456,635	17,490,772
39 Total Deferred Credits	30,435,042	24,492,278	24,201,509	31,487,625	35,721,110
<b>OPERATING RESERVES</b>					
40 Operating Reserves					
41 <b>Total Liabilities and Other Credits</b>	<b>\$134,917,641</b>	<b>\$123,030,986</b>	<b>\$117,084,693</b>	<b>\$113,985,675</b>	<b>\$114,530,909</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$46,757,882	\$46,327,201	\$39,562,110	\$39,587,326	\$40,521,137	1
Operating Expense:						
Operation Expense	17,816,895	18,004,431	17,797,545	17,482,305	15,826,316	2
Maintenance Expense	2,831,573	2,834,269	3,066,944	3,096,332	2,706,451	3
Depreciation and Amortization Expense	3,316,187	3,330,738	2,995,213	2,654,965	1,846,032	4
Taxes Other than Income Taxes	11,512,735	12,570,215	12,689,517	12,774,373	15,088,367	5
Income Taxes	3,503,675	2,956,643	(1,011,194)	(550,519)	827,450	6
Total Operating Expenses	38,981,065	39,696,295	35,538,025	35,457,456	36,294,616	7
Net Operating Revenues	7,776,817	6,630,906	4,024,085	4,129,870	4,226,521	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	<b>7,776,817</b>	<b>6,630,906</b>	<b>4,024,085</b>	<b>4,129,870</b>	<b>4,226,521</b>	<b>10</b>
<b>OTHER INCOME</b>						
Interest and Dividend Income	200,205	105,272	251,356	269,802	47,072	11
Allowance for Funds Used During Construction		179,460	169,583	76,139	413,794	12
Miscellaneous Nonoperating Income						13
Other Income	14,324	515,716	12,362	883,558	(9,581)	14
Total Other Income	214,529	800,448	433,301	1,229,499	451,284	15
Other Income Deductions			(2,654)			16
Taxes-Other Income and Deductions	5,817	38,006	935,776	82,004	147,316	17
<b>Income Available</b>	<b>7,985,529</b>	<b>7,393,348</b>	<b>3,524,264</b>	<b>5,277,365</b>	<b>4,530,489</b>	<b>18</b>
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	2,420,573	2,377,478	2,377,789	2,390,929	2,378,411	19
Interest on Debt to Associated Co.						20
Other Interest Expense	505,932	1,052,031	1,568,426	3,694,131	565,078	21
Total Interest Charges	2,926,505	3,429,509	3,946,216	6,085,060	2,943,489	22
Income Before Extraordinary Items	5,059,024	3,963,839	(421,951)	(807,695)	1,587,000	23
Net Extraordinary Items						24
<b>Net Income</b>	<b>\$5,059,024</b>	<b>\$3,963,839</b>	<b>(\$421,951)</b>	<b>(\$807,695)</b>	<b>\$1,587,000</b>	<b>25</b>
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$16,911,972	\$15,982,258	\$16,454,836	\$17,310,000	\$17,787,238	26
Balance Transferred from Income Appropriated	5,059,024	3,963,839	(421,951)	(807,695)	1,587,000	27
Dividends Declared-Preferring Stock	50,767	50,625	50,625	50,484	50,625	28
Dividends Declared-Common Stock	3,726,000	2,983,500			2,013,753	29
Adjustments to Retained Earnings			(2)	3,015	140	30
Net Change	1,282,257	929,714	(472,578)	(855,164)	(477,238)	31
Unappropriated (EOP)	18,194,229	16,911,972	15,982,258	16,454,836	17,310,000	32
Appropriated (EOP)						33
<b>Total Retained Earnings</b>	<b>\$18,194,229</b>	<b>\$16,911,972</b>	<b>\$15,982,258</b>	<b>\$16,454,836</b>	<b>\$17,310,000</b>	<b>34</b>

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$5,059,024	\$3,963,839	(\$421,951)	(\$807,695)	\$1,587,000
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	3,419,000	3,397,000	3,328,000	3,247,000	2,522,000
3 Deferred Taxes & ITCs	5,202,000	1,256,000	2,103,000	(332,000)	1,349,000
4 Receivables and Inventory	106,000	53,000	32,706	549,000	796,000
5 Payables and Accrued Expenses			(296,000)	(1,049,000)	(2,342,000)
6 Capitalized AFUDC - Equity Funds	(133,000)	(120,000)	(103,000)	(54,000)	(297,000)
7 Equity In Loss (Earnings) Of Affiliates			(505,000)		
8 Other Adjustments	(2,627,000)	(774,000)	671,000	3,138,000	6,315,000
9	(4,022,000)	(1,776,000)	(1,943,000)	439,000	(76)
10	1,199,783	8,101,555	(4,085,000)	(460,072)	
11 Net Cash From Operating Activities	<u>8,203,807</u>	<u>14,101,394</u>	<u>(1,219,245)</u>	<u>4,670,233</u>	<u>9,929,924</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(10,775,000)	(12,644,000)	(13,046,000)	(7,989,000)	(7,378,000)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.					
15 Contributions & Advances from Affiliates	(193,000)	1,390,000	13,865,000		
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				54,000	(171,000)
21		137,000	152,000	(30,000)	4,594,000
22				65,000	
23 Net Cash From Investing Activities	<u>(10,968,000)</u>	<u>(11,117,000)</u>	<u>971,000</u>	<u>(7,900,000)</u>	<u>(2,955,000)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	9,613,000		(10,000)		(56,000)
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid	(3,777,000)	(3,035,000)	(51,000)	(51,000)	(2,065,000)
29 Other Cash Flows - Financing Activities	(3,076,000)			10,500,000	(4,847,000)
30				(7,202,000)	
31					
32 Net Cash From Financing Activities	<u>2,760,000</u>	<u>(3,035,000)</u>	<u>(61,000)</u>	<u>3,247,000</u>	<u>(6,968,000)</u>
33 Net Increase/(Decrease) In Cash Equivalen	(4,193)	(50,606)	(309,245)	17,233	6,924
34 Cash & Cash Equivalents At Beginning Of	105,621	156,227	465,472	448,239	441,315
35 Cash & Cash Equivalents At End Of Year	\$101,428	\$105,621	\$156,227	\$465,472	\$448,239

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

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$35,000,507	\$34,314,402	\$29,653,695	\$29,486,946	\$30,453,005	1
Sales to Other Water Companies	6,222,147	6,028,988	4,982,865	5,290,637	5,549,807	2
Other Sales of Water	3,667,635	3,900,940	3,611,193	3,129,886	3,112,439	3
Total Revenues from Sales of Water	44,890,288	44,244,330	38,247,753	37,907,469	39,115,251	4
Other Water Operating Revenues	1,867,594	2,082,871	1,086,338	1,679,858	1,405,886	5
Total Water Operating Revenues	\$46,757,882	\$46,327,201	\$39,334,091	\$39,587,327	\$40,521,137	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	8,237,521	9,471,600	7,985,616	8,211,236	9,539,089	8
Sales to Other Water Companies	424,528	521,083	1,621,344	1,805,621	357,289	9
Other Sales of Water						10
Total Sales of Water	8,662,049	9,992,683	9,606,960	10,016,857	9,896,378	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	67,883	67,886	67,834	67,508	72,482	13
Sales to Other Water Companies	5,744	5,701	5,367	4,974	343	14
Other Sales of Water	339	340	672	1,013	675	15
Total Customers	73,966	73,927	73,873	73,495	73,500	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$515.60	\$505.47	\$437.15	\$436.79	\$453.28	17
Average Consumption per Customer (T.Ga)	121.35	139.52	117.72	121.63	115.51	18
Average Revenue per T Gallons Sold	\$4.25	\$3.62	\$3.71	\$3.59	\$3.92	19
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	20
Average Consumption per Customer (T.Ga)	---	---	---	---	---	21
Average Revenue per T Gallons Sold	---	---	---	---	---	22
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$257,597	\$191,572	\$211,026	\$247,612	\$207,762	23
Power and Pumping	4,047,021	4,367,329	4,168,792	4,132,691	3,415,365	24
Purification	1,977,491	1,741,845	1,570,693	1,755,707	2,206,011	25
Transmission and Distribution	2,830,458	2,892,307	3,411,162	3,175,275	2,757,993	26
Customer Accounting and Collecting	1,657,067	1,392,285	1,410,834	1,105,489	1,209,524	27
Administrative and General	9,878,834	10,253,362	10,091,982	10,161,862	8,736,585	28
Total O & M Expense	\$20,648,468	\$20,838,699	\$20,864,489	\$20,578,636	\$18,533,240	29

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$46,757,882	\$46,327,201	\$39,334,091	\$39,587,327	\$40,521,137
2 Sales (Thousands of Gallons)	8,662,049	9,992,683	9,606,960	10,016,857	9,896,378
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$3,129,715	\$3,084,516	\$2,997,782	\$3,104,948	\$2,293,844
4 Wages and Benefits	8,728,346	8,769,535	8,123,182	7,513,230	7,706,801
5 Other Operation and Maintenance Expense	8,790,407	8,984,648	9,743,525	9,960,459	7,917,160
6 Depreciation and Amortization Expense	3,316,187	3,330,738	2,995,213	2,654,965	1,846,032
7 Income Taxes-Operating	3,503,675	2,956,643	(1,011,194)	(550,519)	827,450
8 Other Taxes-Operating	11,512,735	12,570,215	12,689,517	12,774,373	15,088,367
9 Capital Costs	7,776,818	6,630,906	3,796,066	4,129,871	4,841,483
10 Total	\$46,757,882	\$46,327,201	\$39,334,091	\$39,587,327	\$40,521,137

**PERCENT OF REVENUES**

11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.7	6.7	7.6	7.8	5.7
12 Wages and Benefits	18.7	18.9	20.7	19.0	19.0
13 Other Operation and Maintenance Expense	18.8	19.4	24.8	25.2	19.5
14 Depreciation and Amortization Expense	7.1	7.2	7.6	6.7	4.6
15 Income Taxes-Operating	7.5	6.4	(2.6)	(1.4)	2.0
16 Other Taxes-Operating	24.6	27.1	32.3	32.3	37.2
17 Capital Costs	16.6	14.3	9.7	10.4	11.9
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	0.36	0.31	0.31	0.31	0.23
20 Wages and Benefits	1.01	0.88	0.85	0.75	0.78
21 Other Operation and Maintenance Expense	1.01	0.90	1.01	0.99	0.80
22 Depreciation and Amortization Expense	0.38	0.33	0.31	0.27	0.19
23 Income Taxes-Operating	0.40	0.30	-0.11	-0.05	0.08
24 Other Taxes-Operating	1.33	1.26	1.32	1.28	1.52
25 Capital Costs	0.90	0.66	0.40	0.41	0.49
26 Total	5.40	4.64	4.09	3.95	4.09

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

Purchased Water					
Fuel for Pumping	2,153,626	2,319,771	2,306,729	2,421,348	2,052,195
Chemicals	976,089	764,746	691,053	683,601	606,355
Total PW, Fuel and Chemicals	3,129,715	3,084,516	2,997,782	3,104,948	2,658,550

Total - Ultimate Customers

**Wages and Benefits**

Salaries	6,341,013	6,295,469	5,789,732	5,312,192	5,252,872
Pensions and Benefits	2,387,333	2,474,066	2,333,450	2,201,038	2,139,618
Total Wages and Benefits	8,728,346	8,769,535	8,123,182	7,513,230	7,392,490

**Other Expenses**

Total O&M Expenses	20,648,468	20,838,699	20,864,489	20,578,637	18,533,240
-Total PW, Fuel and Chemicals	3,129,715	3,084,516	2,997,782	3,104,948	2,658,550
-Wages and Benefits	8,728,346	8,769,535	8,123,182	7,513,230	7,392,490
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	8,790,407	8,984,648	9,743,525	9,960,459	8,482,200

**Depreciation and Amortization**

Depreciation Exp	3,316,187	3,330,738	2,995,213	2,654,965	1,846,032
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	3,316,187	3,330,738	2,995,213	2,654,965	1,846,032

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

Total PW, Fuel and Chemicals	3,129,715	3,084,516	2,997,782	3,104,948	2,658,550
divided by Total Gallons	8,662,049	9,992,683	9,606,960	10,016,857	9,896,378
Cost per KWH	0.0004	0.0003	0.0003	0.0003	0.0003
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,**

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$591	\$257,232	\$257,232	\$257,232	\$669	1
Source of Supply	6,451,407	6,203,915	6,203,915	6,203,914	6,048,910	2
Pumping	10,661,389	10,028,257	9,664,848	9,598,830	9,125,446	3
Water Treatment	20,776,016	20,893,500	20,846,253	18,004,952	16,986,761	4
Transmission and Distribution	109,214,531	101,142,849	90,555,677	82,479,365	76,582,103	5
General	8,746,375	8,015,938	8,102,720	7,901,319	7,884,844	6
Purchased or Sold						7
<b>Total Plant in Service</b>	<b>155,850,309</b>	<b>146,541,691</b>	<b>135,630,647</b>	<b>124,445,612</b>	<b>116,628,733</b>	<b>8</b>
Plant Leased To Others						9
Construction Work In Progress	3,055,445	2,586,939	2,426,053	797,233	1,256,367	10
Plant Held For Future Use	110,933	110,933	110,933	110,933	110,933	11
Plant Acquisition Adjustments		885,558	885,558	885,558	885,558	12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	<b>159,016,687</b>	<b>150,125,121</b>	<b>139,053,191</b>	<b>126,239,336</b>	<b>118,881,591</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	44,091,938	43,403,423	41,475,594	33,241,000	31,338,447	15
<b>Net Plant</b>	<b>\$114,924,749</b>	<b>\$106,721,698</b>	<b>\$97,577,597</b>	<b>\$92,998,336</b>	<b>\$87,543,144</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.62	0.25	0.55	1.76	0.94	17
Total Capitalization	\$93,730,535	\$77,474,557	\$76,527,258	\$77,070,205	\$74,670,267	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	52.1%	50.2%	50.9%	50.5%	52.1%	19
Preferred Stock	1.2%	1.5%	1.5%	1.5%	1.5%	20
Common Stock & Retained Earnings	46.7%	48.3%	47.7%	47.9%	36.7%	21
Short-Term Debt				0.1%	9.6%	22
Pretax Coverage of Interest Expense	3.6	1.1	0.6	0.8	1.9	23
Com. Stock Dividends as a % of Earnings	77.0%	123.0%	-10.8%	-5.9%	124.2%	24
Return on Common Equity	12.1%	6.7%	-1.3%	-2.7%	6.0%	25
Internal Cash Generated as a % of Cash Outflows for Construction	76.1%	111.5%	-9.3%	58.5%	134.6%	26
CWIP as a % of Plant	1.9%	1.7%	1.7%	0.6%	1.1%	27
Number of Employees	90	90	90	89	95	28

