

Table 1 W

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$869,568	\$836,850	\$776,221	\$729,044	\$681,445
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)	302	302	302	302	302
3 Other Investments	13,501	12,266	12,181		
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	13,803	12,569	12,483	302	302
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	568	605	2,935	2,403	(351)
7 Notes and Accounts Receivables - Net	11,675	13,664	13,636	17,686	14,338
8 Receivables from Associated Companies	19,496	5,404	1,923	9,285	3,842
9 Materials and Supplies	2,525	2,374	2,631	2,750	2,163
10 Prepayments	8,613	9,278	7,950	7,314	7,241
11 Accrued Utility Revenue	15,174	17,848	18,260	16,178	15,352
12 Misc Current and Accrued Assets	287	163	174	182	1,691
13 Total Current and Accrued Assets	58,337	49,335	47,510	55,798	44,276
DEFERRED DEBITS					
14 Unamort. Debt Expense	5,509	5,418	5,708	5,567	5,756
15 Other Deferred Debits	99,056	95,546	113,551	112,962	94,108
16 Accumulated Deferred Income Taxes	11,808	8,852	8,060	6,103	6,630
17 Total Deferred Debits	116,373	109,817	127,319	124,631	106,495
18 Total Assets and Other Debits	\$1,058,080	\$1,008,571	\$963,534	\$909,777	\$832,519
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$23,990	\$25,675	\$25,675	\$29,375	\$29,375
20 Preferred Stock Issued	1,125	1,125	1,125	1,125	1,125
21 Other Paid-in Capital	356,510	311,904	300,300	247,494	212,535
22 Retained Earnings	195,399	188,580	171,889	199,830	182,288
23 Reacquired Capital Stock					
24 Total Proprietary Capital	577,024	527,284	498,989	477,824	425,322
LONG-TERM DEBT					
25 Long-Term Debt	191,861	181,556	163,651	172,744	166,773
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable	33,070	51,267	36,443	36,607	36,258
27 Accounts Payable	15,455	11,655	19,629	19,492	8,579
28 Payables to Associated Companies	15,564	27,527	22,740	6,388	7,389
29 Customer Deposits	869	535	267	221	197
30 Taxes Accrued	(1,055)	9,262	10,318	5,564	4,970
31 Interest Accrued	1,951	1,912	4,699	3,631	2,716
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	8,503	9,874	10,226	8,895	11,357
34 Total Current and Accrued Liabilities	74,358	112,033	104,324	80,797	71,466
DEFERRED CREDITS					
35 Customer Advances for Construction	5,138	4,187	2,829	3,968	4,638
36 Other Deferred Credits	47,764	22,951	40,671	41,018	41,138
37 Accumulated Deferred Investment Tax Credits	1,267	1,328	1,389	1,449	1,556
38 Accumulated Deferred Income Taxes	145,604	149,808	136,547	121,974	116,126
39 Total Deferred Credits	199,773	178,274	181,434	168,409	163,458
OPERATING RESERVES					
40 Operating Reserves	15,065	9,424	15,135	10,003	5,500
41 Total Liabilities and Other Credits	\$1,058,080	\$1,008,571	\$963,533	\$909,776	\$832,519

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$243,871	\$234,055	\$226,236	\$214,062	\$200,860	1
Operating Expense:						
Operation Expense	86,615	87,820	86,773	80,775	75,855	2
Maintenance Expense	8,358	9,090	11,602	12,612	12,502	3
Depreciation and Amortization Expense	22,547	21,923	21,104	19,571	18,408	4
Taxes Other than Income Taxes	60,468	53,883	50,671	44,235	43,096	5
Income Taxes	11,966	20,566	17,883	17,411	19,387	6
Total Operating Expenses	189,954	193,282	188,033	174,603	169,248	7
Net Operating Revenues	53,917	40,773	38,202	39,458	31,612	8
Other Utility Operating Income						9
Total Utility Operating Income	53,917	40,773	38,202	39,458	31,612	10
OTHER INCOME						
Interest and Dividend Income	618	704	647	438	1,762	11
Allowance for Funds Used During Construction	7,633	8,313	6,039	4,152	3,432	12
Miscellaneous Nonoperating Income	230	146	346	233	269	13
Other Income	(70)	(83)	(49)	(38)	(45)	14
Total Other Income	8,411	9,080	6,984	4,784	5,418	15
Other Income Deductions	390	208	522	1,294	1,250	16
Taxes-Other Income and Deductions	46	31	73	76	(100)	17
Income Available	61,893	49,615	44,591	42,872	35,880	18
INTEREST CHARGES						
Interest on Long-Term Debt	9,642	9,162	9,300	9,849	9,340	19
Interest on Debt to Associated Co.	6,146	6,165	5,928	6,000	5,368	20
Other Interest Expense	5,774	5,253	4,160	2,219	1,907	21
Total Interest Charges	21,563	20,580	19,388	18,068	16,615	22
Income Before Extraordinary Items	40,330	29,035	25,202	24,804	19,265	23
Extraordinary Items	22,492					24
Net Income	\$17,838	\$29,035	\$25,202	\$24,804	\$19,265	25
RETAINED EARNINGS						
Unappropriated (BOP)	\$188,580	\$171,889	\$199,830	\$182,288	\$175,173	26
Balance Transferred from Income	17,838	29,035	25,202	24,804	19,265	27
Appropriated		5,193	4,817		2,800	28
Dividends Declared-Preferred Stock	63	38	51	51	51	29
Dividends Declared-Common Stock	10,957	6,582	13,129	7,211	9,300	30
Adjustments to Retained Earnings		(532)	(35,147)			31
Net Change	6,819	16,691	(27,941)	17,543	7,115	32
Unappropriated (EOP)	195,399	188,580	171,889	199,830	182,288	33
Appropriated (EOP)						34
Total Retained Earnings	\$195,399	\$188,580	\$171,889	\$199,830	\$182,288	35

Table 3W

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$17,838	\$28,503	\$25,202	\$24,804	\$19,265
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	45,635	20,564	21,302	20,676	22,087
3 Deferred Taxes & ITCs	(4,502)	11,926	9,179	4,677	13,989
4 Receivables and Inventory	(9,476)	(4,903)	2,616	(4,277)	3,929
5 Payables and Accrued Expenses	(1,439)	(9,653)	2,528	11,133	4,159
6 Capitalized AFUDC - Equity Funds	(7,135)	(7,994)	(5,208)	(5,006)	(3,182)
7 Equity In Loss (Earnings) Of Affiliates	1		1,614	714	2,052
8 Other Adjustments	(7,172)	8,177	(8,001)	(16,409)	1,157
9	15,747	(8,210)	(3,724)	(33,088)	(4,680)
10	(1,861)	(5,390)	8,626	29,542	(6,699)
11 Net Cash From Operating Activities	<u>47,637</u>	<u>33,021</u>	<u>54,135</u>	<u>32,766</u>	<u>52,076</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(61,193)	(72,517)	(62,417)	(61,747)	(63,329)
13 Acquisition Of Other Non-Current Assets					(1,487)
14 Investments In & Advances to Affiliates.	(1,127)	1,060	8,128		
15 Contributions & Advances from Affiliates	(1,695)	(2,114)	(1,714)	(724)	(343)
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					(277)
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(64,016)</u>	<u>(73,571)</u>	<u>(56,003)</u>	<u>(62,471)</u>	<u>(65,436)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	48,593	30,848	6,620	37,517	35,964
25 Common Stock	(1,685)				197
26 Preferred Stock	5,000	558	(2,800)		
27 Short-Term Debt	(24,546)	18,625	(213)	348	(141)
28 Dividends Paid	(11,020)	(11,812)	(17,997)	(7,262)	(12,151)
29 Other Cash Flows - Financing Activities			17,417	1,855	(3,464)
30			(626)		
31					
32 Net Cash From Financing Activities	<u>16,342</u>	<u>38,219</u>	<u>2,400</u>	<u>32,459</u>	<u>20,406</u>
33 Net Increase/(Decrease) In Cash Equivalents	(37)	(2,331)	533	2,753	7,045
34 Cash & Cash Equivalents At Beginning Of Year	605	2,935	2,403	(351)	(7,395)
35 Cash & Cash Equivalents At End Of Year	\$568	\$605	\$2,935	\$2,403	(\$351)

Table 4 W

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES (\$000s)						
Sales to General Customers	\$174,327	\$171,671	\$165,763	\$152,569	\$139,379	1
Sales to Other Water Companies	24,036	18,805	18,485	17,055	14,353	2
Other Sales of Water	25,586	24,597	23,096	22,220	23,026	3
Total Revenues from Sales of Water	223,949	215,073	207,343	191,844	176,758	4
Other Water Operating Revenues	19,922	18,982	18,892	22,218	24,099	5
Total Water Operating Revenues	\$243,871	\$234,055	\$226,235	\$214,062	\$200,857	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	24,884,976	25,968,070	25,824,558	25,913,358	29,303,979	8
Sales to Other Water Companies	4,164,063	3,522,407	3,380,280	3,593,294	2,790,231	9
Other Sales of Water	870,256	1,029,529	928,396	941,134	463,485	10
Total Sales of Water	29,919,295	30,520,006	30,133,234	30,447,786	32,557,695	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	228,254	230,406	231,789	232,057	233,453	13
Sales to Other Water Companies	11,797	9,700	9,729	9,158	7,485	14
Other Sales of Water	3,122	2,982	3,227	3,279	3,218	15
Total Customers	243,173	243,088	244,745	244,494	244,156	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$763.74	\$745.08	\$715.15	\$657.46	\$597.03	18
Average Consumption per Customer (T.Gal)	109.02	112.71	111.41	111.67	125.52	19
Average Revenue per T Gallons Sold	\$7.01	\$6.61	\$6.42	\$5.89	\$4.76	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer						21
Average Consumption per Customer (T.Gal)						22
Average Revenue per T Gallons Sold						23
OPERATION AND MAINTENANCE EXPENSES (\$000s)						
Source of Supply	\$20,825	\$19,747	\$18,838	\$19,643	\$17,439	24
Power and Pumping	14,079	14,725	15,186	14,853	14,389	25
Purification	8,457	8,338	9,112	8,213	8,083	26
Transmission and Distribution	11,824	11,647	13,498	13,667	13,617	27
Customer Accounting and Collecting	6,385	8,007	8,427	6,662	7,737	28
Administrative and General	33,405	34,446	33,313	30,348	27,093	29
Total O & M Expense	\$94,974	\$96,910	\$98,376	\$93,387	\$88,358	30