Current Assets	6,707,401.87	5,324,043	8,964,748	9,683,024	10,627,250
Current Liabilities	10,752,065	21,064,151	16,355,926	5,488,215	11,318,711
Total Capitalization	93,730,535	77,474,557	76,527,258	77,070,205	74,670,267
Long-Term Debt	48,865,000	38,920,000	38,920,000	38,930,000	38,930,000
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)	43,740,535	37,429,557	36,482,258	36,954,836	27,436,087
Short-Term Debt				60,369	7,179,180
Pretax Income	6,816,787	3,793,097	2,510,416	4,726,846	5,516,466
Interest Expense	1,914,642	3,429,509	3,946,216	6,085,060	2,943,489
Dividends Paid	3,777,000	3,035,000	51,000	51,000	2,065,000
Net Income (Excl. Preferred Stock Dividends)	4,902,144	2,467,650	(472,576)	(858,179)	1,662,602
Internal Cash	8,203,807	14,101,394	(1,219,245)	4,670,233	9,929,924
Cash Outflows for Construction	10,775,000	12,644,000	13,046,000	7,989,000	7,378,000
CWIP	3,055,445	2,586,939	2,426,053	797,233	1,256,367
Total Plant	159,016,687	150,125,121	139,053,191	126,239,336	118,839,592
Number of Employees	90	90	90	89	95

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$30,615,391	\$29,241,561	\$29,120,048	\$27,567,795	\$26,572,273
<b>OTHER PROPERTY AND INVESTMENTS</b>					
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
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	6,307	24,789	159,321		
7 Notes and Accounts Receivables - Net	303,005	550,947	1,031,097	748,065	618,625
8 Receivables from Associated Companies					7,250
9 Materials and Supplies				193,582	330,651
10 Prepayments	282,253	274,468	197,327	242,198	232,643
11 Accrued Utility Revenue	1,492,673	1,514,563	1,422,745	1,292,569	1,414,172
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	2,084,237	2,364,767	2,810,490	2,476,413	2,603,341
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense				81,095	91,953
15 Other Deferred Debits	1,480,512	1,853,424	1,465,393	2,548,779	1,931,084
16 Accumulated Deferred Income Taxes	382,412	34,247	151,699		
17 Total Deferred Debits	1,862,924	1,887,671	1,617,092	2,629,874	2,023,037
18 <b>Total Assets and Other Debits</b>	<b>\$34,801,554</b>	<b>\$33,733,000</b>	<b>\$33,786,632</b>	<b>\$32,913,083</b>	<b>\$31,437,652</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	1,685,000	\$1,685,000	\$1,685,000	\$1,685,000	\$1,685,000
20 Preferred Stock Issued				1,000,000	1,000,000
21 Other Paid-in Capital	20,429,495	20,399,495	19,299,495	6,400,000	6,400,000
22 Retained Earnings	4,475,706	4,356,060	4,335,046	3,601,505	3,308,151
23 Reacquired Capital Stock					
24 Total Proprietary Capital	26,590,201	26,440,555	25,319,541	12,686,505	12,393,151
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt				2,000,000	2,250,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	678,499	706,296	941,471	234,763	474,560
28 Payables to Associated Companies				11,016,247	10,100,000
29 Customer Deposits	2,100	1,100	100		150
30 Taxes Accrued	(129,675)	85,609	675,129	144,607	9,016
31 Interest Accrued				36,875	36,875
32 Matured Long-Term Debt			1,000,000	250,000	250,000
33 Misc Current and Accrued Liabilities	801,164	500,900	366,319	67,549	39,195
34 Total Current and Accrued Liabilities	1,352,088	1,293,905	2,983,019	11,750,041	10,909,796
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	319,093	303,284	1,175,693	1,173,164	1,217,798
36 Other Deferred Credits	54,066	55,530	217,471	1,450,420	835,180
37 Accumulated Deferred Investment Tax Crec	78,237	80,341	82,445	84,549	86,653
38 Accumulated Deferred Income Taxes	6,405,811	5,557,327	4,006,404	3,768,404	3,745,074
39 Total Deferred Credits	6,857,207	5,996,482	5,482,014	6,476,537	5,884,705
<b>OPERATING RESERVES</b>					
40 Operating Reserves	2,058	2,058	2,058		
41 <b>Total Liabilities and Other Credits</b>	<b>\$34,801,554</b>	<b>\$33,733,000</b>	<b>\$33,786,632</b>	<b>\$32,913,083</b>	<b>\$31,437,652</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$11,939,796	\$11,390,205	\$11,515,451	\$11,536,291	\$11,411,989	1
Operating Expense:						
Operation Expense	8,042,525	6,499,783	6,639,313	5,803,092	5,504,266	2
Maintenance Expense	489,039	301,122	223,659	377,757	377,094	3
Depreciation and Amortization Expense	727,863	692,959	681,825	588,619	589,632	4
Taxes Other than Income Taxes	1,626,501	1,554,411	1,486,168	1,516,519	1,774,272	5
Income Taxes	235,144	1,571,011	471,330	1,034,497	1,062,477	6
Total Operating Expenses	11,121,073	10,619,287	9,502,295	9,320,483	9,307,741	7
Net Operating Revenues	818,723	770,918	2,013,156	2,215,808	2,104,249	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	<b>818,723</b>	<b>770,918</b>	<b>2,013,156</b>	<b>2,215,808</b>	<b>2,104,249</b>	<b>10</b>
<b>OTHER INCOME</b>						
Interest and Dividend Income	7,195	17,866		2,739	3,433	11
Allowance for Funds Used During Construc	18,388	5,568	3,674	15,714	28,016	12
Miscellaneous Nonoperating Income	29,435	31,457	(287,941)			13
Other Income			260	39,052	8,547	14
Total Other Income	55,018	54,890	(284,007)	57,504	39,996	15
Other Income Deductions	7,294	4,455	2,169	6,302	2,305	16
Taxes-Other Income and Deductions				20,500	15,100	17
<b>Income Available</b>	<b>866,448</b>	<b>821,353</b>	<b>1,726,980</b>	<b>2,246,510</b>	<b>2,126,840</b>	<b>18</b>
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt			171,682	229,804	229,804	19
Interest on Debt to Associated Co.	746,801	800,262	710,728	536,273	348,047	20
Other Interest Expense		77	34,317	1,380	28,631	21
Total Interest Charges	746,801	800,339	916,727	767,456	606,481	22
Income Before Extraordinary Items	119,647	21,013	810,252	1,479,054	1,520,358	23
Net Extraordinary Items						24
<b>Net Income</b>	<b>\$119,647</b>	<b>\$21,013</b>	<b>\$810,252</b>	<b>\$1,479,054</b>	<b>\$1,520,358</b>	<b>25</b>
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$4,356,060	\$4,335,046	\$3,601,505	\$3,308,151	\$2,629,590	26
Balance Transferred from Income	119,647	21,013	810,252	1,479,054	1,520,358	27
Appropriated						28
Dividends Declared-Preferred Stock			76,711	76,700	76,692	29
Dividends Declared-Common Stock				1,109,000	765,106	30
Adjustments to Retained Earnings						31
Net Change	119,647	21,013	733,541	293,354	678,561	32
Unappropriated (EOP)	4,475,706	4,356,060	4,335,046	3,601,505	3,308,151	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	<b>\$4,475,706</b>	<b>\$4,356,060</b>	<b>\$4,335,046</b>	<b>\$3,601,505</b>	<b>\$3,308,151</b>	<b>35</b>

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$119,647	\$21,013	\$810,252	\$1,479,054	\$1,520,358
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	727,863	692,959	691,258	721,080	349,258
3 Deferred Taxes & ITCs	498,215	1,666,271	84,197	21,226	218,896
4 Receivables and Inventory	269,833	388,332	(219,626)	7,589	130,016
5 Payables and Accrued Expenses	273,467	(99,594)	952,496	539,388	240,675
6 Capitalized AFUDC - Equity Funds	(18,388)	(5,568)	(3,674)	15,714	(28,016)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	372,912	(388,031)	1,155,049		
9 Accounts Payable	(1,464)	(161,941)	(1,232,949)	122,580	(91,034)
10 Other Current Liabilities	(223,071)	(666,660)	577,450	(726,342)	(151,951)
11 Net Cash From Operating Activities	<u>2,019,014</u>	<u>1,446,782</u>	<u>2,814,452</u>	<u>2,180,289</u>	<u>2,188,202</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(2,083,305)	(808,904)	(2,230,445)	(1,644,589)	(1,846,404)
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>(2,083,305)</u>	<u>(808,904)</u>	<u>(2,230,445)</u>	<u>(1,644,589)</u>	<u>(1,846,404)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	45,809	(772,409)	652,024	(250,000)	(2,200,000)
25 Common Stock					
26 Preferred Stock			(1,000,000)		
27 Short-Term Debt					
28 Dividends Paid			(76,711)	(1,185,700)	(841,798)
29 Other Cash Flows - Financing Activities				900,000	2,700,000
30					
31					
32 Net Cash From Financing Activities	<u>45,809</u>	<u>(772,409)</u>	<u>(424,687)</u>	<u>(535,700)</u>	<u>(341,798)</u>
33 Net Increase/(Decrease) In Cash Equivalen	(18,482)	(134,531)	159,321	(0)	0
34 Cash & Cash Equivalents At Beginning Of `	24,789	159,321	0	0	0
35 Cash & Cash Equivalents At End Of Year	\$6,307	\$24,789	\$159,321	\$0	\$0

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

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$9,180,416	\$9,345,991	\$10,601,095	\$10,233,939	\$10,058,066	1
Sales to Other Water Companies						2
Other Sales of Water	2,759,380	2,044,214	914,356	1,302,353	1,352,865	3
Total Revenues from Sales of Water	11,939,796	11,390,205	11,515,451	11,536,291	11,410,931	4
Other Water Operating Revenues					1,059	5
						6
Total Water Operating Revenues	\$11,939,796	\$11,390,205	\$11,515,451	\$11,536,291	\$11,411,990	7
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	1,843,459	1,887,234	2,003,849	2,001,444	2,024,742	8
Sales to Other Water Companies						9
Other Sales of Water	99,882	91,549	97,425	113,421	132,951	10
						11
Total Sales of Water	1,943,341	1,978,783	2,101,274	2,114,865	2,157,693	12
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	12,131	12,115	12,132	12,160	11,849	13
Sales to Other Water Companies						14
Other Sales of Water	90	111	111	108	401	15
						16
Total Customers	12,221	12,226	12,243	12,268	12,250	17
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$756.77	\$771.44	\$873.81	\$841.61	\$848.85	18
Average Consumption per Customer (T.Gal)	151.96	155.78	165.17	164.59	170.88	19
Average Revenue per T Gallons Sold	\$4.98	\$4.95	\$5.29	\$5.11	\$4.97	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$5,924,059	\$4,444,128	\$4,242,719	\$4,201,923	\$3,734,719	24
Power and Pumping	237,190	272,766	170,294	64,632	69,515	25
Purification	77,898	83,967	53,690	114,247	165,063	26
Transmission and Distribution	820,959	565,744	458,265	651,362	707,839	27
Customer Accounting and Collecting	669,220	483,670	178,866	253,057	233,963	28
Administrative and General	802,238	950,630	1,759,137	895,628	970,261	29
<b>Total O &amp; M Expense</b>	<b>\$8,531,564</b>	<b>\$6,800,905</b>	<b>\$6,862,972</b>	<b>\$6,180,849</b>	<b>\$5,881,360</b>	<b>30</b>

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$11,939,796	\$11,390,205	\$11,515,451	\$11,536,291	\$11,411,990
2 Sales (Thousands of Gallons)	1,943,341	1,978,783	2,101,274	2,114,865	2,157,693
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$5,926,750	\$4,448,733	\$4,245,870	\$4,224,062	\$3,769,535
4 Wages and Benefits	763,230	754,585	466,472	602,652	747,396
5 Other Operation and Maintenance Expense	1,841,584	1,597,587	2,150,629	1,354,134	1,364,429
6 Depreciation and Amortization Expense	727,863	692,959	681,825	588,619	589,632
7 Income Taxes-Operating	235,144	1,571,011	471,330	1,034,497	1,062,477
8 Other Taxes-Operating	1,626,501	1,554,411	1,486,168	1,516,519	1,774,272
9 Capital Costs	818,723	770,918	2,013,156	2,215,808	2,104,249
10 Total	\$11,939,796	\$11,390,205	\$11,515,451	\$11,536,291	\$11,411,990

<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	49.6	39.1	36.9	36.6	33.0
12 Wages and Benefits	6.4	6.6	4.1	5.2	6.5
13 Other Operation and Maintenance Expense	15.4	14.0	18.7	11.7	12.0
14 Depreciation and Amortization Expense	6.1	6.1	5.9	5.1	5.2
15 Income Taxes-Operating	2.0	13.8	4.1	9.0	9.3
16 Other Taxes-Operating	13.6	13.6	12.9	13.1	15.5
17 Capital Costs	6.9	6.8	17.5	19.2	18.4
18 Total	100.0	100.0	100.0	100.0	100.0

<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	3.05	2.25	2.02	2.00	1.75
20 Wages and Benefits	0.39	0.38	0.22	0.28	0.35
21 Other Operation and Maintenance Expense	0.95	0.81	1.02	0.64	0.63
22 Depreciation and Amortization Expense	0.37	0.35	0.32	0.28	0.27
23 Income Taxes-Operating	0.12	0.79	0.22	0.49	0.49
24 Other Taxes-Operating	0.84	0.79	0.71	0.72	0.82
25 Capital Costs	0.42	0.39	0.96	1.05	0.98
26 Total	6.14	5.76	5.48	5.45	5.29

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

Purchased Water	5,894,449	4,395,321	4,221,511	4,193,876	3,733,745
Fuel for Pumping	32,301	53,413	24,359	30,187	35,790
Chemicals					
Total PW, Fuel and Chemicals	5,926,750	4,448,733	4,245,870	4,224,062	3,769,535
Total - Ultimate Customers	5,926,750	4,448,733	4,245,870	4,224,062	3,769,535

**Wages and Benefits**

Salaries	879,343	754,585	410,426	352,111	496,359
Pensions and Benefits	(116,113)		56,046	250,541	251,037
Total Wages and Benefits	763,230	754,585	466,472	602,652	747,396

**Other Expenses**

Total O&M Expenses	8,531,564	6,800,905	6,862,972	6,180,849	5,881,360
-Total PW, Fuel and Chemicals	5,926,750	4,448,733	4,245,870	4,224,062	3,769,535
-Wages and Benefits	763,230	754,585	466,472	602,652	747,396
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	1,841,584	1,597,587	2,150,629	1,354,134	1,364,429