Table 5 W

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

	2014	2013	2012	2011	2010
1 Revenues (\$000s)	\$243,871	\$234,055	\$226,235	\$214,062	\$200,857
2 Sales (Thousands of Gallons)	29,919,295	30,520,006	30,133,234	30,447,786	32,557,695
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$31,218	\$31,117	\$29,996	\$30,245	\$27,484
4 Wages and Benefits	29,368	30,329	30,880	30,014	28,643
5 Other Operation and Maintenance Expense	34,387	35,464	37,500	33,128	32,230
6 Depreciation and Amortization Expense	22,547	21,923	21,104	19,571	20,887
7 Income Taxes-Operating	11,966	20,566	17,883	17,411	19,387
8 Other Taxes-Operating	60,468	53,883	50,671	44,235	43,096
9 Capital Costs	53,917	40,773	38,202	39,458	29,129
10 Total	\$243,871	\$234,055	\$226,235	\$214,062	\$200,857
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	12.8	13.3	13.3	14.1	13.7
12 Wages and Benefits	12.0	13.0	13.6	14.0	14.3
13 Other Operation and Maintenance Expense	14.1	15.2	16.6	15.5	16.0
14 Depreciation and Amortization Expense	9.2	9.4	9.3	9.1	10.4
15 Income Taxes-Operating	4.9	8.8	7.9	8.1	9.7
16 Other Taxes-Operating	24.8	23.0	22.4	20.7	21.5
17 Capital Costs	22.1	17.4	16.9	18.4	14.5
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	1.04	1.02	1.00	0.99	0.84
20 Wages and Benefits	0.98	0.99	1.02	0.99	0.88
21 Other Operation and Maintenance Expense	1.15	1.16	1.24	1.09	0.99
22 Depreciation and Amortization Expense	0.75	0.72	0.70	0.64	0.64
23 Income Taxes-Operating	0.40	0.67	0.59	0.57	0.60
24 Other Taxes-Operating	2.02	1.77	1.68	1.45	1.32
25 Capital Costs	1.80	1.34	1.27	1.30	0.89
26 Total	8.15	7.67	7.51	7.03	6.17

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

Purchased Water	20,109,027	18,875,191	17,579,883	18,302,958	15,970,527
Fuel for Pumping	7,527,913	8,681,762	9,051,517	8,754,001	8,543,399
Chemicals	3,580,734	3,560,125	3,364,738	3,188,374	2,969,640
Total PW, Fuel and Chemicals	31,217,675	31,117,077	29,996,139	30,245,333	27,483,566
Total - Ultimate Customers	31,217,675	31,117,077	29,996,139	30,245,333	27,483,566

Wages and Benefits

Salaries	20,044,925	20,902,902	20,660,290	20,010,709	19,759,178
Pensions and Benefits	9,323,523	9,425,624	10,219,461	10,002,954	8,884,210
Total Wages and Benefits	29,368,448	30,328,526	30,879,752	30,013,662	28,643,388

Other Expenses

Total O&M Expenses	94,973,504	96,909,867	98,375,567	93,386,968	88,357,450
-Total PW, Fuel and Chemicals	31,217,675	31,117,077	29,996,139	30,245,333	27,483,566
-Wages and Benefits	29,368,448	30,328,526	30,879,752	30,013,663	28,643,388
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	34,387,382	35,464,263	37,499,677	33,127,972	32,230,496

Depreciation and Amortization

Depreciation Exp	22,546,625	21,923,365	21,103,693	19,570,915	18,407,977
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	22,546,625	21,923,365	21,103,693	19,570,915	18,407,977

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

Total PW, Fuel and Chemicals	31,217,675	31,117,077	29,996,139	30,245,333	27,483,566
divided by Total Gallons	29,919,295	30,520,006	30,133,234	30,447,786	32,557,695
Cost per KWH	0.0010	0.0010	0.0010	0.0010	0.0008
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)**

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$231	\$322	\$237	\$322	\$320	1
Source of Supply	71,637	70,769	67,597	65,796	62,265	2
Pumping	114,719	111,985	110,219	108,011	105,940	3
Water Treatment	104,945	104,107	90,283	87,745	78,902	4
Transmission and Distribution	674,314	632,833	592,478	559,579	529,093	5
General	73,554	70,762	61,910	56,304	47,590	6
Purchased or Sold			91			7
Total Plant in Service	1,039,400	990,777	922,816	877,757	824,109	8
Plant Leased To Others						9
Construction Work In Progress	78,479	79,689	75,853	59,040	52,625	10
Plant Held For Future Use	8,905	8,905	8,905	8,905	8,904	11
Plant Acquisition Adjustments	(11)	(11)	(11)	(11)	(11)	12
Accum. Gains & Losses - Utility Land & Land Rights	(1,179)	(1,179)	(1,179)	(1,179)	(1,179)	13
Total Plant	1,125,594	1,078,091	1,006,292	944,512	884,447	14
Accum. Prov. - Depr. & Amort.	256,026	241,241	230,071	215,467	203,001	15
Net Plant	\$869,568	\$836,850	\$776,221	\$729,044	\$681,445	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.78	0.44	0.46	0.69	0.62	17
Total Capitalization (\$000s)	\$801,954	\$760,107	\$699,083	\$687,174	\$628,353	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	24.1%	24.1%	23.6%	25.4%	26.8%	19
Preferred Stock	0.1%	0.1%	0.2%	0.2%	0.2%	20
Common Stock & Retained Earnings	71.8%	69.2%	71.2%	69.4%	67.5%	21
Short-Term Debt	4.0%	6.6%	5.0%	5.1%	5.5%	22
Pretax Coverage of Interest Expense	3.4	3.4	3.2	3.4	3.4	23
Com. Stock Dividends as a % of Earnings	62.0%	40.7%	75.0%	29.2%	63.2%	24
Return on Common Equity	3.2%	5.7%	4.9%	5.5%	4.6%	25
Internal Cash Generated as a % of Cash Outflows for Construction	77.8%	54.9%	75.2%	66.9%	86.9%	26
CWIP as a % of Plant	7.0%	7.4%	7.5%	6.3%	6.0%	27
Number of Employees	298	302	307	314	313	28

Current Assets	58,336,723	49,335,218	47,963,300	55,865,030	44,345,852
Current Liabilities	74,358,075	112,032,564	104,323,699	80,797,321	71,466,073
Total Capitalization	801,954,152	760,107,087	699,083,421	687,173,804	628,352,799
Long-Term Debt	192,930,270	182,823,286	165,094,657	174,350,223	168,530,692
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)	575,898,882	526,158,801	497,863,764	476,698,581	424,197,107
Short-Term Debt	32,000,000	50,000,000	35,000,000	35,000,000	34,500,000
Pretax Income	74,248,393	70,389,761	62,995,594	61,577,430	56,517,015
Interest Expense	21,562,577	20,579,813	19,388,416	17,968,775	16,615,023
Dividends Paid	11,019,900	11,812,474	17,996,892	7,262,000	12,151,000
Net Income (Excl. Preferred Stock Dividends)	17,775,185	28,997,476	23,985,653	24,852,684	19,214,532
Internal Cash	47,636,611	33,021,454	46,962,362	41,319,753	55,003,815
Cash Outflows for Construction	(61,193,377)	(60,158,912)	(62,416,555)	(61,747,451)	(63,329,430)
CWIP	78,479,064	79,689,414	75,852,653	59,050,431	52,624,546
Total Plant	1,125,502,949	1,078,090,735	1,006,901,488	944,511,754	884,355,796
Number of Employees	298	302	307	314	313
Salaries and Wages					

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$4,267,171	\$4,319,021	\$4,316,427	\$4,399,658	\$4,473,546
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	338,612	361,863	425,159	339,080	179,627
7 Notes and Accounts Receivables - Net	121,033	114,364	120,922	132,224	110,382
8 Receivables from Associated Companies					
23 Materials and Supplies					
10 Prepayments	8,666	15,019	10,895	10,915	189,377
11 Accrued Utility Revenue					
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	468,311	491,246	556,976	482,219	479,386
DEFERRED DEBITS					
14 Unamort. Debt Expense	10,317	12,525	14,732	16,940	19,147
15 Other Deferred Debits	308,466	250,896	246,037	269,766	232,539
16 Accumulated Deferred Income Taxes				48,000	103,000
17 Total Deferred Debits	318,783	263,421	260,769	334,706	354,686
18 Total Assets and Other Debits	\$5,054,265	\$5,073,688	\$5,134,172	\$5,216,583	\$5,307,618
PROPRIETARY CAPITAL					
19 Common Stock Issued	50,000	50,000	50,000	50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital					
22 Retained Earnings	(137,320)	(235,751)	(345,871)	(482,279)	(628,355)
23 Reacquired Capital Stock					
24 Total Proprietary Capital	(87,320)	(185,751)	(295,871)	(432,279)	(578,355)
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable	1,069,730	1,267,142	1,443,383	1,606,510	1,758,132
27 Accounts Payable	59,154	58,078	25,184	48,841	48,387
28 Payables to Associated Companies	3,798,435	3,798,295	3,848,435	3,898,155	3,998,349
29 Customer Deposits					
30 Taxes Accrued			8,892	17,500	811
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	113,266	80,424	79,149	77,856	80,294
34 Total Current and Accrued Liabilities	5,040,585	5,203,939	5,405,043	5,648,862	5,885,973
DEFERRED CREDITS					
35 Customer Advances for Construction					
36 Other Deferred Credits					
37 Accumulated Deferred Investment Tax Credits					
38 Accumulated Deferred Income Taxes	101,000	55,500	25,000		
39 Total Deferred Credits	101,000	55,500	25,000		
OPERATING RESERVES					
40 Operating Reserves					
41 Total Liabilities and Other Credits	\$5,054,265	\$5,073,688	\$5,134,172	\$5,216,583	\$5,307,618

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$1,488,072	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	1
Operating Expense:						
Operation Expense	405,770	411,666	369,450	346,389	370,242	2
Maintenance Expense	75,323	53,231	38,050	118,662	49,512	3
Depreciation and Amortization Expense	142,347	132,455	121,780	124,106	117,060	4
Taxes Other than Income Taxes	462,366	456,770	445,133	429,748	408,168	5
Income Taxes	18,229	17,933	23,571			6
Total Operating Expenses	1,104,035	1,072,055	997,984	1,018,905	944,982	7
Net Operating Revenues	384,037	413,902	499,942	480,369	587,207	8
Other Utility Operating Income						9
Total Utility Operating Income	384,037	413,902	499,942	480,369	587,207	10
OTHER INCOME						
Interest and Dividend Income	6,221	6,108	5,045	3,844	2,389	11
Allowance for Funds Used During Construction						12
Miscellaneous Nonoperating Income	50	110	213	150	90	13
Other Income						14
Total Other Income	6,271	6,218	5,258	3,994	2,479	15
Other Income Deductions	8,791	9,395	10,606	13,495	13,825	16
Taxes-Other Income and Deductions	45,500	30,500	73,000	75,266	(100,359)	17
Income Available	336,017	380,225	421,594	395,602	676,220	18
INTEREST CHARGES						
Interest on Long-Term Debt	73,800	104,811	117,924	129,429	140,460	19
Interest on Debt to Associated Co.	113,786	115,294	117,262	120,097	120,377	20
Other Interest Expense						21
Total Interest Charges	187,586	220,105	235,186	249,526	260,837	22
Income Before Extraordinary Items	148,431	160,120	186,408	146,076	415,383	23
Extraordinary Items						24
Net Income	\$148,431	\$160,120	\$186,408	\$146,076	\$415,383	25
RETAINED EARNINGS						
Unappropriated (Beginning)	(\$235,751)	(\$345,871)	(\$482,279)	(\$628,355)	(\$1,043,738)	26
Balance Transferred from Income	148,431	160,120	186,408	146,076	415,383	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	50,000	50,000	50,000			30
Adjustments to Retained Earnings						31
Net Change	98,431	110,120	136,408	146,076	415,383	32
Unappropriated (EOP)	(137,320)	(235,751)	(345,871)	(482,279)	(628,355)	33
Appropriated (EOP)						34
Total Retained Earnings	(\$137,320)	(\$235,751)	(\$345,871)	(\$482,279)	(\$628,355)	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$148,431	\$160,120	\$186,408	\$146,076	\$415,383
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	144,554	134,662	132,280	132,456	139,235
3 Deferred Taxes & ITCs	5,624	30,500	73,000	55,000	(103,000)
4 Receivables and Inventory	8,791	(1,824)	5,441	(27,609)	(11,333)
5 Payables and Accrued Expenses	45,500	24,002	(32,265)	17,229	1,602
6 Capitalized AFUDC - Equity Funds	(12,293)				
7 Equity In Loss (Earnings) Of Affiliates	1,076				
8 Other Adjustments	140	(140)	280	(280)	(9,782)
9	(89,263)	(31,867)	1,293	5,767	6,637
10	39,195	17,776	16,487	127,845	(177,561)
11 Net Cash From Operating Activities	<u>291,755</u>	<u>333,229</u>	<u>382,924</u>	<u>456,484</u>	<u>261,181</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(67,594)	(120,284)	(33,718)	(45,409)	(46,917)
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>(67,594)</u>	<u>(120,284)</u>	<u>(33,718)</u>	<u>(45,409)</u>	<u>(46,917)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt				(100,000)	(68,861)
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(197,412)	(226,241)	(213,127)	(151,622)	(140,591)
28 Dividends Paid	(50,000)	(50,000)	(50,000)		
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>(247,412)</u>	<u>(276,241)</u>	<u>(263,127)</u>	<u>(251,622)</u>	<u>(209,452)</u>
33 Net Increase/(Decrease) In Cash Equivalents	(23,251)	(63,296)	86,079	159,453	4,812
34 Cash & Cash Equivalents At Beginning Of Year	361,863	425,159	339,080	179,627	174,815
35 Cash & Cash Equivalents At End Of Year	\$338,612	\$361,863	\$425,159	\$339,080	\$179,627

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$1,488,072	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	1
Sales to Other Water Companies						2
Other Sales of Water						3
Total Revenues from Sales of Water	1,488,072	1,485,957	1,497,926	1,499,274	1,532,189	4
Other Water Operating Revenues						5
Total Water Operating Revenues	\$1,488,072	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	88,067	90,101	92,780	92,899	100,062	8
Sales to Other Water Companies						9
Other Sales of Water						10
Total Sales of Water	88,067	90,101	92,780	92,899	100,062	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	2,487	2,487	2,487	2,487	2,487	13
Sales to Other Water Companies						14
Other Sales of Water						15
Total Customers	2,487	2,487	2,487	2,487	2,487	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$598.34	\$597.49	\$602.30	\$602.84	\$616.08	18
Average Consumption per Customer (T.Gal)	35.41	36.23	37.31	37.35	40.23	19
Average Revenue per T Gallons Sold	\$16.90	\$16.49	\$16.14	\$16.14	\$15.31	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$520		\$4,863	\$102,226	\$44,804	24
Power and Pumping	105,253	123,448	87,178	94,343	92,568	25
Purification	27,333	37,862	29,078	25,806	40,205	26
Transmission and Distribution	106,243	61,442	42,936	1,672	4,375	27
Customer Accounting and Collecting	5,624	8,381	5,861	5,767	442	28
Administrative and General	236,120	233,764	237,584	235,237	237,360	29
Total O & M Expense	\$481,093	\$464,897	\$407,500	\$465,051	\$419,754	30

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

	2014	2013	2012	2011	2010
1 Revenues	\$1,488,072	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189
2 Sales (Thousands of Gallons)	88,067	90,101	92,780	92,899	100,062
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	97,550	\$111,461	\$77,993	\$79,485	91,041
4 Wages and Benefits					
5 Other Operation and Maintenance Expense	383,543	353,436	329,507	385,566	328,713
6 Depreciation and Amortization Expense	142,347	132,455	121,780	124,106	117,060
7 Income Taxes-Operating	18,229	17,933	23,571		
8 Other Taxes-Operating	462,366	456,770	445,133	429,748	408,168
9 Capital Costs	384,037	413,902	499,942	480,369	587,207
10 Total	\$1,488,072	\$1,485,957	\$1,497,926	\$1,499,274	\$1,532,189
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.6	7.5	5.2	5.3	5.9
12 Wages and Benefits					
13 Other Operation and Maintenance Expense	25.8	23.8	22.0	25.7	21.5
14 Depreciation and Amortization Expense	9.6	8.9	8.1	8.3	7.6
15 Income Taxes-Operating	1.2	1.2	1.6		
16 Other Taxes-Operating	31.1	30.7	29.7	28.7	26.6
17 Capital Costs	25.8	27.9	33.4	32.0	38.3
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	1.11	1.24	0.84	0.86	0.91
20 Wages and Benefits					
21 Other Operation and Maintenance Expense	4.36	3.92	3.55	4.15	3.29
22 Depreciation and Amortization Expense	1.62	1.47	1.31	1.34	1.17
23 Income Taxes-Operating	0.21	0.20	0.25		
24 Other Taxes-Operating	5.25	5.07	4.80	4.63	4.08
25 Capital Costs	4.36	4.59	5.39	5.17	5.87
26 Total	16.90	16.49	16.14	16.14	15.31

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	79,232	85,435	58,584	61,179	68,954
Chemicals	18,318	26,026	19,409	18,306	22,087
Total PW, Fuel and Chemicals	97,550	111,461	77,993	79,485	91,041
Total - Ultimate Customers					

Wages and Benefits

Salaries					
Pensions and Benefits					
Total Wages and Benefits					

Other Expenses

Total O&M Expenses	481,093	464,897	407,500	465,051	419,754
-Total PW, Fuel and Chemicals	97,550	111,461	77,993	79,485	91,041
-Wages and Benefits					
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	383,543	353,436	329,507	385,566	328,713

Depreciation and Amortization

Depreciation Exp	142,347	132,455	121,780	124,106	117,060
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	142,347	132,455	121,780	124,106	117,060

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

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

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

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible						1
Source of Supply	711,509	695,111	688,028	683,787	\$683,787	2
Pumping	244,621	241,611	172,317	172,317	172,317	3
Water Treatment	501,532	501,532	501,532	501,532	501,532	4
Transmission and Distribution	6,004,330	5,976,460	5,952,868	5,943,707	5,935,615	5
General	11,765	11,765	11,765	11,765	11,765	6
Purchased or Sold						7
Total Plant in Service	7,473,757	7,426,479	7,326,510	7,313,108	7,305,016	8
Plant Leased To Others						9
Construction Work In Progress						10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	7,473,757	7,426,479	7,326,510	7,313,108	7,305,016	14
Accum. Prov. - Depr. & Amort.	3,206,586	3,107,458	3,010,083	2,913,450	2,831,470	15
Net Plant	\$4,267,171	\$4,319,021	\$4,316,427	\$4,399,658	\$4,473,546	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.09	0.09	0.10	0.09	0.08	17
Total Capitalization	\$982,410	\$1,081,391	\$1,147,512	\$1,174,231	\$1,179,777	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	108.9%	117.2%	125.8%	136.8%	149.0%	19
Preferred Stock						20
Common Stock & Retained Earnings	-8.9%	-17.2%	-25.8%	-36.8%	-49.0%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	1.9	1.9	1.9	1.6	2.6	23
Com. Stock Dividends as a % of Earnings	33.7%	31.2%	26.8%			24
Return on Common Equity	NA	NA	NA	NA	NA	25
Internal Cash Generated as a % of Cash Outflows for Construction	431.6%	277.0%	1104.2%	975.6%	527.2%	26
CWIP as a % of Plant						27
Number of Employees						28

Current Assets	468,311.00	491,246.00	556,976.00	482,219.00	479,386.00
Current Liabilities	5,040,585	5,203,939	5,405,043	5,648,862	5,885,973
Total Capitalization	982,410	1,081,391	1,147,512	1,174,231	1,179,777
Long-Term Debt	1,069,730	1,267,142	1,443,383	1,606,510	1,758,132
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	(87,320)	(185,751)	(295,871)	(432,279)	(578,355)
Short-Term Debt					
Pretax Income	363,037	407,553	455,771	409,097	690,045
Interest Expense	187,586	220,105	235,186	249,526	260,837
Dividends Paid	50,000	50,000	50,000		
Net Income (Excl. Preferred Stock Dividends)	148,431	160,120	186,408	146,076	415,383
* Internal Cash	291,755	333,229	372,318	442,989	247,357
Cash Outflows for Construction	67,594	120,284	33,718	45,409	46,917
CWIP					
Total Plant	7,473,757	7,426,479	7,326,510	7,313,108	7,305,016
Number of Employees					
Salaries and Wages					

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

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

Note:

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

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

UTILITY OPERATING INCOME

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

Other Utility Operating Income

Total Utility Operating Income

OTHER INCOME

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

Other Income Deductions

Taxes-Other Income and Deductions

Income Available

INTEREST CHARGES

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

Income Before Extraordinary Items

Extraordinary Items

Net Income

RETAINED EARNINGS

Unappropriated (Beginning)

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

Unappropriated (EOP)