**Depreciation and Amortization**

Depreciation Exp	727,863	692,959	681,825	588,619	589,632
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	727,863	692,959	681,825	588,619	589,632

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

Total PW, Fuel and Chemicals	5,926,750	4,448,733	4,245,870	4,224,062	3,769,535
divided by Total Gallons	1,943,341	1,978,783	2,101,274	2,114,865	2,157,693
Cost per KWH	0.0030	0.0022	0.0020	0.0020	0.0017
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,**

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible						1
Source of Supply	\$71,288	\$71,288	\$71,288	\$71,288	\$71,288	2
Pumping	1,416,752	1,416,752	1,413,754	1,390,097	1,367,536	3
Water Treatment						4
Transmission and Distribution	36,264,960	35,085,028	34,411,429	33,284,604	31,608,095	5
General	1,851,723	1,569,643	1,118,017	1,118,017	938,090	6
Purchased or Sold						7
Total Plant in Service	39,604,723	38,142,712	37,014,488	35,864,006	33,985,009	8
Plant Leased To Others						9
Construction Work In Progress	718,738	739,357	1,107,308	29,928	455,561	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	40,323,461	38,882,068	38,121,796	35,893,934	34,440,570	14
Accum. Prov. - Depr. & Amort.	9,708,070	9,640,508	9,001,748	8,326,139	7,868,297	15
<b>Net Plant</b>	\$30,615,391	\$29,241,561	\$29,120,048	\$27,567,795	\$26,572,273	16
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	1.54	1.83	0.94	0.21	0.24	17
Total Capitalization	\$26,590,201	\$26,440,555	\$25,319,541	\$14,686,505	\$14,643,151	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	50.1%	50.1%	50.1%	13.6%	15.4%	19
Preferred Stock	4.5%	4.5%	4.5%	6.8%	6.8%	20
Common Stock & Retained Earnings	35.3%	35.3%	35.3%	79.6%	77.8%	21
Short-Term Debt	10.1%	10.1%	10.1%	1.7%	1.7%	22
Pretax Coverage of Interest Expense	1.5	3.0	2.4	4.3	5.3	23
Com. Stock Dividends as a % of Earnings			9.5%	80.2%	55.4%	24
Return on Common Equity	0.5%	0.1%	4.4%	12.8%	13.8%	25
Internal Cash Generated as a % of Cash Outflows for Construction	96.9%	178.9%	126.2%	132.6%	118.5%	26
CWIP as a % of Plant	1.8%	1.9%	2.9%	0.1%	1.3%	27
Number of Employees						28

Current Assets	2,084,237	2,364,767	2,810,490	2,476,413	2,603,341
Current Liabilities	1,352,088	1,293,905	2,983,019	11,750,041	10,909,796
Total Capitalization	26,590,201	26,440,555	25,319,541	14,686,505	14,643,151
Long-Term Debt				2,000,000	2,250,000
Preferred Stock				1,000,000	1,000,000
Common Stock and Retained Earnings (Excl. Preferred Stock)	26,590,201	26,440,555	25,319,541	11,686,505	11,393,151
Short-Term Debt			1,000,000	250,000	250,000
Pretax Income	1,108,886	2,396,819	2,200,479	3,287,309	3,191,622
Interest Expense	746,801	800,339	916,727	767,456	606,481
Dividends Paid			76,711	1,185,700	841,798
Net Income (Excl. Preferred Stock Dividends)	119,647	21,013	810,252	1,479,054	1,520,358
Internal Cash	2,019,014	1,446,782	2,814,452	2,180,289	2,188,202
Cash Outflows for Construction	2,083,305	808,904	2,230,445	1,644,589	1,846,404
CWIP	718,738	739,357	1,107,308	29,928	455,561
Total Plant	40,323,461	38,882,068	38,121,796	35,893,934	34,440,570
Number of Employees					
Salaries and Wages					

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$45,902,394	\$44,597,092	\$42,821,647	\$42,056,816	\$37,221,434
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					1,767,285
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investmer					1,767,285
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	2,337,381	3,339,745	6,100,303	3,965,470	8,717,834
7 Notes and Accounts Receivables - Net	1,876,957	2,750,524	2,655,750	2,555,353	2,520,856
8 Receivables from Associated Companies					
9 Materials and Supplies	277,402	289,104	284,288	280,304	339,745
10 Prepayments	1,323,829	1,481,924	1,205,058	1,430,451	580,836
11 Accrued Utility Revenue	1,134,910	1,302,395	1,490,753	1,260,683	1,185,462
12 Misc Current and Accrued Assets					40,082
13 Total Current and Accrued Assets	6,950,479	9,163,692	11,736,152	9,492,261	13,384,815
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	1,145,861	1,239,035	1,332,208	1,425,381	1,511,466
15 Other Deferred Debits	35,552,034	29,553,327	24,987,329	17,199,317	1,699,537
16 Accumulated Deferred Income Taxes					1,129,589
17 Total Deferred Debits	36,697,895	30,792,362	26,319,537	18,624,698	4,340,592
18 <b>Total Assets and Other Debits</b>	<b>\$89,550,768</b>	<b>\$84,553,146</b>	<b>\$80,877,336</b>	<b>\$70,173,775</b>	<b>\$56,714,126</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$3,674,470	\$3,674,470	\$3,674,470	\$3,674,470	\$3,674,470
20 Preferred Stock Issued					
21 Other Paid-in Capital	2,050,285	2,016,078	1,994,753	1,984,857	1,984,857
22 Retained Earnings	29,421,464	27,750,909	25,761,600	13,626,383	13,210,453
23 Reacquired Capital Stock					
24 Total Proprietary Capital	35,146,219	33,441,457	31,430,823	19,285,710	18,869,780
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	23,149,040	23,074,520	23,000,000	23,460,000	23,460,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	506,076	489,740	420,708	444,362	797,011
28 Payables to Associated Companies			639,299		18,000
29 Customer Deposits			35,845	30,273	28,813
30 Taxes Accrued	41,868	(57,865)	(67,331)	28,000	7,173
31 Interest Accrued	272,427	326,645	685,736	364,881	353,977
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	61,073	1,784,472	1,790,812	72,641	216,455
34 Total Current and Accrued Liabilitie	881,444	2,542,992	3,505,069	940,157	1,421,429
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction					
36 Other Deferred Credits	19,184,157	17,038,672	15,161,501	14,245,991	5,195,530
37 Accumulated Deferred Investment Tax Cr					
38 Accumulated Deferred Income Taxes	11,189,908	8,455,505	7,779,943	11,993,180	7,611,180
39 Total Deferred Credits	30,374,065	25,494,177	22,941,444	26,239,171	12,806,710
<b>OPERATING RESERVES</b>					
40 Operating Reserves				248,737	156,207
41 <b>Total Liabilities and Other Credits</b>	<b>\$89,550,768</b>	<b>\$84,553,146</b>	<b>\$80,877,336</b>	<b>\$70,173,775</b>	<b>\$56,714,126</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$23,428,175	\$23,553,737	\$23,419,974	\$22,701,869	\$21,772,713	1
Operating Expense:						
Operation Expense	9,033,288	8,774,981	7,471,638	9,206,400	9,041,460	2
Maintenance Expense	1,581,126	1,647,236	1,710,898	1,363,071	1,291,050	3
Depreciation and Amortization Expense	1,964,521	1,888,135	1,817,511	1,643,481	1,509,999	4
Taxes Other than Income Taxes	6,540,840	6,470,050	6,460,595	6,483,109	6,098,848	5
Income Taxes	1,246,353	1,350,675	1,502,216	999,096	1,123,546	6
Total Operating Expenses	20,366,128	20,131,077	18,962,858	19,695,157	19,064,903	7
Net Operating Revenues	3,062,047	3,422,660	4,457,116	3,006,712	2,707,810	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	<b>3,062,047</b>	<b>3,422,660</b>	<b>4,457,116</b>	<b>3,006,712</b>	<b>2,707,810</b>	<b>10</b>
<b>OTHER INCOME</b>						
Interest and Dividend Income	562	40,199	188,854	264,164	195,395	11
Allowance for Funds Used During Constr	40,986	20,527	60,144	117,194	89,697	12
Miscellaneous Nonoperating Income	60,241	13,658		180,190	102,325	13
Other Income	(10,820)	(25,274)	(34,131)	(31,675)	(24,941)	14
Total Other Income	90,969	49,110	214,867	529,873	362,476	15
Other Income Deductions	89,268	89,268	89,268			16
Taxes-Other Income and Deductions				190,900	131,693	17
<b>Income Available</b>	<b>3,063,748</b>	<b>3,382,502</b>	<b>4,582,715</b>	<b>3,345,685</b>	<b>2,938,593</b>	<b>18</b>
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	1,393,193	1,393,193	1,393,193	1,393,313	1,253,386	19
Interest on Debt to Associated Co.						20
Other Interest Expense			634,604	726	963	21
Total Interest Charges	1,393,193	1,393,193	2,027,797	1,394,039	1,254,349	22
Income Before Extraordinary Items	1,670,555	1,989,309	2,554,918	1,951,646	1,684,244	23
Net Extraordinary Items						24
<b>Net Income</b>	<b>\$1,670,555</b>	<b>\$1,989,309</b>	<b>\$2,554,918</b>	<b>\$1,951,646</b>	<b>\$1,684,244</b>	<b>25</b>
<hr/>						
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$27,750,909	\$25,761,600	\$13,626,383	\$13,210,453	\$16,648,083	26
Balance Transferred from Income	1,670,555	1,989,309	2,554,918	1,951,646	1,684,244	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock				2,360,000	4,655,000	30
Adjustments to Retained Earnings			9,580,299	824,284	(466,874)	31
Net Change	1,670,555	1,989,309	12,135,217	415,930	(3,437,630)	32
Unappropriated (EOP)	29,421,464	27,750,909	25,761,600	13,626,383	13,210,453	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	<b>\$29,421,464</b>	<b>\$27,750,909</b>	<b>\$25,761,600</b>	<b>\$13,626,383</b>	<b>\$13,210,453</b>	<b>35</b>

**Notes:**

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$1,670,555	\$1,989,309	\$2,554,918	\$1,951,646	\$1,684,244
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	2,131,082	2,045,523	1,978,859	1,795,649	1,619,004
3 Deferred Taxes & ITCs	2,734,403	675,562	(4,213,237)	5,511,589	(272,771)
4 Receivables and Inventory	800,689	(160,423)	(176,461)	(38,256)	(520,799)
5 Payables and Accrued Expenses	(1,661,556)	(962,077)	2,564,912	(481,272)	519,889
6 Capitalized AFUDC - Equity Funds	(40,986)	(20,527)	(60,144)	(117,194)	(89,697)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	2,564,239	252,749	755,269	8,344,322	(499,409)
9		1,629,087			
10					
11 Net Cash From Operating Activities	<u>8,198,426</u>	<u>5,449,203</u>	<u>3,404,116</u>	<u>16,966,484</u>	<u>2,440,461</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(3,228,837)	(3,643,053)	(2,522,198)	(6,361,669)	(2,663,877)
13 Acquisition Of Other Non-Current Assets	(6,087,967)	(4,655,266)	(7,877,280)	(15,588,748)	107,755
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				2,273,764	2,056,658
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(9,316,804)</u>	<u>(8,298,319)</u>	<u>(10,399,478)</u>	<u>(19,676,653)</u>	<u>(499,464)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	74,520	74,520	(460,000)		7,230,000
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid				(2,360,000)	(4,655,000)
29 Other Cash Flows - Financing Activities	34,207	21,325	9,590,195	317,805	(466,874)
30					
31					
32 Net Cash From Financing Activities	<u>108,727</u>	<u>95,845</u>	<u>9,130,195</u>	<u>(2,042,195)</u>	<u>2,108,126</u>
33 Net Increase/(Decrease) In Cash Equivalents	(1,009,651)	(2,753,271)	2,134,833	(4,752,364)	4,049,123
34 Cash & Cash Equivalents At Beginning Of Year	3,347,032	6,100,303	3,965,470	8,717,834	4,668,711
35 Cash & Cash Equivalents At End Of Year	\$2,337,381	\$3,347,032	\$6,100,303	\$3,965,470	\$8,717,834

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

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$19,813,142	\$19,786,204	\$19,617,958	\$19,002,311	\$18,234,928	1
Sales to Other Water Companies	1,693,353	1,995,670	1,938,704	2,100,246	1,970,607	2
Other Sales of Water	1,619,963	1,614,931	1,605,824	1,580,132	1,556,359	3
Total Revenues from Sales of Water	23,126,458	23,396,805	23,162,486	22,682,689	21,761,894	4
Other Water Operating Revenues	301,717	156,932	257,488	19,180	10,819	5
Total Water Operating Revenues	\$23,428,175	\$23,553,737	\$23,419,974	\$22,701,869	\$21,772,713	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	4,193,501	5,585,387	5,231,585	5,330,973	5,296,093	8
Sales to Other Water Companies	721,820					9
Other Sales of Water						10
Total Sales of Water	4,915,321	5,585,387	5,231,585	5,330,973	5,296,093	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	42,825	43,876	43,816	44,515	44,303	13
Sales to Other Water Companies	1,067					14
Other Sales of Water	281	274	269	254	251	15
Total Customers	44,173	44,150	44,085	44,769	44,554	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$462.65	\$450.96	\$447.74	\$426.87	\$411.60	18
Average Consumption per Customer (T.G)	97.92	127.30	119.40	119.76	119.54	19
Average Revenue per T Gallons Sold	\$4.72	\$3.54	\$3.75	\$3.56	\$3.44	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	\$1,863.57	---	21
Average Consumption per Customer (T.G)	---	---	---	720.64	---	22
Average Revenue per T Gallons Sold	---	---	---	\$2.59	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$176,829	\$179,843	\$186,016	\$62,337	\$50,084	24
Power and Pumping	1,695,592	1,830,784	1,870,657	2,052,170	1,898,402	25
Purification	1,163,197	1,254,947	1,225,990	1,123,811	1,063,827	26
Transmission and Distribution	1,399,929	1,375,150	1,429,040	1,017,760	1,133,988	27
Customer Accounting and Collecting	818,643	908,691	930,607	1,447,543	1,316,502	28
Administrative and General	5,360,224	4,872,802	3,540,226	4,865,850	4,869,707	29
<b>Total O &amp; M Expense</b>	<b>\$10,614,414</b>	<b>\$10,422,217</b>	<b>\$9,182,536</b>	<b>\$10,569,471</b>	<b>\$10,332,510</b>	<b>30</b>