Appropriated (EOP)

Total Retained Earnings

Note:

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

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

Cash Flows From Operating Activities

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

Cash Flows From Investing Activities

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

Cash Flows From Financing Activities

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

Note:

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

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

SALES AND CUSTOMER DATA

REVENUES

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

 Total Water Operating Revenues

WATER SALES (Thousands of Gallons)

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

 Total Sales of Water

AVG CUSTOMERS PER MONTH

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

 Total Customers

OPERATING REVENUE RELATIONSHIP

METERED GENERAL CUSTOMERS

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

UNMETERED GENERAL CUSTOMERS

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

OPERATION AND MAINTENANCE EXPENSES

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

Total O & M Expense

Note:

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

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

1 Revenues

2 Sales (Thousands of Gallons)

DOLLAR AMOUNTS

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

4 Wages and Benefits

5 Other Operation and Maintenance Expense

6 Depreciation and Amortization Expense

7 Income Taxes-Operating

8 Other Taxes-Operating

9 Capital Costs

10 Total

PERCENT OF REVENUES

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

12 Wages and Benefits

13 Other Operation and Maintenance Expense

14 Depreciation and Amortization Expense

15 Income Taxes-Operating

16 Other Taxes-Operating

17 Capital Costs

18 Total

DOLLARS PER THOUSAND GALLONS SOLD

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

20 Wages and Benefits

21 Other Operation and Maintenance Expense

22 Depreciation and Amortization Expense

23 Income Taxes-Operating

24 Other Taxes-Operating

25 Capital Costs

26 Total

Note:

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

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

Purchased Water
Fuel for Pumping
Chemicals

Total PW, Fuel and Chemicals

Total - Ultimate Customers

Wages and Benefits

Salaries
Pensions and Benefits
Total Wages and Benefits

Other Expenses

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

Depreciation and Amortization

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

Total Depre and Amort

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

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

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

WATER UTILITY PLANT

Plant in Service

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

Total Plant in Service

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

Total Plant

Accum. Prov. - Depr. & Amort.

Net Plant

SELECTED RATIOS AND STATISTICS

Current Assets / Current Liabilities

Total Capitalization

Percent Of Capitalization (incl S-T Debt)

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

Pretax Coverage of Interest Expense

Com. Stock Dividends as a % of Earnings

Return on Common Equity

Internal Cash Generated as a % of
 Cash Outflows for Construction

CWIP as a % of Plant

Number of Employees

Note:

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

Current Assets

Current Liabilities

Total Capitalization

Long-Term Debt

Preferred Stock

Common Stock and Retained Earnings
(Excl. Preferred Stock)

Short-Term Debt

Pretax Income

Interest Expense

Dividends Paid

Net Income
(Excl. Preferred Stock Dividends)

Internal Cash

Cash Outflows for Construction

CWIP

Total Plant

Number of Employees

Salaries and Wages

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$186,813,825	\$171,719,876	\$154,455,474	\$138,902,284	\$127,324,772
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)	63,368	63,368	63,368	63,368	63,368
3 Other Investments	740,562				
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investment	803,931	63,368	63,368	63,368	63,368
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	133,814	141,426	72,707	49,956	111,372
7 Notes and Accounts Receivables - Net	2,942,182	3,990,185	2,866,233	2,533,979	2,704,953
8 Receivables from Associated Companies	22,726	139,668	771,032	4,609	2,709
9 Materials and Supplies	733,234	466,071	770,930	1,061,883	609,210
10 Prepayments	508,046	1,108,248	981,395	986,011	1,338,368
11 Accrued Utility Revenue	1,557,666	2,528,532	2,319,932	2,230,266	2,260,531
12 Misc Current and Accrued Assets	287,135	134,385	174,358	181,581	173,313
13 Total Current and Accrued Assets	6,184,802	8,508,515	7,956,586	7,048,285	7,200,456
DEFERRED DEBITS					
14 Unamort. Debt Expense	2,708,316	2,417,819	2,483,738	2,473,760	2,408,104
15 Other Deferred Debits	17,307,643	7,199,778	7,830,166	3,727,027	4,940,079
16 Accumulated Deferred Income Taxes	5,617,039	5,801,602	5,810,849	5,951,720	6,132,996
17 Total Deferred Debits	25,632,998	15,419,199	16,124,753	12,152,507	13,481,179
18 Total Assets and Other Debits	\$219,435,556	\$195,710,959	\$178,600,182	\$158,166,444	\$148,069,775
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
20 Preferred Stock Issued	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
21 Other Paid-in Capital	34,553,924	29,010,410	24,654,384	20,608,153	17,578,392
22 Retained Earnings	24,231,315	22,575,639	21,030,346	20,537,740	19,245,998
23 Reacquired Capital Stock					
24 Total Proprietary Capital	69,910,239	62,711,049	56,809,730	52,270,893	47,949,390
LONG-TERM DEBT					
25 Long-Term Debt	75,586,935	70,201,856	56,914,713	64,645,633	58,749,000
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	5,969,595	2,020,292	4,074,620	1,187,592	1,202,507
28 Payables to Associated Companies	11,773,422	14,856,376	17,129,428	1,866,457	2,831,313
29 Customer Deposits					
30 Taxes Accrued	1,930,807	3,753,838	1,098,912	5,066,260	5,697,445
31 Interest Accrued	478,549	514,060	473,196	732,545	629,640
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	1,661,712	1,695,263	2,132,724	1,173,003	1,109,744
34 Total Current and Accrued Liabilities	21,814,085	22,839,828	24,908,880	10,025,858	11,470,649
DEFERRED CREDITS					
35 Customer Advances for Construction	105,000		47,000	47,000	164,140
36 Other Deferred Credits	11,677,192	(217,078)	6,127,328	7,572,944	8,971,708
37 Accumulated Deferred Investment Tax Cre	208,822	223,822	238,822	253,822	268,822
38 Accumulated Deferred Income Taxes	40,133,283	38,685,690	31,797,403	23,350,294	20,496,066
39 Total Deferred Credits	52,124,298	38,692,434	38,210,554	31,224,060	29,900,736
OPERATING RESERVES					
40 Operating Reserves		1,265,791	1,756,306		
41 Total Liabilities and Other Credits	\$219,435,556	\$195,710,959	\$178,600,182	\$158,166,444	\$148,069,775

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$60,305,190	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,469	1
Operating Expense:						
Operation Expense	20,079,602	20,804,576	21,305,453	19,742,169	18,926,970	2
Maintenance Expense	2,442,898	2,021,310	2,814,980	3,010,501	2,983,243	3
Depreciation and Amortization Expense	5,082,845	4,456,425	3,981,578	3,633,354	3,375,222	4
Taxes Other than Income Taxes	17,523,444	16,041,982	13,982,866	11,427,376	11,385,019	5
Income Taxes	5,065,197	4,624,035	3,403,898	3,311,722	3,470,564	6
Total Operating Expenses	50,193,986	47,948,329	45,488,774	41,125,122	40,141,018	7
Net Operating Revenues	10,111,205	8,935,852	7,954,045	7,594,224	7,409,451	8
Other Utility Operating Income						9
Total Utility Operating Income	10,111,205	8,935,852	7,954,045	7,594,224	7,409,451	10
OTHER INCOME						
Interest and Dividend Income	2,711	876		2,532		11
Allowance for Funds Used During Construc	627,767	1,314,574	738,381	478,385	656,504	12
Miscellaneous Nonoperating Income						13
Other Income		1,031	(188)	210		14
Total Other Income	630,478	1,316,480	738,194	481,127	656,504	15
Other Income Deductions		1,951				16
Taxes-Other Income and Deductions		304	(77)	1,114		17
Income Available	10,741,683	10,250,077	8,692,316	8,074,236	8,065,955	18
INTEREST CHARGES						
Interest on Long-Term Debt	4,049,296	3,720,925	3,631,436	3,289,086	3,011,943	19
Interest on Debt to Associated Co.						20
Other Interest Expense	206,678	211,688	264,970	232,034	351,621	21
Total Interest Charges	4,255,974	3,932,613	3,896,406	3,521,120	3,363,564	22
Income Before Extraordinary Items	6,485,708	6,317,464	4,795,910	4,553,116	4,702,391	23
Net Extraordinary Items						24
Net Income	\$6,485,708	\$6,317,464	\$4,795,910	\$4,553,116	\$4,702,391	25
<hr/>						
RETAINED EARNINGS						
Unappropriated (Beginning)	\$22,575,639	\$21,030,346	\$20,537,740	\$19,245,998	\$18,194,229	26
Balance Transferred from Income	6,485,708	6,317,464	4,795,910	4,553,118	4,702,391	27
Appropriated						28
Dividends Declared-Preferred Stock	63,282	37,969	50,625	50,626	50,626	29
Dividends Declared-Common Stock	4,766,751	4,734,202	4,252,679	3,210,750	3,600,000	30
Adjustments to Retained Earnings						31
Net Change	1,655,676	1,545,293	492,606	1,291,742	1,051,765	32
Unappropriated (EOP)	24,231,315	22,575,639	21,030,346	20,537,740	19,245,994	33
Appropriated (EOP)						34
Total Retained Earnings	\$24,231,315	\$22,575,639	\$21,030,346	\$20,537,740	\$19,245,994	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$6,485,708	\$6,317,464	\$4,795,910	\$4,553,116	\$4,702,391
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	5,316,061	4,672,281	4,097,000	3,749,000	3,489,000
3 Deferred Taxes & ITCs	1,911,779	7,184,127	5,790,000	2,240,000	3,972,000
4 Receivables and Inventory	1,662,420	(680,499)	308,000	132,000	274,000
5 Payables and Accrued Expenses	2,798,855	582,988			
6 Capitalized AFUDC - Equity Funds	(627,767)	(1,314,574)	(497,000)	(325,000)	(447,000)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments			(36,000)	(1,610,000)	1,503,000
9	419,438	(6,670,852)	(2,283,000)	1,630,000	(488,447)
10	206,224	284,171	841	6,468	
11 Net Cash From Operating Activities	<u>18,172,718</u>	<u>10,375,106</u>	<u>12,175,751</u>	<u>10,375,584</u>	<u>13,004,944</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(19,520,334)	(20,406,252)	(16,968,000)	(14,058,000)	(15,285,000)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates	(635,562)				
15 Contributions & Advances from Affiliates		(47,000)	(865,000)	(724,000)	(343,000)
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(20,155,896)</u>	<u>(20,453,252)</u>	<u>(17,833,000)</u>	<u>(14,782,000)</u>	<u>(15,628,000)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	10,630,197	17,571,076	(7,723,000)	5,790,000	9,549,000
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(3,824,599)	(2,652,038)			
28 Dividends Paid	(4,830,033)	(4,772,173)	(4,304,000)	(3,262,000)	(3,651,000)
29 Other Cash Flows - Financing Activities			17,707,000	1,817,000	(3,265,000)
30					
31					
32 Net Cash From Financing Activities	<u>1,975,565</u>	<u>10,146,865</u>	<u>5,680,000</u>	<u>4,345,000</u>	<u>2,633,000</u>
33 Net Increase/(Decrease) In Cash Equivaler	(7,612)	68,719	22,751	(61,416)	9,944
34 Cash & Cash Equivalents At Beginning Of	141,426	72,707	49,956	111,372	101,428
35 Cash & Cash Equivalents At End Of Year	\$133,814	\$141,426	\$72,707	\$49,956	\$111,372