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$23,428,175	\$23,553,737	\$23,419,974	\$22,701,869	\$21,772,713
2 Sales (Thousands of Gallons)	4,915,321	5,585,387	5,231,585	5,330,973	5,296,093
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$1,957,665	\$2,118,263	\$2,140,769	\$2,078,349	\$1,932,593
4 Wages and Benefits	5,342,242	5,305,476	4,772,822	6,204,035	6,319,452
5 Other Operation and Maintenance Expenses	3,314,507	2,998,478	2,268,945	2,287,087	2,080,465
6 Depreciation and Amortization Expense	1,964,521	1,888,135	1,817,511	1,643,481	1,509,999
7 Income Taxes-Operating	1,246,353	1,350,675	1,502,216	999,096	1,123,546
8 Other Taxes-Operating	6,540,840	6,470,050	6,460,595	6,483,109	6,098,848
9 Capital Costs	3,062,047	3,422,660	4,457,116	3,006,712	2,707,810
10 Total	\$23,428,175	\$23,553,737	\$23,419,974	\$22,701,869	\$21,772,713
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	8.4	9.0	9.1	9.2	8.9
12 Wages and Benefits	22.8	22.5	20.4	27.3	29.0
13 Other Operation and Maintenance Expenses	14.1	12.7	9.7	10.1	9.6
14 Depreciation and Amortization Expense	8.4	8.0	7.8	7.2	6.9
15 Income Taxes-Operating	5.3	5.7	6.4	4.4	5.2
16 Other Taxes-Operating	27.9	27.5	27.6	28.6	28.0
17 Capital Costs	13.1	14.5	19.0	13.2	12.4
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.40	0.38	0.41	0.39	0.36
20 Wages and Benefits	1.09	0.95	0.91	1.16	1.19
21 Other Operation and Maintenance Expenses	0.67	0.54	0.43	0.43	0.39
22 Depreciation and Amortization Expense	0.40	0.34	0.35	0.31	0.29
23 Income Taxes-Operating	0.25	0.24	0.29	0.19	0.21
24 Other Taxes-Operating	1.33	1.16	1.23	1.22	1.15
25 Capital Costs	0.62	0.61	0.85	0.56	0.51
26 Total	4.77	4.22	4.48	4.26	4.11

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

Purchased Water					
Fuel for Pumping	1,368,421	1,472,681	1,492,979	1,450,474	1,322,463
Chemicals	589,244	645,582	647,790	627,875	610,130
Total PW, Fuel and Chemicals	1,957,665	2,118,263	2,140,769	2,078,349	1,932,593
Total - Ultimate Customers	1,957,665	2,118,263	2,140,769	2,078,349	1,932,593

**Wages and Benefits**

Salaries	3,324,854	3,375,797	3,534,308	3,396,461	3,540,823
Pensions and Benefits	2,017,388	1,929,679	1,238,514	2,807,574	2,778,629
Total Wages and Benefits	5,342,242	5,305,476	4,772,822	6,204,035	6,319,452

**Other Expenses**

Total O&M Expenses	10,614,414	10,422,217	9,182,536	10,569,471	10,332,510
-Total PW, Fuel and Chemicals	1,957,665	2,118,263	2,140,769	2,078,349	1,932,593
-Wages and Benefits	5,342,242	5,305,476	4,772,822	6,204,035	6,319,452
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	3,314,507	2,998,478	2,268,945	2,287,087	2,080,465

**Depreciation and Amortization**

Depreciation Exp	1,964,521	1,888,135	1,817,511	1,643,481	1,509,999
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	1,964,521	1,888,135	1,817,511	1,643,481	1,509,999

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

Total PW, Fuel and Chemicals	1,957,665	2,118,263	2,140,769	2,078,349	1,932,593
divided by Total Gallons	4,915,321	5,585,387	5,231,585	5,330,973	5,296,093
Cost per KWH	0.0004	0.0004	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,**

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$31,152	\$31,152	\$31,152	\$31,152	\$31,152	1
Source of Supply	2,650,292	2,422,964	2,312,551	2,056,836	2,035,976	2
Pumping	14,460,853	14,438,718	14,438,718	14,438,718	13,911,122	3
Water Treatment	10,337,329	10,047,332	9,959,199	9,931,361	6,343,463	4
Transmission and Distribution	45,003,321	42,827,628	40,339,798	38,404,436	36,248,304	5
General	4,474,487	4,083,903	3,615,326	3,618,947	3,421,613	6
Purchased or Sold						7
Total Plant in Service	76,957,434	73,851,697	70,696,744	68,481,450	61,991,630	8
Plant Leased To Others						9
Construction Work In Progress	516,737	589,366	369,064	216,247	310,759	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	<b>77,474,171</b>	<b>74,441,063</b>	<b>71,065,808</b>	<b>68,697,697</b>	<b>62,302,389</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	31,571,777	29,843,971	28,244,161	26,640,881	25,080,955	15
<b>Net Plant</b>	<b>\$45,902,394</b>	<b>\$44,597,092</b>	<b>\$42,821,647</b>	<b>\$42,056,816</b>	<b>\$37,221,434</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	7.89	3.60	3.35	10.10	9.42	17
Total Capitalization	\$58,295,259	\$56,515,977	\$54,430,823	\$42,745,710	\$42,329,780	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	39.7%	40.8%	42.3%	54.9%	55.4%	19
Preferred Stock						20
Common Stock & Retained Earnings	60.3%	59.2%	57.7%	45.1%	44.6%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	3.2	3.5	3.0	3.1	3.2	23
Com. Stock Dividends as a % of Earnings				120.9%	276.4%	24
Return on Common Equity	4.9%	6.1%	10.1%	10.2%	8.2%	25
Internal Cash Generated as a % of Cash Outflows for Construction	253.9%	149.6%	135.0%	266.7%	91.6%	26
CWIP as a % of Plant	0.7%	0.8%	0.5%	0.3%	0.5%	27
Number of Employees	50	58	61	59	61	28

Current Assets	6,950,479.00	9,163,692	11,736,152	9,492,261	13,384,815
Current Liabilities	881,444	2,542,992	3,505,069	940,157	1,421,429
Total Capitalization	58,295,259	56,515,977	54,430,823	42,745,710	42,329,780
Long-Term Debt	23,149,040	23,074,520	23,000,000	23,460,000	23,460,000
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	35,146,219	33,441,457	31,430,823	19,285,710	18,869,780
Short-Term Debt					
Pretax Income	4,399,369	4,822,445	6,174,199	4,344,781	4,062,139
Interest Expense	1,393,193	1,393,193	2,027,797	1,394,039	1,254,349
Dividends Paid				2,360,000	4,655,000
Net Income (Excl. Preferred Stock Dividends)	1,670,555	1,989,309	2,554,918	1,951,646	1,684,244
Internal Cash	8,198,426	5,449,203	3,404,116	16,966,484	2,440,461
Cash Outflows for Construction	3,228,837	3,643,053	2,522,198	6,361,669	2,663,877
CWIP	516,737	589,366	369,064	216,247	310,759
Total Plant	77,474,171	74,441,063	71,065,808	68,697,697	62,302,389
Number of Employees	50	58	61	59	61
Salaries and Wages					

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$8,856,427	\$7,266,722	\$7,034,608	\$6,961,634	\$6,732,518
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					1,230,401
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					1,230,401
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	(614,032)	541,332	1,621,870	200	980
7 Notes and Accounts Receivables - Net	199,416	408,172	469,368	(396,992)	511,785
8 Receivables from Associated Companies				57,034	(20,837)
9 Materials and Supplies	48,002	59,228	65,528	71,105	62,082
10 Prepayments	39,248	39,552	44,530	41,835	41,732
11 Accrued Utility Revenue	336,674	203,006	190,348	198,647	191,624
12 Misc Current and Accrued Assets				13,255	24,309
13 Total Current and Accrued Assets	9,308	1,251,290	2,391,644	(14,916)	811,675
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	1,790,389	1,682,538	1,688,975	456,193	419,353
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	1,790,389	1,682,538	1,688,975	456,193	419,353
18 <b>Total Assets and Other Debits</b>	<b>\$10,656,124</b>	<b>\$10,200,550</b>	<b>\$11,115,227</b>	<b>\$7,402,911</b>	<b>\$9,193,947</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	24,950	\$24,950	\$24,950	\$24,950	\$24,950
20 Preferred Stock Issued					
21 Other Paid-in Capital	2,017,959	2,017,959	5,817,959	319,496	319,496
22 Retained Earnings	2,318,465	1,926,957	1,603,066	2,976,288	2,852,663
23 Reacquired Capital Stock					
24 Total Proprietary Capital	4,361,374	3,969,866	7,445,975	3,320,734	3,197,109
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	3,800,000	3,800,000			
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable				49,227	
27 Accounts Payable	15,664	5,371	57,015	2,000,000	99,303
28 Payables to Associated Companies			1,422,666	10,500	2,800,000
29 Customer Deposits				22,612	10,500
30 Taxes Accrued	(82,398)	299,868	289,527	944	8,659
31 Interest Accrued	7,655				944
32 Matured Long-Term Debt				47,075	
33 Misc Current and Accrued Liabilities	354,518	378,893	329,799		248,253
34 Total Current and Accrued Liabilities	295,439	684,132	2,099,007	2,130,358	3,167,659
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	63,438	63,438	34,741	34,741	34,741
36 Other Deferred Credits	328,230	137,473	118,705	707,648	1,530,089
37 Accumulated Deferred Investment Tax Cr	46,300	46,300	46,300	46,300	46,300
38 Accumulated Deferred Income Taxes	1,761,343	1,499,341	1,370,499	1,163,130	1,218,049
39 Total Deferred Credits	2,199,311	1,746,552	1,570,245	1,951,819	2,829,179
<b>OPERATING RESERVES</b>					
40 Operating Reserves					
41 <b>Total Liabilities and Other Credits</b>	<b>\$10,656,124</b>	<b>\$10,200,550</b>	<b>\$11,115,227</b>	<b>\$7,402,911</b>	<b>\$9,193,947</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$2,487,332	\$2,630,873	\$2,782,802	\$2,327,252	\$2,413,586	1
Operating Expense:						
Operation Expense	775,251	926,823	869,618	926,337	824,762	2
Maintenance Expense	144,707	127,785	98,666	144,494	141,626	3
Depreciation and Amortization Expense	200,861	175,316	184,872	176,548	167,134	4
Taxes Other than Income Taxes	689,148	615,018	612,672	755,317	777,347	5
Income Taxes	308,624	211,894	348,560	(52,624)	170,770	6
Total Operating Expenses	2,118,591	2,056,836	2,114,388	1,950,072	2,081,638	7
Net Operating Revenues	368,741	574,037	668,414	377,180	331,948	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	368,741	574,037	668,414	377,180	331,948	10
<b>OTHER INCOME</b>						
Interest and Dividend Income				18,452	1,159	11
Allowance for Funds Used During Construction	70,419	20,943	12,678	10,008	27,437	12
Miscellaneous Nonoperating Income	(50)	(5,060)		244,574	1,640	13
Other Income	3,650			(260)	199,869	14
Total Other Income	74,019	15,883	12,678	272,774	230,104	15
Other Income Deductions	1,078	1,176	784	188		16
Taxes-Other Income and Deductions				57,046	92,230	17
<b>Income Available</b>	441,682	588,744	680,308	592,720	469,822	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	21,104	246,085	113,129	141,095	70,735	20
Other Interest Expense	29,070	18,768				21
Total Interest Charges	50,174	264,853	113,129	141,095	70,735	22
Income Before Extraordinary Items	391,508	323,891	567,179	451,625	399,087	23
Net Extraordinary Items						24
<b>Net Income</b>	\$391,508	\$323,891	\$567,179	\$451,625	\$399,087	25
<hr/>						
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$1,926,957	\$1,603,066	\$2,976,288	\$2,852,663	\$2,632,825	26
Balance Transferred from Income	391,508	323,891	567,179	451,625	399,087	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock				328,000	179,249	30
Adjustments to Retained Earnings			(1,940,401)			31
Net Change	391,508	323,891	(1,373,222)	123,625	219,838	32
Unappropriated (EOP)	2,318,465	1,926,957	1,603,066	2,976,288	2,852,663	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$2,318,465	\$1,926,957	\$1,603,066	\$2,976,288	\$2,852,663	35

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$391,508	\$323,891	\$567,179	\$451,625	\$399,087
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	200,861	175,316	184,872	176,548	167,134
3 Deferred Taxes & ITCs	452,759	147,610	(381,574)	(1,107,075)	12,000
4 Receivables and Inventory	88,355	60,612	(836,655)	900,036	(135,755)
5 Payables and Accrued Expenses	(388,693)	2,409,051	1,968,649	(7,585)	1,338,209
6 Capitalized AFUDC - Equity Funds	(70,419)	6,437	(12,678)	(36,840)	(27,437)
7 Equity In Loss (Earnings) Of Affiliates			(1,232,782)	1,230,400	
8 Other Adjustments	(107,851)	(20,943)	(2,573)	(10,008)	(1,190,423)
9	(2,041)	(796)	(2,695)	3,750	96
10	304	(3,795,229)		(103)	(43,646)
11 Net Cash From Operating Activities	<u>564,783</u>	<u>(694,051)</u>	<u>251,743</u>	<u>1,600,748</u>	<u>519,266</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(1,720,147)	(386,487)	(245,168)	(395,656)	(1,220,987)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates			57,033	(77,872)	(18,250)
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>(1,720,147)</u>	<u>(386,487)</u>	<u>(188,135)</u>	<u>(473,528)</u>	<u>(1,239,237)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt					
25 Common Stock					
26 Preferred Stock		3,800,000		(800,000)	
27 Short-Term Debt			(2,000,000)	(328,000)	900,000
28 Dividends Paid					(179,249)
29 Other Cash Flows - Financing Activities		(3,800,000)	3,558,062		
30					
31					
32 Net Cash From Financing Activities			<u>1,558,062</u>	<u>(1,128,000)</u>	<u>720,751</u>
33 Net Increase/(Decrease) In Cash Equivalents	(1,155,364)	(1,080,538)	1,621,670	(780)	779
34 Cash & Cash Equivalents At Beginning Of Year	541,332	1,621,870	200	980	200
35 Cash & Cash Equivalents At End Of Year	(\$614,032)	\$541,332	\$1,621,870	\$200	\$980