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$45,191,910	\$42,387,242	\$40,160,323	\$36,409,217	\$35,868,390	1
Sales to Other Water Companies	7,744,310	7,106,512	6,759,070	6,256,633	5,910,894	2
Other Sales of Water	4,351,471	4,443,234	4,247,674	4,038,207	3,985,102	3
Total Revenues from Sales of Water	57,287,691	53,936,989	51,167,067	46,704,057	45,764,386	4
Other Water Operating Revenues	3,017,499	2,947,193	2,275,752	2,015,288	1,786,082	5
Total Water Operating Revenues	\$60,305,190	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,468	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	6,670,805	6,941,203	7,020,237	6,999,043	9,031,750	8
Sales to Other Water Companies	1,401,332	1,423,800	1,427,117	1,454,389	448,465	9
Other Sales of Water	493,472	649,376	497,647	476,851		10
Total Sales of Water	8,565,609	9,014,379	8,945,001	8,930,283	9,480,215	12
AVG CUSTOMERS PER MONTH						
Sales to General Customers	67,608	67,845	67,791	67,901	67,907	13
Sales to Other Water Companies	5,720	5,728	5,701	5,707	5,754	14
Other Sales of Water	356	353	345	346	339	15
Total Customers	73,684	73,926	73,837	73,954	74,000	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$668.44	\$624.77	\$592.41	\$536.21	\$528.20	18
Average Consumption per Customer (T.Ga)	98.67	102.31	103.56	103.08	133.00	19
Average Revenue per T Gallons Sold	\$6.77	\$6.11	\$5.72	\$5.20	\$3.97	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Ga)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$23,236	\$140,983	\$484,734	\$282,886	\$263,204	24
Power and Pumping	4,423,018	3,821,505	4,517,294	4,576,917	4,538,598	25
Purification	2,149,840	1,794,371	2,647,800	2,092,009	2,139,330	26
Transmission and Distribution	2,537,527	2,455,997	2,804,072	2,997,149	2,925,352	27
Customer Accounting and Collecting	1,590,873	2,120,314	1,914,104	1,709,161	1,733,560	28
Administrative and General	11,798,005	12,492,716	11,752,426	11,094,547	10,310,168	29
Total O & M Expense	\$22,522,499	\$22,825,886	\$24,120,430	\$22,752,668	\$21,910,212	30

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

	2014	2013	2012	2011	2010
1 Revenues	\$60,305,190	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,468
2 Sales (Thousands of Gallons)	8,565,609	9,014,379	8,945,001	8,930,283	9,480,215
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$4,103,053	\$3,411,310	\$3,753,678	\$3,499,924	\$3,518,464
4 Wages and Benefits	8,925,631	9,236,452	9,407,031	9,485,534	8,937,221
5 Other Operation and Maintenance Expense	9,493,815	10,178,125	10,959,722	9,767,209	9,454,528
6 Depreciation and Amortization Expense	5,082,845	4,456,425	3,981,578	3,633,354	3,375,222
7 Income Taxes-Operating	5,065,197	4,624,035	3,403,898	3,311,722	3,470,564
8 Other Taxes-Operating	17,523,444	16,041,982	13,982,866	11,427,376	11,385,019
9 Capital Costs	10,111,205	8,935,853	7,954,048	7,594,225	7,409,450
10 Total	\$60,305,190	\$56,884,181	\$53,442,819	\$48,719,345	\$47,550,468
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.8	6.0	7.0	7.2	7.4
12 Wages and Benefits	14.8	16.2	17.6	19.5	18.8
13 Other Operation and Maintenance Expense	15.7	17.9	20.5	20.0	19.9
14 Depreciation and Amortization Expense	8.4	7.8	7.5	7.5	7.1
15 Income Taxes-Operating	8.4	8.1	6.4	6.8	7.3
16 Other Taxes-Operating	29.1	28.2	26.2	23.5	23.9
17 Capital Costs	16.8	15.7	14.9	15.6	15.6
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.48	0.38	0.42	0.39	0.37
20 Wages and Benefits	1.04	1.02	1.05	1.06	0.94
21 Other Operation and Maintenance Expense	1.11	1.13	1.23	1.09	1.00
22 Depreciation and Amortization Expense	0.59	0.49	0.45	0.41	0.36
23 Income Taxes-Operating	0.59	0.51	0.38	0.37	0.37
24 Other Taxes-Operating	2.05	1.78	1.56	1.28	1.20
25 Capital Costs	1.18	0.99	0.89	0.85	0.78
26 Total	7.04	6.31	5.97	5.46	5.02

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	2,650,200	2,247,140	2,443,614	2,351,597	2,386,612
Chemicals	1,452,853	1,164,169	1,310,064	1,148,327	1,131,852
Total PW, Fuel and Chemicals	4,103,053	3,411,310	3,753,678	3,499,924	3,518,464
Total - Ultimate Customers					

Wages and Benefits

Salaries	6,707,165	7,156,391	6,994,037	6,872,874	6,492,138
Pensions and Benefits	2,218,466	2,080,061	2,412,993	2,612,661	2,445,083
Total Wages and Benefits	8,925,631	9,236,452	9,407,031	9,485,534	8,937,221

Other Expenses

Total O&M Expenses	22,522,499	22,825,886	24,120,430	22,752,668	21,910,213
-Total PW, Fuel and Chemicals	4,103,053	3,411,310	3,753,678	3,499,924	3,518,464
-Wages and Benefits	8,925,631	9,236,452	9,407,031	9,485,534	8,937,221
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	9,493,815	10,178,125	10,959,722	9,767,209	9,454,528

Depreciation and Amortization

Depreciation Exp	5,082,845	4,456,425	3,981,578	3,633,354	3,375,222
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	5,082,845	4,456,425	3,981,578	3,633,354	3,375,222

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

Total PW, Fuel and Chemicals	4,103,053	3,411,310	3,753,678	3,499,924	3,518,464
divided by Total Gallons	8,565,609	9,014,379	8,945,001	8,930,283	9,480,215
Cost per KWH	0.0005	0.0004	0.0004	0.0004	0.0004
times Sales for Resale MWHs					
Sales for Resale Cost					

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

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$148,580	\$148,580	\$148,580	\$148,580	\$148,580	1
Source of Supply	8,890,940	8,155,106	7,943,487	7,257,748	6,451,408	2
Pumping	12,611,582	12,398,514	11,983,269	11,400,790	10,848,961	3
Water Treatment	37,951,871	37,672,285	28,498,125	28,477,490	20,785,579	4
Transmission and Distribution	150,461,731	141,354,611	133,600,798	125,624,842	116,800,335	5
General	16,953,556	16,705,552	12,654,889	9,483,424	8,750,732	6
Purchased or Sold						7
Total Plant in Service	227,018,260	216,434,648	194,829,148	182,392,874	163,785,595	8
Plant Leased To Others						9
Construction Work In Progress	15,645,510	8,468,233	11,418,092	5,584,178	10,151,175	10
Plant Held For Future Use	110,933	110,933	110,933	110,933	110,933	11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	242,774,703	225,013,813	206,358,173	188,087,985	174,047,703	14
Accum. Prov. - Depr. & Amort.	55,960,878	53,293,938	51,902,699	49,185,702	46,722,931	15
Net Plant	\$186,813,825	\$171,719,876	\$154,455,474	\$138,902,283	\$127,324,772	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.28	0.37	0.32	0.70	0.63	17
Total Capitalization	\$145,497,174	\$132,912,905	\$113,724,443	\$116,916,526	\$106,698,390	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	52.0%	52.8%	50.0%	55.3%	55.1%	19
Preferred Stock	0.8%	0.8%	1.0%	1.0%	1.1%	20
Common Stock & Retained Earnings	47.3%	46.3%	49.0%	43.7%	43.9%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	3.7	3.8	3.1	3.2	3.4	23
Com. Stock Dividends as a % of Earnings	75.2%	76.0%	90.7%	72.4%	78.5%	24
Return on Common Equity	9.9%	10.7%	8.9%	9.2%	10.3%	25
Internal Cash Generated as a % of Cash Outflows for Construction	93.1%	50.8%	71.8%	73.8%	85.1%	26
CWIP as a % of Plant	6.4%	3.8%	5.5%	3.0%	5.8%	27
Number of Employees	79	83	83	88	90	28

Current Assets	6,184,802.49	8,508,515	7,956,586	7,048,284.74	7,200,455.00
Current Liabilities	21,814,085	22,839,828	24,908,880	10,025,858	11,470,649
Total Capitalization	145,497,174	132,912,905	113,724,443	116,916,526	106,698,390
Long-Term Debt	75,586,935	70,201,856	56,914,713	64,645,633	58,749,000
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)	68,785,239	61,586,049	55,684,730	51,145,893	46,824,390
Short-Term Debt					
Pretax Income	15,806,880	14,877,241	12,096,136	11,389,605	11,536,519
Interest Expense	4,255,974	3,932,613	3,896,406	3,521,120	3,363,564
Dividends Paid	4,830,033	4,772,173	4,304,000	3,262,000	3,651,000
Net Income (Excl. Preferred Stock Dividends)	6,422,427	6,279,495	4,745,208	4,506,137	4,651,765
Internal Cash	18,172,713	10,375,106	12,175,751	10,375,584	13,004,944
Cash Outflows for Construction	19,520,334	20,406,252	16,968,000	14,058,000	15,285,000
CWIP	15,645,510	8,468,233	11,418,092	5,584,178	10,151,175
Total Plant	242,774,703	225,013,813	206,358,173	188,087,985	174,047,703
Number of Employees	79	83	83	88	90
Salaries and Wages					