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

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$1,651,069	\$1,729,251	\$2,250,303	\$1,989,497	\$2,074,000	1
Sales to Other Water Companies	389,155	378,691				2
Other Sales of Water	318,838	301,383	301,294	314,496	316,932	3
Total Revenues from Sales of Water	2,359,062	2,409,325	2,551,597	2,303,993	2,390,932	4
Other Water Operating Revenues	128,270	221,548	231,205	23,259	22,654	5
Total Water Operating Revenues	\$2,487,332	\$2,630,873	\$2,782,802	\$2,327,252	\$2,413,586	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	399,651	472,539	480,959	442,713	495,378	8
Sales to Other Water Companies						9
Other Sales of Water						10
Total Sales of Water	399,651	472,539	480,959	442,713	495,378	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	3,947	4,325	4,227	4,305	4,298	13
Sales to Other Water Companies	376					14
Other Sales of Water	50	17	17	49	47	15
Total Customers	4,373	4,342	4,244	4,354	4,345	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$418.31	\$399.83	\$532.36	\$462.14	\$482.55	18
Average Consumption per Customer (T.G)	101.25	109.26	113.78	102.84	115.26	19
Average Revenue per T Gallons Sold	\$4.13	\$3.66	\$4.68	\$4.49	\$4.19	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.G)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$12,326	\$8,143	\$10,021	\$16,093	\$11,277	24
Power and Pumping	196,849	187,879	177,569	204,537	178,440	25
Purification	82,516	100,920	103,027	113,935	113,635	26
Transmission and Distribution	149,240	135,068	125,527	138,044	127,530	27
Customer Accounting and Collecting	63,036	49,682	84,171	147,278	136,028	28
Administrative and General	415,991	572,916	467,969	450,944	399,478	29
<b>Total O &amp; M Expense</b>	<b>\$919,958</b>	<b>\$1,054,608</b>	<b>\$968,284</b>	<b>\$1,070,831</b>	<b>\$966,388</b>	<b>30</b>

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$2,487,332	\$2,630,873	\$2,782,802	\$2,327,252	\$2,413,586
2 Sales (Thousands of Gallons)	399,651	472,539	480,959	442,713	495,378
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$220,204	\$236,734	\$237,637	\$204,713	\$199,631
4 Wages and Benefits	394,775	537,923	499,053	473,817	452,460
5 Other Operation and Maintenance Expenses	919,958	1,054,608	968,284	1,070,831	966,388
6 Depreciation and Amortization Expense	200,861	175,316	184,872	176,548	167,134
7 Income Taxes-Operating	308,624	211,894	348,560	(52,624)	170,770
8 Other Taxes-Operating	689,148	615,018	612,672	755,317	777,347
9 Capital Costs	(246,238)	(200,620)	(68,276)	(301,349)	(320,143)
10 Total	\$2,487,332	\$2,630,873	\$2,782,802	\$2,327,252	\$2,413,586

**PERCENT OF REVENUES**

11 Purchased Water, Fuel or Power for Pumping, and Chemicals	8.9	9.0	8.5	8.8	8.3
12 Wages and Benefits	15.9	20.4	17.9	20.4	18.7
13 Other Operation and Maintenance Expenses	37.0	40.1	34.8	16.9	40.0
14 Depreciation and Amortization Expense	8.1	6.7	6.6	7.6	6.9
15 Income Taxes-Operating	12.4	8.1	12.5	5.9	7.1
16 Other Taxes-Operating	27.7	23.4	22.0	32.5	32.2
17 Capital Costs	(9.9)	(7.6)	(2.5)	8.1	(13.3)
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	0.55	0.50	0.49	0.46	0.40
20 Wages and Benefits	0.99	1.14	1.04	1.07	0.91
21 Other Operation and Maintenance Expenses	2.30	2.23	2.01	0.89	1.95
22 Depreciation and Amortization Expense	0.50	0.37	0.38	0.40	0.34
23 Income Taxes-Operating	0.77	0.45	0.72	0.31	0.34
24 Other Taxes-Operating	1.72	1.30	1.27	1.71	1.57
25 Capital Costs	(0.62)	(0.42)	(0.14)	0.42	(0.65)
26 Total	6.22	5.57	5.79	5.26	4.87

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

Purchased Water					
Fuel for Pumping	169,626	160,674	157,663	148,404	136,294
Chemicals	50,578	76,060	79,974	56,309	63,337

Total PW, Fuel and Chemicals 220,204 236,734 237,637 204,713 199,631

Total - Ultimate Customers

**Wages and Benefits**

Salaries	370,820	436,711	397,084	313,875	334,619
Pensions and Benefits	23,955	101,212	101,969	159,942	117,841
Total Wages and Benefits	394,775	537,923	499,053	473,817	452,460

**Other Expenses**

Total O&M Expenses	919,958	1,054,608	968,284	1,070,831	966,388
-Total PW, Fuel and Chemicals	220,204	236,734	237,637	204,713	199,631
-Wages and Benefits	394,775	537,923	499,053	473,817	452,460

Other Expenses 304,979 279,951 231,594 392,301 314,297

**Depreciation and Amortization**

Depreciation Exp	200,861	175,316	184,872	176,548	167,134
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 200,861 175,316 184,872 176,548 167,134

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

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible						1
Source of Supply	\$204,391	\$150,892	\$150,892	\$150,892	\$151,923	2
Pumping	1,000,239	979,376	979,376	979,377	1,002,398	3
Water Treatment	340,157	340,157	340,157	340,157	335,853	4
Transmission and Distribution	8,902,610	7,043,939	6,926,824	6,820,166	6,627,614	5
General	835,163	697,521	639,152	629,591	586,773	6
Purchased or Sold						7
<b>Total Plant in Service</b>	<b>11,282,560</b>	<b>9,211,885</b>	<b>9,036,401</b>	<b>8,920,183</b>	<b>8,704,560</b>	<b>8</b>
Plant Leased To Others						9
Construction Work In Progress	353,355	633,899	401,954	260,326	163,139	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
<b>Total Plant</b>	<b>11,635,915</b>	<b>9,845,784</b>	<b>9,438,355</b>	<b>9,180,509</b>	<b>8,867,699</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	2,779,450	2,579,062	2,403,747	2,218,875	2,135,181	15
<b>Net Plant</b>	<b>\$8,856,465</b>	<b>\$7,266,722</b>	<b>\$7,034,608</b>	<b>\$6,961,634</b>	<b>\$6,732,518</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.03	1.13	1.14	(0.01)	0.26	17
Total Capitalization	\$8,161,374	\$7,769,866	\$7,445,975	\$3,320,734	\$3,197,109	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	46.6%	48.9%				19
Preferred Stock						20
Common Stock & Retained Earnings	53.4%	51.1%	100.0%	100.0%	100.0%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	15.0	3.0	9.1	5.2	9.1	23
Com. Stock Dividends as a % of Earnings				72.6%	44.9%	24
Return on Common Equity	9.4%	5.7%	10.5%	13.9%	12.9%	25
Internal Cash Generated as a % of Cash Outflows for Construction	32.8%	802.4%	102.7%	404.6%	144.5%	26
CWIP as a % of Plant	3.0%	6.4%	4.3%	2.8%	1.8%	27
Number of Employees	5	5	6	6	6	28

Current Assets	9,308	5,046,519	2,391,644	(14,916)	811,675
Current Liabilities	295,439	4,479,361	2,099,007	2,130,358	3,167,659
Total Capitalization	8,161,374	7,769,866	7,445,975	3,320,734	3,197,109
Long-Term Debt	3,800,000	3,800,000			
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	4,361,374	3,969,866	7,445,975	3,320,734	3,197,109
Short-Term Debt					
Pretax Income	751,384	801,814	1,029,652	729,667	640,592
Interest Expense	50,174	264,853	113,129	141,095	70,735
Dividends Paid				328,000	179,249
Net Income (Excl. Preferred Stock Dividends)	391,508	323,891	567,179	451,625	399,087
Internal Cash	564,783	3,101,178	251,743	1,600,749	1,764,562
Cash Outflows for Construction	1,720,147	386,487	245,168	395,656	1,220,987
CWIP	353,355	633,899	401,953	260,326	163,139
Total Plant	11,635,915	9,845,784	9,438,354	9,180,508	8,867,697
Number of Employees	5	5	6	6	6
Salaries and Wages					

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$159,576,135	\$144,908,338	\$129,890,384	\$104,114,355	\$80,779,225
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	213,041	362,562	184,354	52,161	48,390
7 Notes and Accounts Receivables - Net	8,972,933	4,857,995	2,111,833	1,673,199	1,778,836
8 Receivables from Associated Companies					
9 Materials and Supplies	524,330	526,793	500,950	468,466	366,620
10 Prepayments	726,214	(2,647,071)	1,809,498	799,562	2,158,123
11 Accrued Utility Revenue	3,245,498	2,955,208	2,721,716	2,902,200	2,536,038
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	13,682,016	6,055,488	7,328,351	5,895,588	6,888,007
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	19,496,422	23,727,736	19,926,265	22,846,796	17,876,766
16 Accumulated Deferred Income Taxes	(646,354)	(1,649,409)	1,428,432	21,372	787,288
17 Total Deferred Debits	18,850,068	22,078,327	21,354,697	22,868,168	18,664,054
18 <b>Total Assets and Other Debits</b>	<b>\$192,108,219</b>	<b>\$173,042,154</b>	<b>\$158,573,431</b>	<b>\$132,878,111</b>	<b>\$106,331,286</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	50,000	\$50,000	\$50,000	\$50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital	99,686,250	89,186,250	70,186,250	46,486,250	33,786,250
22 Retained Earnings	61,502,691	56,506,606	51,653,658	48,801,080	41,292,817
23 Reacquired Capital Stock					
24 Total Proprietary Capital	161,238,941	145,742,856	121,889,908	95,337,330	75,129,067
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt					
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	2,680,102	3,136,396	5,262,996	7,445,222	1,517,792
28 Payables to Associated Companies	286,982	175,888	272,264	320,646	427,996
29 Customer Deposits	28,879	18,160	27,150	21,043	16,042
30 Taxes Accrued	760,695	1,099,552	1,892,643	2,515,186	248,971
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	1,505,577	1,748,669	7,672,044	6,420,898	5,561,718
34 Total Current and Accrued Liabilities	5,262,234	6,178,665	15,127,097	16,722,995	7,772,519
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	313,243	486,633	575,688	559,081	873,987
36 Other Deferred Credits	1,144,124	3,587,785	2,896,043	2,510,902	1,723,197
37 Accumulated Deferred Investment Tax C	508,780	525,472	542,164	558,856	575,548
38 Accumulated Deferred Income Taxes	21,443,626	16,520,743	17,542,531	17,188,947	18,916,239
39 Total Deferred Credits	23,409,773	21,120,633	21,556,426	20,817,786	22,088,971
<b>OPERATING RESERVES</b>					
40 Operating Reserves	2,197,271				1,340,729
41 <b>Total Liabilities and Other Credit:</b>	<b>\$192,108,219</b>	<b>\$173,042,154</b>	<b>\$158,573,431</b>	<b>\$132,878,111</b>	<b>\$106,331,286</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$40,309,191	\$36,208,830	\$29,520,521	\$28,399,901	\$23,293,318	1
Operating Expense:						
Operation Expense	18,669,184	15,515,577	14,395,889	12,528,414	9,828,104	2
Maintenance Expense	1,151,587	1,061,365	929,528	887,609	816,609	3
Depreciation and Amortization Expen:	1,852,401	1,679,896	1,752,080	1,697,647	1,793,549	4
Taxes Other than Income Taxes	6,847,583	6,474,979	5,997,343	5,734,770	5,286,886	5
Income Taxes	3,442,863	2,929,576	1,571,780	3,825,367	1,701,897	6
Total Operating Expenses	31,963,619	27,661,393	24,646,620	24,673,807	19,427,045	7
Net Operating Revenues	8,345,572	8,547,437	4,873,901	3,726,094	3,866,273	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	<b>8,345,572</b>	<b>8,547,437</b>	<b>4,873,901</b>	<b>3,726,094</b>	<b>3,866,273</b>	<b>10</b>
<b>OTHER INCOME</b>						
Interest and Dividend Income	616,919	432,375	147,434	166,572	292,546	11
Allowance for Funds Used During Const	604,790	391,634	1,554,155	1,558,765	679,008	12
Miscellaneous Nonoperating Income	(127)			(4,025)	(145)	13
Other Income					(12,855)	14
Total Other Income	1,221,582	824,009	1,701,589	1,721,312	958,554	15
Other Income Deductions	22,479	61,316	(3,152)	23,503	1,573	16
Taxes-Other Income and Deductions						17
<b>Income Available</b>	<b>9,544,675</b>	<b>9,310,130</b>	<b>6,578,642</b>	<b>5,423,903</b>	<b>4,823,254</b>	<b>18</b>
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	4,500,434	4,355,206	3,703,764	2,688,363	2,332,160	20
Other Interest Expense	48,154	101,977	22,300	4,397	1,773	21
Total Interest Charges	4,548,588	4,457,183	3,726,064	2,692,760	2,333,933	22
Income Before Extraordinary Item	4,996,087	4,852,947	2,852,578	2,731,143	2,489,321	23
Net Extraordinary Items						24
<b>Net Income</b>	<b>\$4,996,087</b>	<b>\$4,852,947</b>	<b>\$2,852,578</b>	<b>\$2,731,143</b>	<b>\$2,489,321</b>	<b>25</b>
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$56,506,605	\$51,653,658	\$48,801,080	\$41,292,817	\$39,129,736	26
Balance Transferred from Income	4,996,087	4,852,947	2,852,578	2,731,143	2,489,321	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings				4,777,120	(326,240)	31
Net Change	4,996,087	4,852,947	2,852,578	7,508,263	2,163,081	32
Unappropriated (EOP)	61,502,691	56,506,605	51,653,658	48,801,080	41,292,817	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	<b>\$61,502,691</b>	<b>\$56,506,605</b>	<b>\$51,653,658</b>	<b>\$48,801,080</b>	<b>\$41,292,817</b>	<b>35</b>

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$4,996,087	\$4,308,048	\$2,601,580	\$2,731,143	\$2,489,321
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	1,852,401	1,679,896	1,752,080	5,855,586	1,467,309
3 Deferred Taxes & ITCs	3,903,136	2,584,259	(1,070,166)	(978,067)	1,396,441
4 Receivables and Inventory	(4,402,766)	(3,005,498)	(471,117)	3,791	(571,324)
5 Payables and Accrued Expenses	(577,574)	(8,155,340)	(985,005)	6,681,439	1,793,370
6 Capitalized AFUDC - Equity Funds	(604,790)	(391,634)	(1,554,155)	(1,558,765)	(679,008)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	4,231,314	(3,801,471)	180,484	(366,162)	(196,970)
9	(296,390)	691,742	(366,004)	2,883,217	959,532
10	(3,712,142)	3,663,478	2,110,896	(4,681,954)	(3,478,544)
11 Net Cash From Operating Activities	<u>5,389,276</u>	<u>(2,426,520)</u>	<u>2,198,593</u>	<u>10,570,228</u>	<u>3,180,127</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(15,865,407)	(16,306,217)	(25,766,400)	(23,266,457)	(10,621,981)
13 Acquisition Of Other Non-Current Asset:					
14 Investments In & Advances to Affiliates:					
15 Contributions & Advances from Affiliate:					
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>(15,865,407)</u>	<u>(16,306,217)</u>	<u>(25,766,400)</u>	<u>(23,266,457)</u>	<u>(10,621,981)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	(162,890)	18,910,945			
25 Common Stock			23,700,000	12,700,000	8,000,000
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid					
29 Other Cash Flows - Financing Activities	10,500,000				
30	(10,500)				
31					
32 Net Cash From Financing Activities	<u>10,326,610</u>	<u>18,910,945</u>	<u>23,700,000</u>	<u>12,700,000</u>	<u>8,000,000</u>
33 Net Increase/(Decrease) In Cash Equiva	(149,521)	178,208	132,193	3,771	558,146
34 Cash & Cash Equivalents At Beginning (	362,562	184,354	52,161	48,390	(509,756)
35 Cash & Cash Equivalents At End Of Yee	\$213,041	\$362,562	\$184,354	\$52,161	\$48,390

**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,**

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$21,187,267	\$24,290,074	\$24,779,301	\$23,482,477	\$19,300,740	1
Sales to Other Water Companies	231,808	372,198	340,556	420,820	2,181,619	2
Other Sales of Water	2,544,236	384,071	419,116	393,944	352,458	3
Total Revenues from Sales of Water	23,963,310	25,046,343	25,538,974	24,297,241	21,834,817	4
Other Water Operating Revenues	16,345,880	11,162,487	3,981,547	4,102,659	1,458,501	5
Total Water Operating Revenues	\$40,309,191	\$36,208,830	\$29,520,521	\$28,399,900	\$23,293,318	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	4,921,999	5,283,550	5,523,283	5,425,644	5,696,689	8
Sales to Other Water Companies	65,281	100,643	99,622	220,142	298,099	9
Other Sales of Water	83,739	94,649	105,655	102,332	109,628	10
Total Sales of Water	5,071,019	5,478,842	5,728,560	5,748,118	6,104,416	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	30,821	31,353	31,276	31,094	30,402	13
Sales to Other Water Companies	2	2	2	2	2	14
Other Sales of Water	769	195	195	192	726	15
Total Customers	31,592	31,550	31,473	31,288	31,130	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$687.44	\$774.73	\$792.28	\$755.21	\$634.85	18
Average Consumption per Customer (T.G.)	159.70	168.52	176.60	174.49	187.38	19
Average Revenue per T Gallons Sold	\$4.30	\$4.60	\$4.49	\$4.33	\$3.39	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.G.)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$10,472,661	\$7,580,147	\$6,556,070	\$5,643,787	\$4,294,280	24
Power and Pumping	1,895,096	1,883,961	1,627,725	1,726,260	1,572,847	25
Purification	525,620	435,801	471,191	343,970	401,175	26
Transmission and Distribution	2,093,999	1,982,620	1,950,020	1,775,282	1,347,101	27
Customer Accounting and Collecting	1,651,585	1,282,341	1,363,515	1,454,120	1,500,999	28
Administrative and General		3,412,072	3,356,896	2,472,604	1,528,311	29
<b>Total O &amp; M Expense</b>	\$16,638,962	\$16,576,942	\$15,325,417	\$13,416,023	\$10,644,713	30

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$40,309,191	\$36,208,830	\$29,520,521	\$28,399,901	\$23,293,318
2 Sales (Thousands of Gallons)	5,071,019	5,478,842	5,728,560	5,748,118	6,104,416
<b>DOLLAR AMOUNTS</b>					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$11,768,514	\$8,933,597	\$7,776,899	\$6,608,674	\$5,175,765
4 Wages and Benefits	2,464,290	2,568,695	3,720,911	3,303,274	2,448,703
5 Other Operation and Maintenance Expense	2,406,157	5,074,650	3,827,607	3,504,076	3,020,245
6 Depreciation and Amortization Expense	1,852,401	1,679,896	1,752,080	1,697,647	1,467,309
7 Income Taxes-Operating	3,442,863	2,929,576	1,571,780	3,825,367	1,701,897
8 Other Taxes-Operating	6,847,583	6,474,979	5,997,343	5,734,770	5,286,886
9 Capital Costs	11,527,382	8,547,437	4,873,901	3,726,094	4,192,513
10 Total	\$40,309,191	\$36,208,830	\$29,520,521	\$28,399,901	\$23,293,318
<b>PERCENT OF REVENUES</b>					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	29.2	24.7	26.3	23.3	22.2
12 Wages and Benefits	6.1	7.1	12.6	11.6	10.5
13 Other Operation and Maintenance Expense	6.0	14.0	13.0	12.3	13.0
14 Depreciation and Amortization Expense	4.6	4.6	5.9	6.0	6.3
15 Income Taxes-Operating	8.5	8.1	5.3	13.5	7.3
16 Other Taxes-Operating	17.0	17.9	20.3	20.2	22.7
17 Capital Costs	28.6	23.6	16.5	13.1	18.0
18 Total	100.0	100.0	100.0	100.0	100.0
<b>DOLLARS PER THOUSAND GALLONS SOLD</b>					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	2.32	1.63	1.36	1.15	0.85
20 Wages and Benefits	0.49	0.47	0.65	0.57	0.40
21 Other Operation and Maintenance Expense	0.47	0.93	0.67	0.61	0.49
22 Depreciation and Amortization Expense	0.37	0.31	0.31	0.30	0.24
23 Income Taxes-Operating	0.68	0.53	0.27	0.67	0.28
24 Other Taxes-Operating	1.35	1.18	1.05	1.00	0.87
25 Capital Costs	2.27	1.56	0.85	0.65	0.69
26 Total	7.95	6.61	5.15	4.94	3.82

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

Purchased Water	10,397,098	7,491,824	6,506,682	5,553,746	4,216,188
Fuel for Pumping	1,093,621	1,214,762	1,002,895	904,776	808,682
Chemicals	277,795	227,012	267,322	150,151	150,895
Total PW, Fuel and Chemicals	11,768,514	8,933,597	7,776,899	6,608,674	5,175,765
Total - Ultimate Customers	11,768,514	8,933,597	7,776,899	6,608,674	5,175,765

**Wages and Benefits**

Salaries	2,464,290	1,223,386	2,021,912	2,165,543	1,944,580
Pensions and Benefits		1,345,309	1,698,999	1,137,731	504,123
Total Wages and Benefits	2,464,290	2,568,695	3,720,911	3,303,274	2,448,703

**Other Expenses**

Total O&M Expenses	16,638,962	16,576,942	15,325,417	13,416,023	10,644,713
-Total PW, Fuel and Chemicals	11,768,514	8,933,597	7,776,899	6,608,674	5,175,765
-Wages and Benefits	2,464,290	2,568,695	3,720,911	3,303,274	2,448,703
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	2,406,157	5,074,650	3,827,607	3,504,076	3,020,245

**Depreciation and Amortization**

Depreciation Exp	1,852,401	1,679,896	1,752,080	1,697,647	1,793,549
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	1,852,401	1,679,896	1,752,080	1,697,647	1,793,549

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

Total PW, Fuel and Chemicals	11,768,514	8,933,597	7,776,899	6,608,674	5,175,765
divided by Total Gallons	5,071,019	5,478,842	5,728,560	5,748,118	6,104,416
Cost per KWH	0.0023	0.0016	0.0014	0.0011	0.0008
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,**

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$47,428	\$47,428	\$47,428	\$47,428	\$47,428	1
Source of Supply	21,436,248	249,512	249,512	249,512	244,548	2
Pumping	43,810,893	2,465,537	2,451,753	2,662,296	2,662,296	3
Water Treatment	2,964,471	839,825	839,825	858,206	858,206	4
Transmission and Distribution	97,475,747	89,291,104	83,267,937	78,828,079	73,386,776	5
General	9,250,174	5,054,764	4,326,825	5,815,712	5,671,380	6
Purchased or Sold						7
Total Plant in Service	174,984,960	97,948,170	91,183,280	88,461,233	82,870,634	8
Plant Leased To Others						9
Construction Work In Progress	3,188,106	64,816,720	55,874,663	33,860,365	14,970,982	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights		(90,846)	(90,846)	(90,846)	(90,846)	13
<b>Total Plant</b>	178,173,066	162,674,044	146,967,097	122,230,752	97,750,770	14
Accum. Prov. - Depr. & Amort.	18,596,932	17,765,706	17,076,712	18,116,397	16,971,545	15
<b>Net Plant</b>	\$159,576,135	\$144,908,338	\$129,890,384	\$104,114,355	\$80,779,225	16
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	2.60	0.98	0.48	0.35	0.89	17
Total Capitalization	\$161,238,941	\$145,742,856	\$121,889,908	\$95,337,330	\$75,129,067	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	2.9	2.8	2.2	3.4	2.8	23
Com. Stock Dividends as a % of Earnings						24
Return on Common Equity	3.3%	3.6%	2.6%	3.2%	3.6%	25
Internal Cash Generated as a % of Cash Outflows for Construction	-34.0%	14.9%	-8.5%	-45.4%	-29.9%	26
CWIP as a % of Plant	1.8%	39.8%	38.0%	27.7%	15.3%	27
Number of Employees	61	59	57	47	49	28

Current Assets	13,682,015.70	6,055,488	7,328,351	5,895,588	6,888,007
Current Liabilities	5,262,234	6,178,665	15,127,097	16,722,995	7,772,519
Total Capitalization	161,238,941	145,742,856	121,889,908	95,337,330	75,129,067
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	161,238,941	145,742,856	121,889,908	95,337,330	75,129,067
Short-Term Debt					
Pretax Income	13,010,016	12,301,022	8,147,269	9,272,773	6,526,724
Interest Expense	4,548,588	4,457,183	3,726,064	2,692,760	2,333,933
Dividends Paid					
Net Income (Excl. Preferred Stock Dividends)	4,996,087	4,852,947	2,852,578	2,731,143	2,489,321
Internal Cash	5,389,276	(2,426,520)	2,198,593	10,570,228	3,180,127
Cash Outflows for Construction	(15,865,407)	(16,306,217)	(25,766,400)	(23,266,457)	(10,621,981)
CWIP	3,188,106	64,816,720	55,874,663	33,860,365	14,970,982
Total Plant	178,173,066	162,674,044	146,967,097	122,230,752	97,750,770
Number of Employees	61	59	57	47	49
Salaries and Wages					

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$264,028,198	\$244,386,492	\$219,885,524	\$192,085,851	\$180,898,806
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	(9,663,749)	(4,909,086)	1,014,181	555,193	1,180,163
7 Notes and Accounts Receivables - Net	4,165,395	3,363,658	3,588,600	2,985,186	3,017,911
8 Receivables from Associated Companies					
9 Materials and Supplies	1,093,375	1,059,664	1,001,323	788,883	1,180,650
10 Prepayments	4,450,534	1,072,424	10,839,599	8,278,020	13,826,690
11 Accrued Utility Revenue	4,149,983	4,679,510	3,417,699	3,553,958	
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	4,195,538	5,266,170	19,861,402	16,161,240	19,205,414
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense	2,218,332	2,371,728	2,525,124	2,678,520	2,831,916
15 Other Deferred Debits	26,144,612	18,061,593	7,173,966	11,638,186	13,583,980
16 Accumulated Deferred Income Taxes	1,458,182	2,725,682	1,177,212	1,193,484	9,026,995
17 Total Deferred Debits	29,821,126	23,159,003	10,876,302	15,510,190	25,442,891
18 <b>Total Assets and Other Debits</b>	<b>\$298,044,862</b>	<b>\$272,811,665</b>	<b>\$250,623,228</b>	<b>\$223,757,281</b>	<b>\$225,547,111</b>
<b>PROPRIETARY CAPITAL</b>					
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	64,278,053	49,278,053	44,278,053	34,278,053	26,874,603
22 Retained Earnings	60,949,156	55,227,066	53,033,864	49,147,002	45,978,014
23 Reacquired Capital Stock					
24 Total Proprietary Capital	139,083,699	118,361,609	111,168,407	97,281,545	86,709,107
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt	51,000,000	51,000,000	51,000,000	51,000,000	51,000,000
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable	40,000,000	40,000,000	33,000,000	23,000,000	21,000,000
27 Accounts Payable	3,478,204	6,024,878	5,458,042	4,075,600	3,266,317
28 Payables to Associated Companies	669,921	390,283	555,680	327,544	602,588
29 Customer Deposits	177,694	164,344	144,687	124,612	121,096
30 Taxes Accrued	(2,814,703)	3,760,681	2,895,896	565,436	3,021,863
31 Interest Accrued	1,325,938	1,486,498	1,415,929	1,363,011	1,352,480
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	2,023,418	1,560,158	1,431,102	815,173	438,188
34 Total Current and Accrued Liabilities	44,860,472	53,386,842	44,901,336	30,271,376	29,802,532
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	2,944,963	2,849,167	4,047,268	3,800,184	4,495,740
36 Other Deferred Credits	12,220,421	10,374,149	6,306,610	7,785,441	14,820,355
37 Accumulated Deferred Investment Tax Credit	677,035	702,994	785,703	805,203	824,703
38 Accumulated Deferred Income Taxes	45,033,217	35,440,326	31,822,974	32,284,896	35,755,834
39 Total Deferred Credits	60,875,636	49,366,636	42,962,555	44,675,724	55,896,632
<b>OPERATING RESERVES</b>					
40 Operating Reserves	2,225,055	696,578	590,930	528,636	2,138,840
41 <b>Total Liabilities and Other Credits</b>	<b>\$298,044,862</b>	<b>\$272,811,665</b>	<b>\$250,623,228</b>	<b>\$223,757,281</b>	<b>\$225,547,111</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$59,178,984	\$56,918,029	\$53,989,753	\$47,968,223	\$44,602,191	1
Operating Expense:						
Operation Expense	18,288,656	18,270,563	16,855,573	15,155,245	14,064,043	2
Maintenance Expense	5,153,620	4,165,230	4,080,932	3,670,250	3,106,377	3
Depreciation and Amortization Expens:	6,748,481	6,430,649	5,631,325	5,574,781	5,373,763	4
Taxes Other than Income Taxes	11,628,859	11,516,597	10,855,895	10,493,399	9,715,123	5
Income Taxes	6,160,409	4,969,035	4,982,559	2,362,502	2,883,810	6
Total Operating Expenses	47,980,025	45,352,074	42,406,284	37,256,177	35,143,116	7
Net Operating Revenues	11,198,959	11,565,955	11,583,469	10,712,046	9,459,075	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	11,198,959	11,565,955	11,583,469	10,712,046	9,459,075	10
<b>OTHER INCOME</b>						
Interest and Dividend Income	4,800	7,754	4,251	121,608	306,582	11
Allowance for Funds Used During Constr	2,132,523	1,488,147	658,013	431,839	120,359	12
Miscellaneous Nonoperating Income	842,916	52,503	43,171	724,853	297,219	13
Other Income						14
Total Other Income	2,980,239	1,548,404	705,435	1,278,300	724,160	15
Other Income Deductions	96,659	724,231	55,661	36,694	42,031	16
Taxes-Other Income and Deductions						17
<b>Income Available</b>	14,082,539	12,390,128	12,233,243	11,953,652	10,141,204	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt	3,591,996	3,591,996	3,591,996	3,591,996	3,591,996	19
Interest on Debt to Associated Co.						20
Other Interest Expense	768,453	1,455,598	1,589,887	1,712,539	1,808,953	21
Total Interest Charges	4,360,449	5,047,594	5,181,883	5,304,535	5,400,949	22
Income Before Extraordinary Item	9,722,090	7,342,534	7,051,360	6,649,117	4,740,255	23
Net Extraordinary Items						24
<b>Net Income</b>	\$9,722,090	\$7,342,534	\$7,051,360	\$6,649,117	\$4,740,255	25
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	\$55,227,066	\$53,033,864	\$49,147,002	\$45,978,014	\$43,540,806	26
Balance Transferred from Income	9,722,090	6,193,202	7,051,360	6,649,117	4,740,255	27
Appropriated						28
Dividends Declared-Preferred Stock			2,800,000	2,600,000	2,600,000	29
Dividends Declared-Common Stock	4,000,000	4,000,000				30
Adjustments to Retained Earnings			(364,498)	(880,129)	296,953	31
Net Change	5,722,090	2,193,202	3,886,862	3,168,988	2,437,208	32
Unappropriated (EOP)	60,949,156	55,227,066	53,033,864	49,147,002	45,978,014	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	\$60,949,156	\$55,227,066	\$53,033,864	\$49,147,002	\$45,978,014	35