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$233,311,117	\$41,728,443	\$38,643,341	\$36,194,355	\$33,408,563
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)	239,001	239,001	239,001	239,001	239,001
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	239,001	239,001	239,001	239,001	239,001
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	400	200	35,607	40,232	3,725
7 Notes and Accounts Receivables - Net	1,898,275	198,352	506,413	911,446	590,404
8 Receivables from Associated Companies	2,838,639	3,509,510			
9 Materials and Supplies	437,632	2,806	3,307	7,459	(247)
10 Prepayments	798,069	341,911	314,244	304,976	297,285
11 Accrued Utility Revenue	7,264,217	1,827,554	2,059,704	1,949,942	1,701,690
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	13,237,232	5,880,332	2,919,274	3,214,055	2,592,857
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	30,095,804	2,640,999	2,988,503	3,560,783	2,905,112
16 Accumulated Deferred Income Taxes	3,966,404	648,600	434,262	(91,098)	552
17 Total Deferred Debits	34,062,208	3,289,599	3,422,765	3,469,685	2,905,664
18 Total Assets and Other Debits	\$280,849,558	\$51,137,376	\$45,224,382	\$43,117,097	\$39,146,085
PROPRIETARY CAPITAL					
19 Common Stock Issued	50,000	1,685,000	1,685,000	1,685,000	1,685,000
20 Preferred Stock Issued					
21 Other Paid-in Capital	140,635,745	30,161,495	24,295,495	24,029,495	21,829,495
22 Retained Earnings	79,616,701	8,951,323	7,838,652	6,972,586	6,009,375
23 Reacquired Capital Stock					
24 Total Proprietary Capital	220,302,446	40,797,818	33,819,147	32,687,081	29,523,870
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	2,791,948	271,862	1,208,893	2,080,921	1,043,552
28 Payables to Associated Companies					
29 Customer Deposits	379,180	68,975	11,463	10,055	2,100
30 Taxes Accrued	(1,858,685)	482,029	860,635	(35,509)	(350,168)
31 Interest Accrued	2,017	55			
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	4,056,089	907,101	960,830	579,750	962,648
34 Total Current and Accrued Liabilities	5,370,548	1,730,023	3,041,821	2,635,217	1,658,132
DEFERRED CREDITS					
35 Customer Advances for Construction	1,071,058	117,698	353,627	225,900	428,924
36 Other Deferred Credits	12,504,592	226,268	199,145	131,955	52,602
37 Accumulated Deferred Investment Tax Credits	493,045	69,825	71,925	74,029	76,133
38 Accumulated Deferred Income Taxes	36,116,378	8,195,743	7,738,718	7,362,914	7,406,424
39 Total Deferred Credits	50,185,073	8,609,535	8,363,414	7,794,798	7,964,083
OPERATING RESERVES					
40 Operating Reserves	4,991,491				
41 Total Liabilities and Other Credits	\$280,849,558	\$51,137,376	\$45,224,382	\$43,117,096	\$39,146,085

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$67,741,782	\$14,390,107	\$13,639,957	\$13,048,502	\$12,557,094	1
Operating Expense:						
Operation Expense	30,948,268	8,376,357	8,014,008	7,692,727	6,282,527	2
Maintenance Expense	1,271,300	186,673	302,400	343,376	444,183	3
Depreciation and Amortization Expense	5,415,047	1,107,915	1,004,606	874,843	786,674	4
Taxes Other than Income Taxes	11,328,567	1,883,647	1,840,912	1,774,192	1,768,670	5
Income Taxes	4,194,530	820,633	862,370	700,965	1,114,352	6
Total Operating Expenses	53,157,712	12,375,225	12,024,297	11,386,103	10,396,406	7
Net Operating Revenues	14,584,070	2,014,883	1,615,659	1,662,399	2,160,688	8
Other Utility Operating Income						9
Total Utility Operating Income	14,584,070	2,014,883	1,615,659	1,662,399	2,160,688	10
OTHER INCOME						
Interest and Dividend Income	323,008	34,666	35,804	12,763	64,047	11
Allowance for Funds Used During Construction	(250,611)	25,988	20,339	60,026	48,724	12
Miscellaneous Nonoperating Income	32,841	75,032	229,008	113,861	30,662	13
Other Income	(45,254)					14
Total Other Income	59,985	135,685	285,152	186,650	143,433	15
Other Income Deductions	148,087	(20)	12,733	2,334	7,099	16
Taxes-Other Income and Deductions						17
Income Available	14,495,968	2,150,587	1,888,078	1,846,715	2,297,022	18
INTEREST CHARGES						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	5,874,937	990,154	923,368	876,818	763,186	20
Other Interest Expense	362,375	47,763	98,644	6,686	168	21
Total Interest Charges	6,237,312	1,037,917	1,022,012	883,504	763,354	22
Income Before Extraordinary Items	8,258,656	1,112,670	866,066	963,211	1,533,668	23
Net Extraordinary Items	740,000					24
Net Income	\$7,518,656	\$1,112,670	\$866,066	\$963,211	\$1,533,668	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$74,770,045	\$7,838,652	\$6,972,585	\$6,009,374	\$4,475,706	26
Balance Transferred from Income	7,518,656	1,112,670	866,066	963,211	1,533,668	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	2,672,000					30
Adjustments to Retained Earnings						31
Net Change	4,846,656	1,112,670	866,066	963,211	1,533,668	32
Unappropriated (EOP)	79,616,701	8,951,323	7,838,651	6,972,585	6,009,374	33
Appropriated (EOP)						34
Total Retained Earnings	\$79,616,701	\$8,951,323	\$7,838,651	\$6,972,585	\$6,009,374	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$7,518,656	\$1,112,670	\$866,066	\$963,211	\$1,533,668
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	6,155,047	1,107,915	1,004,606	874,843	786,674
3 Deferred Taxes & ITCs	343,667	240,587	(151,660)	46,036	1,380,369
4 Receivables and Inventory	522,964	(2,968,796)	299,423	(576,999)	(496,170)
5 Payables and Accrued Expenses	(2,297,584)	(933,192)	(489,540)	662,426	526,539
6 Capitalized AFUDC - Equity Funds	250,611	(25,988)	(20,339)	(60,026)	(48,724)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	1,009,576	347,504	572,280	(655,671)	(1,424,599)
9 Accounts Payable	7,080,309	27,124	67,190		(1,464)
10 Other Current Liabilities	(2,973,859)	(406,274)	886,877	386,321	(237,583)
11 Net Cash From Operating Activities	<u>17,609,386</u>	<u>(1,498,450)</u>	<u>3,034,903</u>	<u>1,640,141</u>	<u>2,018,710</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(15,860,125)	(4,167,029)	(3,433,254)	(3,600,609)	(3,531,123)
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>(15,860,125)</u>	<u>(4,167,029)</u>	<u>(3,433,254)</u>	<u>(3,600,609)</u>	<u>(3,531,123)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	2,607,740	5,630,072	393,726	1,996,976	1,509,831
25 Common Stock	(1,685,000)				
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid	(2,672,000)				
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>(1,749,260)</u>	<u>5,630,072</u>	<u>393,726</u>	<u>1,996,976</u>	<u>1,509,831</u>
33 Net Increase/(Decrease) In Cash Equivalents	0	(35,407)	(4,625)	36,508	(2,582)
34 Cash & Cash Equivalents At Beginning Of Yea	400	35,607	40,233	3,725	6,307
35 Cash & Cash Equivalents At End Of Year	\$400	\$200	\$35,608	\$40,233	\$3,725

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$36,530,609	\$13,042,412	\$12,551,859	\$11,463,920	\$9,932,414	1
Sales to Other Water Companies	13,052,613					2
Other Sales of Water	7,361,305	1,347,695	1,088,096	1,584,581	2,624,681	3
Total Revenues from Sales of Water	56,944,527	14,390,107	13,639,956	13,048,501	12,557,095	4
Other Water Operating Revenues	10,797,255					5
						6
Total Water Operating Revenues	\$67,741,782	\$14,390,107	\$13,639,956	\$13,048,501	\$12,557,095	7
WATER SALES (Thousands of Gallons)						
Sales to General Customers	4,885,041	1,923,236	1,900,978	1,919,903	1,985,025	8
Sales to Other Water Companies	1,942,829					9
Other Sales of Water	258,507	106,340	119,076	116,274	116,907	10
						11
Total Sales of Water	7,086,377	2,029,576	2,020,054	2,036,177	2,101,932	12
AVG CUSTOMERS PER MONTH						
Sales to General Customers	38,656	11,875	12,132	12,140	12,170	13
Sales to Other Water Companies	3,737					14
Other Sales of Water	489	82	82	86	110	15
						16
Total Customers	42,882	11,957	12,214	12,226	12,280	17
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$945.02	\$1,098.31	\$1,034.61	\$944.31	\$816.14	18
Average Consumption per Customer (T.Gal)	126.37	161.96	156.69	158.15	163.11	19
Average Revenue per T Gallons Sold	\$7.48	\$6.78	\$6.60	\$5.97	\$5.00	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	\$20,052,592	\$5,852,555	\$5,613,304	\$5,569,800	\$4,439,044	24
Power and Pumping	2,309,429	337,713	306,387	286,938	285,196	25
Purification	699,736	44,435	29,436	30,047	37,125	26
Transmission and Distribution	2,645,646	427,112	477,434	468,239	611,005	27
Customer Accounting and Collecting	1,578,990	621,796	616,367	506,948	486,259	28
Administrative and General	4,933,175	1,279,419	1,273,481	1,174,129	868,080	29
Total O & M Expense	\$32,219,568	\$8,563,030	\$8,316,408	\$8,036,101	\$6,726,709	30

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

	2014	2013	2012	2011	2010
1 Revenues	\$67,741,782	\$14,390,107	\$13,639,956	\$13,048,501	\$12,557,095
2 Sales (Thousands of Gallons)	7,086,377	2,029,576	2,020,054	2,036,177	2,101,932
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$21,371,973	\$5,880,869	\$5,641,383	\$5,590,371	\$4,440,104
4 Wages and Benefits	4,917,017	717,109	757,072	736,856	572,834
5 Other Operation and Maintenance Expense	5,930,578	1,965,052	1,917,954	1,708,876	1,713,772
6 Depreciation and Amortization Expense	5,415,047	1,107,915	1,004,606	874,843	786,674
7 Income Taxes-Operating	4,194,530	820,633	862,370	700,965	1,114,352
8 Other Taxes-Operating	11,328,567	1,883,647	1,840,912	1,774,192	1,768,670
9 Capital Costs	14,584,070	2,014,882	1,615,659	1,662,398	2,160,689
10 Total	\$67,741,782	\$14,390,107	\$13,639,956	\$13,048,501	\$12,557,095
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	31.5	40.9	41.4	42.8	35.4
12 Wages and Benefits	7.3	5.0	5.6	5.6	4.6
13 Other Operation and Maintenance Expense	8.8	13.7	14.1	13.1	13.6
14 Depreciation and Amortization Expense	8.0	7.7	7.4	6.7	6.3
15 Income Taxes-Operating	6.2	5.7	6.3	5.4	8.9
16 Other Taxes-Operating	16.7	13.1	13.5	13.6	14.1
17 Capital Costs	21.5	14.0	11.8	12.7	17.2
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	3.02	2.90	2.79	2.75	2.11
20 Wages and Benefits	0.69	0.35	0.37	0.36	0.27
21 Other Operation and Maintenance Expense	0.84	0.97	0.95	0.84	0.82
22 Depreciation and Amortization Expense	0.76	0.55	0.50	0.43	0.37
23 Income Taxes-Operating	0.59	0.40	0.43	0.34	0.53
24 Other Taxes-Operating	1.60	0.93	0.91	0.87	0.84
25 Capital Costs	2.06	0.99	0.80	0.82	1.03
26 Total	9.56	7.09	6.75	6.41	5.97

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water	19,945,505	5,836,732	5,597,044	5,547,786	4,402,363
Fuel for Pumping	1,093,945	44,137	44,339	42,585	37,741
Chemicals	332,523				
Total PW, Fuel and Chemicals	21,371,973	5,880,869	5,641,383	5,590,371	4,440,104
Total - Ultimate Customers	21,371,973	5,880,869	5,641,383	5,590,371	4,440,104

Wages and Benefits

Salaries	3,230,458	804,797	753,251	674,410	663,976
Pensions and Benefits	1,686,559	(87,688)	3,821	62,446	(91,142)
Total Wages and Benefits	4,917,017	717,109	757,072	736,856	572,834

Other Expenses

Total O&M Expenses	32,219,568	8,563,030	8,316,408	8,036,103	6,726,710
-Total PW, Fuel and Chemicals	21,371,973	5,880,869	5,641,383	5,590,371	4,440,104
-Wages and Benefits	4,917,017	717,109	757,072	736,856	572,834
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	5,930,578	1,965,052	1,917,954	1,708,876	1,713,772

Depreciation and Amortization

Depreciation Exp	5,415,047	1,107,915	1,004,606	874,843	786,674
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	5,415,047	1,107,915	1,004,606	874,843	786,674

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

Total PW, Fuel and Chemicals	21,371,973	5,880,869	5,641,383	5,590,371	4,440,104
divided by Total Gallons	7,086,377	2,029,576	2,020,054	2,036,177	2,101,932
Cost per KWH	0.0030	0.0029	0.0028	0.0027	0.0021
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,**

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible	(42,590)					1
Source of Supply	\$22,136,673	\$71,288	\$71,288	\$71,288	\$71,288	2
Pumping	48,925,202	1,734,249	1,732,557	1,685,893	1,441,020	3
Water Treatment	3,136,403	685				4
Transmission and Distribution	186,219,055	48,615,190	44,186,624	41,314,490	39,276,848	5
General	20,112,270	3,050,566	2,663,359	2,546,341	2,169,595	6
Purchased or Sold						7
Total Plant in Service	280,487,012	53,471,978	48,653,829	45,618,012	42,958,751	8
Plant Leased To Others						9
Construction Work In Progress	1,440,415	413,527	1,394,023	1,156,744	764,600	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	281,927,427	53,885,505	50,047,852	46,774,756	43,723,351	14
Accum. Prov. - Depr. & Amort.	48,616,310	12,157,062	11,404,510	10,580,401	10,314,788	15
Net Plant	\$233,311,117	\$41,728,443	\$38,643,342	\$36,194,355	\$33,408,563	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	2.46	3.40	0.96	1.22	1.56	17
Total Capitalization	\$220,302,446	\$40,797,818	\$33,819,147	\$32,687,081	\$29,523,870	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%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	3.0	2.9	2.7	2.9	4.5	23
Com. Stock Dividends as a % of Earnings	35.5%					24
Return on Common Equity	5.8%	3.0%	2.6%	3.1%	10.4%	25
Internal Cash Generated as a % of Cash Outflows for Construction	111.0%	-36.0%	88.4%	45.6%	57.2%	26
CWIP as a % of Plant	0.5%	0.8%	2.8%	2.5%	1.7%	27
Number of Employees						28

Current Assets	13,237,232	5,880,332	2,919,274	3,214,055	2,592,857
Current Liabilities	5,370,548	1,730,023	3,041,821	2,635,217	1,658,132
Total Capitalization	220,302,446	40,797,818	33,819,147	32,687,081	29,523,870
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	220,302,446	40,797,818	33,819,147	32,687,081	29,523,870
Short-Term Debt					
Pretax Income	18,838,585	2,971,200	2,763,182	2,550,013	3,418,473
Interest Expense	6,237,312	1,037,917	1,022,012	883,504	763,354
Dividends Paid	2,672,000				
Net Income (Excl. Preferred Stock Dividends)	7,518,656	1,112,670	866,066	963,209	1,533,667
Internal Cash	17,609,386	(1,498,450)	3,034,903	1,640,141	2,018,710
Cash Outflows for Construction	15,860,125	4,167,029	3,433,254	3,600,609	3,531,123
CWIP	1,440,415	413,527	1,394,023	1,156,744	764,600
Total Plant	281,836,581	53,885,505	50,047,851	46,774,756	43,723,351
Number of Employees	65				
Salaries and Wages					

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$58,753,577	\$54,706,950	\$49,097,072	\$48,519,161	\$47,905,176
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments	11,104,321	10,654,423	10,568,764		
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	11,104,321	10,654,423	10,568,764		
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	81,853	86,300	770,504	750	750
7 Notes and Accounts Receivables - Net	1,232,101	2,403,483	1,155,248	1,814,130	2,408,455
8 Receivables from Associated Companies	4,820	6,479	1,050,755	9,280,674	3,562,966
9 Materials and Supplies	395,369	358,428	388,750	251,258	269,121
10 Prepayments	209,070	447,799	300,496	51,601	39,615
11 Accrued Utility Revenue	2,170,331	1,733,447	2,141,940	2,329,252	2,364,299
12 Misc Current and Accrued Assets		26,270			1,517,526
13 Total Current and Accrued Assets	4,093,543	5,062,205	5,807,693	13,727,665	10,162,732
DEFERRED DEBITS					
14 Unamort. Debt Expense	823,298	889,865	972,945	959,515	1,052,688
15 Other Deferred Debits	12,469,849	17,784,682	25,542,091	35,473,225	36,016,227
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	13,293,147	18,674,546	26,515,036	36,432,740	37,068,915
18 Total Assets and Other Debits	\$87,244,588	\$89,098,124	\$91,988,565	\$98,679,566	\$95,136,823
PROPRIETARY CAPITAL					
19 Common Stock Issued				\$3,674,470	\$3,674,470
20 Preferred Stock Issued					
21 Other Paid-in Capital	34,738,889	34,238,889	\$34,238,889	2,133,733	2,079,739
22 Retained Earnings	1,888,622	1,203,434	398,644	32,354,808	30,054,123
23 Reacquired Capital Stock					
24 Total Proprietary Capital	36,627,511	35,442,323	34,637,533	38,163,011	35,808,332
LONG-TERM DEBT					
25 Long-Term Debt	29,290,119	29,354,288	24,736,561	23,298,080	23,223,560
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	2,681,308	1,720,991	1,755,595	561,568	389,466
28 Payables to Associated Companies	(1,268,980)	(887,198)	(4,842,900)		
29 Customer Deposits					
30 Taxes Accrued	(1,809,827)	(1,832,678)	2,096,441	272,360	
31 Interest Accrued	150,858	108,615	63,196	325,858	270,792
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	44,805	459,958	1,014,501	2,251,754	2,997,616
34 Total Current and Accrued Liabilities	(201,836)	(430,312)	86,833	3,411,540	3,657,874
DEFERRED CREDITS					
35 Customer Advances for Construction	204,766	258,328	74,561	12,996	13,272
36 Other Deferred Credits	7,179,804	9,277,623	18,926,085	21,106,434	20,109,392
37 Accumulated Deferred Investment Tax Credits					
38 Accumulated Deferred Income Taxes	14,144,223	15,177,115	13,486,621	12,687,505	12,324,393
39 Total Deferred Credits	21,528,793	24,713,067	32,487,267	33,806,935	32,447,057
OPERATING RESERVES					
40 Operating Reserves		18,758	40,371		
41 Total Liabilities and Other Credits	\$87,244,588	\$89,098,124	\$91,988,565	\$98,679,566	\$95,136,823

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$27,276,049	\$26,920,969	\$27,926,354	\$27,258,288	\$27,478,959	1
Operating Expense:						
Operation Expense	10,368,651	10,626,328	10,410,037	9,019,286	9,293,490	2
Maintenance Expense	855,655	943,933	1,297,535	1,476,697	1,576,844	3
Depreciation and Amortization Expense	2,311,787	2,063,964	2,140,146	2,204,227	2,063,630	4
Taxes Other than Income Taxes	8,359,589	8,274,979	8,763,610	8,165,489	8,175,200	5
Income Taxes	1,863,715	1,709,354	1,895,614	1,564,399	1,633,240	6
Total Operating Expenses	23,759,397	23,618,559	24,506,942	22,430,098	22,742,404	7
Net Operating Revenues	3,516,652	3,302,411	3,419,412	4,828,190	4,736,555	8
Other Utility Operating Income						9
Total Utility Operating Income	3,516,652	3,302,411	3,419,412	4,828,190	4,736,555	10
OTHER INCOME						
Interest and Dividend Income	627	531				11
Allowance for Funds Used During Construction	472,350	295,236	58,551	16,622	27,560	12
Miscellaneous Nonoperating Income					11,553	13
Other Income			(2,390)	(4,992)	(26,670)	14
Total Other Income	472,977	295,767	56,161	11,630	12,443	15
Other Income Deductions		(70)		1,096,588	1,023,146	16
Taxes-Other Income and Deductions						17
Income Available	3,989,629	3,598,247	3,475,573	3,743,232	3,725,852	18
INTEREST CHARGES						
Interest on Long-Term Debt	1,291,388	1,156,905	1,216,042	1,393,193	1,393,193	19
Interest on Debt to Associated Co.						20
Other Interest Expense	122,101	106,231	111,398	49,354		21
Total Interest Charges	1,413,490	1,263,136	1,327,440	1,442,547	1,393,193	22
Income Before Extraordinary Items	2,576,139	2,335,111	2,148,133	2,300,685	2,332,659	23
Net Extraordinary Items						24
Net Income	\$2,576,139	\$2,335,111	\$2,148,133	\$2,300,685	\$2,332,659	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$1,203,434	\$398,644	\$32,354,808	\$30,054,123	\$29,421,464	26
Balance Transferred from Income	2,576,139	2,335,111	2,148,133	2,300,685	2,332,659	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	1,890,952	1,530,320	2,669,541		1,700,000	30
Adjustments to Retained Earnings			(31,434,756)			31
Net Change	685,187	804,790	(31,956,164)	2,300,685	632,659	32
Unappropriated (EOP)	1,888,622	1,203,434	398,644	32,354,808	30,054,123	33
Appropriated (EOP)						34
Total Retained Earnings	\$1,888,622	\$1,203,434	\$398,644	\$32,354,808	\$30,054,123	35