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	\$9,722,090	\$7,301,334	\$5,654,564	\$6,649,117	\$4,740,255
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	6,768,631	6,473,272	5,686,703	6,593,474	5,815,171
3 Deferred Taxes & ITCs	10,834,432	878,041	931,646	4,343,074	107,839
4 Receivables and Inventory	(305,921)	(1,095,210)	(679,595)	(3,129,466)	(229,507)
5 Payables and Accrued Expenses	(1,950,986)	620,721	2,299,500	925,271	1,764,724
6 Capitalized AFUDC - Equity Funds	(2,132,523)	(1,488,147)	(658,013)	(431,839)	(306,582)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(8,083,019)	(10,887,627)	4,464,220	1,945,793	20,185
9	1,846,272	4,067,539	(1,478,831)	(7,034,914)	302,933
10	(8,425,017)	10,737,608	(168,825)	1,482,039	1,645,578
11 Net Cash From Operating Activities	<u>8,273,959</u>	<u>16,607,531</u>	<u>16,051,369</u>	<u>11,342,549</u>	<u>13,860,596</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(24,124,418)	(29,332,697)	(32,674,967)	(16,307,723)	(11,565,668)
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>(24,124,418)</u>	<u>(29,332,697)</u>	<u>(32,674,967)</u>	<u>(16,307,723)</u>	<u>(11,565,668)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	15,095,796	3,801,899	9,882,586	4,940,204	(483,589)
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt		7,000,000	10,000,000	2,000,000	1,100,000
28 Dividends Paid	(4,000,000)	(4,000,000)	(2,800,000)	(2,600,000)	(2,600,000)
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>11,095,796</u>	<u>6,801,899</u>	<u>17,082,586</u>	<u>4,340,204</u>	<u>(1,983,589)</u>
33 Net Increase/(Decrease) In Cash Equival	(4,754,663)	(5,923,267)	458,988	(624,970)	311,339
34 Cash & Cash Equivalents At Beginning C	(4,909,086)	1,014,181	555,193	1,180,163	868,824
35 Cash & Cash Equivalents At End Of Yea	(\$9,663,749)	(\$4,909,086)	\$1,014,181	\$555,193	\$1,180,163

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

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$42,407,976	\$45,659,578	\$46,162,639	\$38,402,902	\$39,297,646	1
Sales to Other Water Companies						2
Other Sales of Water	7,768,615	6,333,957	6,077,200	5,030,636	4,902,746	3
Total Revenues from Sales of Wat	50,176,591	51,993,535	52,239,839	43,433,538	44,200,392	4
Other Water Operating Revenues*	8,994,236	4,915,770	1,740,727	4,525,851	395,960	5
Total Water Operating Revenues	\$59,170,827	\$56,909,305	\$53,980,566	\$47,959,389	\$44,596,352	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	7,987,095	8,786,943	9,106,923	9,023,418	9,188,359	8
Sales to Other Water Companies						9
Other Sales of Water	62,517	80,172	79,982	81,912	75,386	10
Total Sales of Water	8,049,612	8,867,115	9,186,905	9,105,330	9,263,745	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	71,501	70,984	70,230	69,265	68,738	13
Sales to Other Water Companies						14
Other Sales of Water	1,531	1,415	1,284	1,182	1,110	15
Total Customers	73,032	72,399	71,514	70,447	69,848	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$593.11	\$643.24	\$657.31	\$554.43	\$571.70	18
Average Consumption per Customer (T.C	111.71	123.79	129.67	130.27	133.67	19
Average Revenue per T Gallons Sold	\$5.31	\$5.20	\$5.07	\$4.26	\$4.28	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.C	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	\$875,105	\$698,655	\$967,327	\$615,545	\$425,435	24
Power and Pumping	5,097,833	4,665,987	4,567,623	4,664,995	4,014,012	25
Purification	3,665,946	3,507,332	2,923,471	2,340,522	2,295,731	26
Transmission and Distribution	5,510,540	4,664,024	4,393,635	4,088,773	3,847,470	27
Customer Accounting and Collecting	2,527,437	2,101,339	2,544,850	2,572,028	2,570,402	28
Administrative and General	5,765,415	6,798,456	5,539,597	4,541,637	4,017,370	29
<b>Total O &amp; M Expense</b>	<b>\$23,442,276</b>	<b>\$22,435,793</b>	<b>\$20,936,504</b>	<b>\$18,823,501</b>	<b>\$17,170,420</b>	<b>30</b>

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$59,170,827	\$56,909,305	\$53,980,566	\$47,959,389	\$44,596,352
2 Sales (Thousands of Gallons)	8,049,612	8,867,115	9,186,905	9,105,330	9,263,745

**DOLLAR AMOUNTS**

3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$4,566,796	\$4,527,967	\$3,994,587	\$4,102,479	\$3,258,686
4 Wages and Benefits	7,942,033	7,190,505	7,074,472	5,859,854	5,521,668
5 Other Operation and Maintenance Expen	10,933,447	10,717,321	9,867,445	8,861,167	8,390,066
6 Depreciation and Amortization Expense	6,748,481	6,430,649	5,631,325	5,574,781	5,373,763
7 Income Taxes-Operating	6,160,409	4,969,035	4,982,559	2,362,502	2,883,810
8 Other Taxes-Operating	11,628,859	11,516,597	10,855,895	10,493,399	9,715,123
9 Capital Costs	11,190,802	11,557,231	11,574,282	10,705,207	9,453,236
10 Total	\$59,170,827	\$56,909,305	\$53,980,566	\$47,959,389	\$44,596,352

**PERCENT OF REVENUES**

11 Purchased Water, Fuel or Power for Pumping, and Chemicals	7.7	8.0	7.4	8.6	7.3
12 Wages and Benefits	13.4	12.6	13.1	12.2	12.4
13 Other Operation and Maintenance Expen	18.5	18.8	18.3	18.5	18.8
14 Depreciation and Amortization Expense	11.4	11.3	10.4	11.6	12.0
15 Income Taxes-Operating	10.4	8.7	9.2	4.9	6.5
16 Other Taxes-Operating	19.7	20.2	20.1	21.9	21.8
17 Capital Costs	18.9	20.3	21.4	22.3	21.2
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	0.57	0.51	0.43	0.45	0.35
20 Wages and Benefits	0.99	0.81	0.77	0.64	0.60
21 Other Operation and Maintenance Expen	1.36	1.21	1.07	0.97	0.91
22 Depreciation and Amortization Expense	0.84	0.73	0.61	0.61	0.58
23 Income Taxes-Operating	0.77	0.56	0.54	0.26	0.31
24 Other Taxes-Operating	1.44	1.30	1.18	1.15	1.05
25 Capital Costs	1.39	1.30	1.26	1.18	1.02
26 Total	7.35	6.42	5.88	5.27	4.81

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

Purchased Water	278,873	275,969	135,387	5,082	100,031
Fuel for Pumping	3,584,939	3,649,435	3,310,483	3,421,309	2,647,739
Chemicals	702,984	602,563	548,717	676,088	510,916

Total PW, Fuel and Chemicals 4,566,796 4,527,967 3,994,587 4,102,479 3,258,686

Total - Ultimate Customers 4,566,796 4,527,967 3,994,587 4,102,479 3,258,686

**Wages and Benefits**

Salaries	5,249,390	5,164,746	5,350,264	4,662,616	4,687,120
Pensions and Benefits	2,692,642	2,025,759	1,724,208	1,197,238	834,548
Total Wages and Benefits	7,942,033	7,190,505	7,074,472	5,859,854	5,521,668

**Other Expenses**

Total O&M Expenses	23,442,276	22,435,793	20,936,505	18,823,501	17,170,420
-Total PW, Fuel and Chemicals	4,566,796	4,527,967	3,994,587	4,102,479	3,258,686
-Wages and Benefits	7,942,033	7,190,505	7,074,472	5,859,854	5,521,668
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	10,933,447	10,717,321	9,867,445	8,861,167	8,390,066

**Depreciation and Amortization**

Depreciation Exp	6,748,481	6,430,649	5,631,325	5,574,781	5,373,763
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					

Total Depre and Amort 6,748,481 6,430,649 5,631,325 5,574,781 5,373,763

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

Total PW, Fuel and Chemicals	4,566,796	4,527,967	3,994,587	4,102,479	3,258,686
divided by Total Gallons	8,049,612	8,867,115	9,186,905	9,105,330	9,263,745
Cost per Gallon	0.0006	0.0005	0.0004	0.0005	0.0004

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

	2009	2008	2007	2006	2005	
<b>WATER UTILITY PLANT</b>						
<b>Plant in Service</b>						
Intangible	\$89,248	\$89,248	\$89,248	\$89,248	\$80,005	1
Source of Supply	27,681,199	26,281,295	26,003,004	25,886,067	24,355,628	2
Pumping	29,771,771	25,857,277	21,558,617	20,843,121	19,183,492	3
Water Treatment	43,635,743	37,197,404	34,940,135	27,722,121	22,950,472	4
Transmission and Distribution	191,574,730	178,932,673	166,387,769	152,470,329	146,328,914	5
General	19,413,582	18,445,915	16,475,884	20,372,239	19,097,729	6
Purchased or Sold						7
Plant In Service	312,166,273	286,803,812	265,454,657	247,383,125	231,996,240	8
Plant Leased To Others						9
Construction Work In Progress	22,179,875	27,662,879	18,982,277	9,195,921	8,033,943	10
Plant Held For Future Use	8,792,615	8,792,615	8,792,615	8,792,615	8,785,612	11
Plant Acquisition Adjustments			1,001,391	1,001,391	1,001,391	12
Accum. Gains & Losses - Utility Land & Land Rights	(1,179,412)	(1,179,412)	(1,179,412)	(1,179,409)	(1,179,408)	13
<b>Total Plant</b>	<b>341,959,351</b>	<b>322,079,894</b>	<b>293,051,528</b>	<b>265,193,644</b>	<b>248,637,778</b>	<b>14</b>
Accum. Prov. - Depr. & Amort.	77,931,153	77,693,402	73,166,004	73,107,793	67,738,972	15
<b>Net Plant</b>	<b>\$264,028,198</b>	<b>\$244,386,492</b>	<b>\$219,885,524</b>	<b>\$192,085,851</b>	<b>\$180,898,806</b>	<b>16</b>
<b>SELECTED RATIOS AND STATISTICS</b>						
Current Assets / Current Liabilities	0.09	0.10	0.44	0.53	0.64	17
Total Capitalization	\$230,083,699	\$210,469,741	\$193,771,611	\$171,281,545	\$158,709,107	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	22.2%	24.2%	26.3%	29.8%	32.1%	19
Preferred Stock						20
Common Stock & Retained Earnings	60.4%	56.8%	56.6%	56.8%	54.6%	21
Short-Term Debt	17.4%	19.0%	17.0%	13.4%	13.2%	22
Pretax Coverage of Interest Expense	4.7	3.6	3.3	2.7	2.4	23
Com. Stock Dividends as a % of Earning	41.1%	54.5%	98.1%	64.2%	121.5%	24
Return on Common Equity	7.5%	6.4%	2.8%	4.4%	2.5%	25
Internal Cash Generated as a % of Cash Outflows for Construction	34.3%	56.6%	49.1%	69.6%	119.8%	26
CWIP as a % of Plant	6.5%	8.6%	6.5%	3.5%	3.2%	27
Number of Employees	103	106	104	97	96	28

Current Assets	4,195,538.00	5,266,170	19,861,402	16,161,240	19,205,414
Current Liabilities	44,860,472	53,386,842	44,901,336	30,271,376	29,802,532
Total Capitalization	230,083,699	210,469,741	193,771,611	171,281,545	158,709,107
Long-Term Debt	51,000,000	51,000,000	51,000,000	51,000,000	51,000,000
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	139,083,699	119,469,741	109,771,611	97,281,545	86,709,107
Short-Term Debt	40,000,000	40,000,000	33,000,000	23,000,000	21,000,000
Pretax Income	20,339,607	18,083,394	17,271,463	14,352,848	13,067,045
Interest Expense	4,360,449	5,047,594	5,181,883	5,304,535	5,400,949
Dividends Paid	4,000,000	4,000,000	2,800,000	2,600,000	2,600,000
Net Income (Excl. Preferred Stock Dividends)	9,722,090	7,342,534	2,854,564	4,049,117	2,140,255
Internal Cash	8,273,959	16,607,531	16,051,369	11,342,549	13,860,596
Cash Outflows for Construction	24,124,418	29,332,697	32,674,967	16,307,723	11,565,668
CWIP	22,179,875	27,662,879	18,982,277	9,195,921	8,033,943
Total Plant	341,959,351	322,079,894	293,051,529	265,193,645	248,637,778
Number of Employees	103	106	104	97	96
Salaries and Wages					

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

	2009	2008	2007	2006	2005
<b>UTILITY PLANT</b>					
1 Net Utility Plant	\$4,348,766	\$4,057,821	\$3,023,860	\$2,877,339	\$2,717,331
<b>OTHER PROPERTY AND INVESTMENTS</b>					
2 Nonutility Property (Net)					
3 Other Investments			693,771	557,894	461,998
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments			693,771	557,894	461,998
<b>CURRENT AND ACCRUED ASSETS</b>					
6 Cash and Cash Equivalents	49,290	47,326	22,696	3,472	123,303
7 Notes and Accounts Receivables - Net	261,470	229,585	86,661	97,690	88,614
8 Receivables from Associated Companies					
9 Materials and Supplies	81,645	64,664	53,491	37,389	29,315
10 Prepayments	81,963	(553,088)	(421,909)	(422,143)	(329,700)
11 Accrued Utility Revenue	131,993	120,162	91,850	89,092	91,877
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	606,361	(91,351)	(167,211)	(194,500)	3,409
<b>DEFERRED DEBITS</b>					
14 Unamort. Debt Expense					
15 Other Deferred Debits	637,501	1,078,710	(139,170)	(129,415)	(146,968)
16 Accumulated Deferred Income Taxes	37,404	29,591	80,336	76,152	63,801
17 Total Deferred Debits	674,905	1,108,301	(58,834)	(53,263)	(83,167)
18 <b>Total Assets and Other Debits</b>	<b>\$5,630,032</b>	<b>\$5,074,772</b>	<b>\$3,491,586</b>	<b>\$3,187,470</b>	<b>\$3,099,571</b>
<b>PROPRIETARY CAPITAL</b>					
19 Common Stock Issued	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600
20 Preferred Stock Issued					
21 Other Paid-in Capital	4,665,181	3,865,181	2,426,181	1,811,181	1,651,181
22 Retained Earnings	(644,983)	(226,885)	372,749	614,314	529,298
23 Reacquired Capital Stock					
24 Total Proprietary Capital	4,053,798	3,671,896	2,832,530	2,459,095	2,214,079
<b>LONG-TERM DEBT</b>					
25 Long-Term Debt					
<b>CURRENT AND ACCRUED LIABILITIES</b>					
26 Notes Payable					
27 Accounts Payable	40,771	775,898	68,585	95,308	35,165
28 Payables to Associated Companies	14,444	3,233	2,703	25,006	15,144
29 Customer Deposits					
30 Taxes Accrued	13,902	(396,712)	(62,840)	(44,964)	97,739
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	37,129	46,152	24,289	21,092	22,189
34 Total Current and Accrued Liabilities	106,246	428,571	32,737	96,442	170,237
<b>DEFERRED CREDITS</b>					
35 Customer Advances for Construction	231,380	242,968	242,967	242,967	242,968
36 Other Deferred Credits	(263,872)	(100,834)	3,697	16,896	80,394
37 Accumulated Deferred Investment Tax Crec	23,077	24,133	16,731	17,439	18,147
38 Accumulated Deferred Income Taxes	798,294	808,038	362,923	354,631	247,688
39 Total Deferred Credits	788,879	974,305	626,318	631,933	589,197
<b>OPERATING RESERVES</b>					
40 Operating Reserves	681,109				126,058
41 <b>Total Liabilities and Other Credits</b>	<b>\$5,630,032</b>	<b>\$5,074,772</b>	<b>\$3,491,586</b>	<b>\$3,187,470</b>	<b>\$3,099,571</b>

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

	2009	2008	2007	2006	2005	
<b>UTILITY OPERATING INCOME</b>						
Operating Revenues	\$1,353,546	\$1,188,779	\$931,450	\$945,640	\$953,927	1
Operating Expense:						
Operation Expense	877,847	751,158	660,387	478,312	450,284	2
Maintenance Expense	142,049	112,539	115,350	89,577	94,239	3
Depreciation and Amortization Expense	127,569	139,548	99,124	90,068	94,623	4
Taxes Other than Income Taxes	238,391	292,753	202,035	240,365	185,788	5
Income Taxes	262,288	(306,968)	(4,664)	(29,547)	25,272	6
Total Operating Expenses	1,648,144	989,030	1,072,233	868,775	850,206	7
Net Operating Revenues	(294,598)	199,749	(140,783)	76,865	103,721	8
Other Utility Operating Income						9
<b>Total Utility Operating Income</b>	(294,598)	199,749	(140,783)	76,865	103,721	10
<b>OTHER INCOME</b>						
Interest and Dividend Income					208	11
Allowance for Funds Used During Construc	116	446	2,783	3		12
Miscellaneous Nonoperating Income						13
Other Income						14
Total Other Income	116	446	2,783	3	208	15
Other Income Deductions	218	694	1,006	(3,668)	104	16
Taxes-Other Income and Deductions						17
<b>Income Available</b>	(294,700)	199,501	(139,006)	80,536	103,825	18
<b>INTEREST CHARGES</b>						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	123,339	101,902	71,970	63,204	67,966	20
Other Interest Expense	60	(41,768)	1,466	1,143	(121)	21
Total Interest Charges	123,399	60,134	73,436	64,347	67,845	22
Income Before Extraordinary Items	(418,099)	139,367	(212,442)	16,189	35,980	23
Net Extraordinary Items						24
<b>Net Income</b>	(\$418,099)	\$139,367	(\$212,442)	\$16,189	\$35,980	25
<hr/>						
<b>RETAINED EARNINGS</b>						
Unappropriated (Beginning)	(\$226,884)	\$372,749	\$614,314	\$529,298	\$507,860	26
Balance Transferred from Income	(418,099)	139,367	(212,442)	16,189	35,980	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings		(739,000)	(29,123)	68,827	(14,542)	31
Net Change	(418,099)	(599,633)	(241,565)	85,016	21,438	32
Unappropriated (EOP)	(644,983)	(226,884)	372,749	614,314	529,298	33
Appropriated (EOP)						34
<b>Total Retained Earnings</b>	(\$644,983)	(\$226,884)	\$372,749	\$614,314	\$529,298	35

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

	2009	2008	2007	2006	2005
<b>Cash Flows From Operating Activities</b>					
1 Net Income	(\$418,099)	\$139,367	(\$212,442)	\$16,189	\$35,980
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	127,569	139,548	99,124	172,999	121,404
3 Deferred Taxes & ITCs	(18,613)	503,262	3,400	93,884	(6,243)
4 Receivables and Inventory	(60,697)	(182,409)	(7,831)	(14,365)	4,364
5 Payables and Accrued Expenses	(732,939)	729,706	(45,829)	68,908	(17,813)
6 Capitalized AFUDC - Equity Funds		(446)	(2,783)	3	
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	441,211	(1,217,882)	9,755	(17,553)	
9	(163,038)	(104,531)	(13,199)	(63,498)	(7,909)
10	456,672	(202,692)	(18,110)	(176,318)	74,384
11 Net Cash From Operating Activities	<u>(367,934)</u>	<u>(196,077)</u>	<u>(187,914)</u>	<u>80,249</u>	<u>204,167</u>
<b>Cash Flows From Investing Activities</b>					
12 Cash Outflows For Construction	(418,514)	(1,173,063)	(242,862)	(250,079)	(244,135)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.				(110,000)	(120,000)
15 Contributions & Advances from Affiliates			(165,000)	160,000	
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies		(45,229)			
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>(418,515)</u>	<u>(1,218,292)</u>	<u>(407,862)</u>	<u>(200,079)</u>	<u>(364,135)</u>
<b>Cash Flows From Financing Activities</b>					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	788,412	1,438,999	615,000		
25 Common Stock				(1)	
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>788,412</u>	<u>1,438,999</u>	<u>615,000</u>	<u>(1)</u>	
33 Net Increase/(Decrease) In Cash Equivaler	1,963	24,630	19,224	(119,831)	(159,968)
34 Cash & Cash Equivalents At Beginning Of	47,326	22,696	3,472	123,303	283,271
35 Cash & Cash Equivalents At End Of Year	\$49,289	\$47,326	\$22,696	\$3,472	\$123,303

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,**

	2009	2008	2007	2006	2005	
<b>SALES AND CUSTOMER DATA</b>						
<b>REVENUES</b>						
Sales to General Customers	\$1,112,456	\$1,060,102	\$844,594	\$863,959	\$766,641	1
Sales to Other Water Companies	75,377	62,807	49,271	51,106	48,940	2
Other Sales of Water	41,101	39,168	30,023	27,235	124,481	3
Total Revenues from Sales of Water	1,228,934	1,162,077	923,888	942,300	940,062	4
Other Water Operating Revenues	55,883			3,339	13,865	5
Total Water Operating Revenues	\$1,284,817	\$1,162,077	\$923,888	\$945,639	\$953,927	6
<b>WATER SALES (Thousands of Gallons)</b>						
Sales to General Customers	359,723	424,973	451,010	492,219	455,763	8
Sales to Other Water Companies	7,741	32,850	36,235	36,965	35,559	9
Other Sales of Water	29,645	8,727	6,760	5,610	7,616	10
Total Sales of Water	397,109	466,550	494,005	534,794	498,938	11
<b>AVG CUSTOMERS PER MONTH</b>						
Sales to General Customers	1,623	1,632	1,408	1,414	1,389	13
Sales to Other Water Companies	2	2	2	2	2	14
Other Sales of Water	40	30	36	36	64	15
Total Customers	1,665	1,664	1,446	1,452	1,455	16
<b>OPERATING REVENUE RELATIONSHIP</b>						
<b>METERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	\$685.43	\$649.57	\$599.85	\$611.00	\$551.94	18
Average Consumption per Customer (T.Gal)	221.64	260.40	320.32	348.10	328.12	19
Average Revenue per T Gallons Sold	\$3.09	\$2.49	\$1.87	\$1.76	\$1.68	20
<b>UNMETERED GENERAL CUSTOMERS</b>						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
<b>OPERATION AND MAINTENANCE EXPENSES</b>						
Source of Supply	11,598	\$14,642	\$22,275	\$12,540	15,845	24
Power and Pumping	205,463	217,653	205,486	171,349	173,266	25
Purification	42,901	42,413	42,107	39,865	35,643	26
Transmission and Distribution	175,380	124,123	124,886	106,709	100,524	27
Customer Accounting and Collecting	115,957	113,476	89,366	86,125	92,860	28
Administrative and General	468,600	351,390	291,617	151,301	126,384	29
<b>Total O &amp; M Expense</b>	<b>\$1,019,899</b>	<b>\$863,697</b>	<b>\$775,738</b>	<b>\$567,889</b>	<b>\$544,522</b>	<b>30</b>

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

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
1 Revenues	\$1,284,817	\$1,162,077	\$923,888	\$945,639	\$953,927
2 Sales (Thousands of Gallons)	397,109	466,550	494,005	534,794	498,938

**DOLLAR AMOUNTS**

3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$131,792	\$149,943	\$148,159	\$120,276	\$123,893
4 Wages and Benefits	390,702	342,641	327,441	227,829	212,759
5 Other Operation and Maintenance Expense	497,405	371,113	300,138	219,783	207,870
6 Depreciation and Amortization Expense	127,569	139,548	99,124	90,068	94,623
7 Income Taxes-Operating	262,288	(306,968)	(4,664)	(29,547)	25,272
8 Other Taxes-Operating	238,391	292,753	202,035	240,365	185,788
9 Capital Costs	(363,330)	173,047	(148,345)	76,864	103,722
10 Total	\$1,284,817	\$1,162,077	\$923,888	\$945,639	\$953,927

**PERCENT OF REVENUES**

11 Purchased Water, Fuel or Power for Pumping, and Chemicals	10.3	12.9	16.0	12.7	13.0
12 Wages and Benefits	30.4	29.5	35.4	24.1	22.3
13 Other Operation and Maintenance Expense	38.7	31.9	32.5	23.2	21.8
14 Depreciation and Amortization Expense	9.9	12.0	10.7	9.5	9.9
15 Income Taxes-Operating	20.4	(26.4)	(0.5)	(3.1)	2.6
16 Other Taxes-Operating	18.6	25.2	21.9	25.4	19.5
17 Capital Costs	(28.3)	14.9	(16.1)	8.1	10.9
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	0.33	0.32	0.30	0.22	0.25
20 Wages and Benefits	0.98	0.73	0.66	0.43	0.43
21 Other Operation and Maintenance Expense	1.25	0.80	0.61	0.41	0.42
22 Depreciation and Amortization Expense	0.32	0.30	0.20	0.17	0.19
23 Income Taxes-Operating	0.66	-0.66	-0.01	-0.06	0.05
24 Other Taxes-Operating	0.60	0.63	0.41	0.45	0.37
25 Capital Costs	-0.91	0.37	-0.30	0.14	0.21
26 Total	3.24	2.49	1.87	1.77	1.91

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

Purchased Water					
Fuel for Pumping	125,354	140,801	140,748	111,889	117,926
Chemicals	6,438	9,142	7,411	8,387	5,967
Total PW, Fuel and Chemicals	131,792	149,943	148,159	120,276	123,893
Total - Ultimate Customers	131,792	149,943	148,159	120,276	123,893

**Wages and Benefits**

Salaries	248,613	215,884	201,086	180,435	169,685
Pensions and Benefits	142,089	126,757	126,355	47,394	43,074
Total Wages and Benefits	390,702	342,641	327,441	227,829	212,759

**Other Expenses**

Total O&M Expenses	1,019,899	863,697	775,738	567,889	544,522
-Total PW, Fuel and Chemicals	131,792	149,943	148,159	120,276	123,893
-Wages and Benefits	390,702	342,641	327,441	227,829	212,759
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	497,405	371,113	300,138	219,783	207,870

**Depreciation and Amortization**

Depreciation Exp	127,569	139,548	99,124	90,068	94,623
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	127,569	139,548	99,124	90,068	94,623

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

Total PW, Fuel and Chemicals	131,792	149,943	148,159	120,276	123,893
divided by Total Gallons	397,109	466,550	494,005	534,794	498,938
Cost per KWH	0.0003	0.0003	0.0003	0.0002	0.0002
times Sales for Resale MWHs					
Sales for Resale Cost					



Current Assets	606,361.00	(91,351)	(167,211)	(194,500)	3,409
Current Liabilities	106,246	428,571	32,737	75,152	170,237
Total Capitalization	4,053,798	3,610,107	2,832,530	2,466,558	2,214,079
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	4,053,798	3,610,107	2,832,530	2,466,558	2,214,079
Short-Term Debt					
Pretax Income	(32,194)	(106,773)	(142,664)	47,321	129,201
Interest Expense	123,398	60,133	73,436	64,347	67,845
Dividends Paid					
Net Income (Excl. Preferred Stock Dividends)	(418,098)	77,579	(212,442)	37,479	35,980
Internal Cash	(367,933)	(196,077)	(187,915)	80,249	204,166
Cash Outflows for Construction	418,514	1,173,063	242,862	250,079	244,135
CWIP	845,560	595,323	150,535	141,660	181,000
Total Plant	6,103,762	5,718,854	4,319,478	4,199,760	3,967,031
Number of Employees	5	5	5	5	5
Salaries and Wages					