Notes:

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$2,576,139	\$2,335,111	\$2,148,133	\$2,300,685	\$2,332,659
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	2,568,955	362,147	2,253,147	3,284,587	3,164,543
3 Deferred Taxes & ITCs	766,110	1,045,075	481,874	363,112	1,134,485
4 Receivables and Inventory	803,132	(1,136,600)	1,338,645	748,679	(600,984)
5 Payables and Accrued Expenses	610,258	(4,472,847)	2,975,362	499,528	1,258,904
6 Capitalized AFUDC - Equity Funds			(58,551)	(16,622)	(27,560)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	1,803,888	(1,500,389)	(2,259,941)	(4,615,055)	(2,489,737)
9			(640,000)		
10			(1,363,456)		
11 Net Cash From Operating Activities	<u>9,128,482</u>	<u>(3,367,503)</u>	<u>4,875,213</u>	<u>2,564,914</u>	<u>4,772,310</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(6,358,394)	(5,682,766)	(4,092,786)	(2,693,428)	(4,025,580)
13 Acquisition Of Other Non-Current Assets					(1,487,339)
14 Investments In & Advances to Affiliates	(448,239)	958,617	8,229,919		
15 Contributions & Advances from Affiliates	2,088,508	(863,684)	(5,182,864)		
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(4,718,125)</u>	<u>(5,587,833)</u>	<u>(1,045,731)</u>	<u>(2,693,428)</u>	<u>(5,512,919)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt		4,798,300	(390,187)	74,520	74,520
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt	(2,523,852)	5,003,152			
28 Dividends Paid	(1,890,951)	(1,530,320)	(2,669,541)		(1,700,000)
29 Other Cash Flows - Financing Activities				53,994	29,458
30					
31					
32 Net Cash From Financing Activities	<u>(4,414,803)</u>	<u>8,271,132</u>	<u>(3,059,728)</u>	<u>128,514</u>	<u>(1,596,022)</u>
33 Net Increase/(Decrease) In Cash Equivalents	(4,446)	(684,204)	769,754		(2,336,631)
34 Cash & Cash Equivalents At Beginning Of Year	86,300	770,504	750	750	2,337,381
35 Cash & Cash Equivalents At End Of Year	\$81,853	\$86,300	\$770,504	\$750	\$750

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$23,257,401	\$22,751,364	\$23,750,083	\$22,549,752	\$22,440,422	1
Sales to Other Water Companies	1,942,718	2,188,740	1,752,933	2,219,976	2,556,073	2
Other Sales of Water	1,892,206	1,884,164	2,094,231	1,878,392	1,866,738	3
Total Revenues from Sales of Water	27,092,325	26,824,268	27,597,247	26,648,120	26,863,233	4
Other Water Operating Revenues	183,724	96,702	329,107	610,168	615,726	5
Total Water Operating Revenues	\$27,276,049	\$26,920,970	\$27,926,354	\$27,258,288	\$27,478,959	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	4,472,004	4,701,063	4,598,528	4,500,361	5,003,189	8
Sales to Other Water Companies	514,164	517,147	347,840	666,933	884,377	9
Other Sales of Water						10
Total Sales of Water	4,986,168	5,218,210	4,946,368	5,167,294	5,887,566	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	42,559	42,593	42,708	43,027	42,992	13
Sales to Other Water Companies	1,786	1,801	1,806	1,225	1,150	14
Other Sales of Water	319	318	309	315	309	15
Total Customers	44,664	44,712	44,823	44,567	44,451	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$546.47	\$534.16	\$556.10	\$524.08	\$521.97	18
Average Consumption per Customer (T.Gal)	105.08	110.37	107.67	104.59	116.37	19
Average Revenue per T Gallons Sold	\$5.20	\$4.84	\$5.16	\$5.01	\$4.49	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	\$79,690	\$80,874	\$191,935	\$216,965	\$185,181	24
Power and Pumping	2,103,834	2,363,813	2,154,933	1,808,996	1,943,129	25
Purification	770,130	966,413	1,005,993	1,203,485	1,302,584	26
Transmission and Distribution	1,448,680	1,195,432	1,458,730	1,287,689	1,407,317	27
Customer Accounting and Collecting	480,714	223,763	124,991	260,017	703,713	28
Administrative and General	6,341,258	6,739,966	6,770,990	5,718,831	5,328,408	29
Total O & M Expense	\$11,224,307	\$11,570,262	\$11,707,572	\$10,495,983	\$10,870,332	30

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

	2014	2013	2012	2011	2010
1 Revenues	\$27,276,049	\$26,920,970	\$27,926,354	\$27,258,288	\$27,478,959
2 Sales (Thousands of Gallons)	4,986,168	5,218,210	4,946,368	5,167,294	5,887,566
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$1,772,439	\$2,243,653	\$2,253,863	\$2,096,636	\$2,281,201
4 Wages and Benefits	4,889,031	3,847,724	4,538,383	4,635,953	4,810,671
5 Other Operation and Maintenance Expense	4,562,837	5,478,885	4,915,326	3,763,394	3,778,460
6 Depreciation and Amortization Expense	2,311,787	2,063,964	2,140,146	2,204,227	2,063,630
7 Income Taxes-Operating	1,863,715	1,709,354	1,895,614	1,564,399	1,633,240
8 Other Taxes-Operating	8,359,589	8,274,979	8,763,610	8,165,489	8,175,200
9 Capital Costs	3,516,651	3,302,411	3,419,412	4,828,190	4,736,557
10 Total	\$27,276,049	\$26,920,970	\$27,926,354	\$27,258,288	\$27,478,959
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.5	8.3	8.1	7.7	8.3
12 Wages and Benefits	17.9	14.3	16.3	17.0	17.5
13 Other Operation and Maintenance Expense	16.7	20.4	17.6	13.8	13.8
14 Depreciation and Amortization Expense	8.5	7.7	7.7	8.1	7.5
15 Income Taxes-Operating	6.8	6.3	6.8	5.7	5.9
16 Other Taxes-Operating	30.6	30.7	31.4	30.0	29.8
17 Capital Costs	12.9	12.3	12.2	17.7	17.2
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	0.36	0.43	0.46	0.41	0.39
20 Wages and Benefits	0.98	0.74	0.92	0.90	0.82
21 Other Operation and Maintenance Expense	0.92	1.05	0.99	0.73	0.64
22 Depreciation and Amortization Expense	0.46	0.40	0.43	0.43	0.35
23 Income Taxes-Operating	0.37	0.33	0.38	0.30	0.28
24 Other Taxes-Operating	1.68	1.59	1.77	1.58	1.39
25 Capital Costs	0.71	0.63	0.69	0.93	0.80
26 Total	5.47	5.16	5.65	5.28	4.67

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	1,093,940	1,469,419	1,728,368	1,466,898	1,600,918
Chemicals	678,499	774,235	525,495	629,738	680,283
Total PW, Fuel and Chemicals	1,772,439	2,243,653	2,253,863	2,096,636	2,281,201
Total - Ultimate Customers	1,772,439	2,243,653	2,253,863	2,096,636	2,281,201

Wages and Benefits

Salaries	3,550,487	2,361,270	2,663,108	2,932,095	3,293,072
Pensions and Benefits	1,338,544	1,486,454	1,875,275	1,703,858	1,517,599
Total Wages and Benefits	4,889,031	3,847,724	4,538,383	4,635,953	4,810,671

Other Expenses

Total O&M Expenses	11,224,307	11,570,262	11,707,572	10,495,983	10,870,332
-Total PW, Fuel and Chemicals	1,772,439	2,243,653	2,253,863	2,096,636	2,281,201
-Wages and Benefits	4,889,031	3,847,724	4,538,383	4,635,953	4,810,671
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	4,562,837	5,478,885	4,915,326	3,763,394	3,778,460

Depreciation and Amortization

Depreciation Exp	2,311,787	2,063,964	2,140,146	2,204,227	2,063,630
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	2,311,787	2,063,964	2,140,146	2,204,227	2,063,630

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

Total PW, Fuel and Chemicals	1,772,439	2,243,653	2,253,863	2,096,636	2,281,201
divided by Total Gallons	4,986,168	5,218,210	4,946,368	5,167,294	5,887,566
Cost per KWH	0.0004	0.0004	0.0005	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,

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$31,152	\$31,152	\$31,152	\$31,152	\$31,152	1
Source of Supply	4,627,231	4,632,517	4,632,517	4,593,935	2,980,692	2
Pumping	14,768,081	14,703,868	14,624,083	14,648,077	14,561,266	3
Water Treatment	10,750,646	10,719,123	10,716,094	10,646,194	10,479,332	4
Transmission and Distribution	56,337,252	53,338,968	48,390,729	47,809,878	46,711,680	5
General	7,247,845	4,716,796	3,701,811	5,820,673	5,232,160	6
Purchased or Sold						7
Total Plant in Service	93,762,208	88,142,424	82,096,386	83,549,909	79,996,181	8
Plant Leased To Others						9
Construction Work In Progress	5,215,983	4,664,886	3,668,414	645,622	1,489,576	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	98,978,191	92,807,310	85,764,800	84,195,531	81,485,757	14
Accum. Prov. - Depr. & Amort.	40,224,614	38,100,361	36,667,728	35,676,370	33,580,581	15
Net Plant	\$58,753,577	\$54,706,950	\$49,097,072	\$48,519,161	\$47,905,176	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	(20.28)	(11.76)	66.88	4.02	2.78	17
Total Capitalization	\$65,917,630	\$64,796,611	\$59,374,094	\$61,461,091	\$59,031,892	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	44.4%	45.3%	41.7%	37.9%	39.3%	19
Preferred Stock						20
Common Stock & Retained Earnings	55.6%	54.7%	58.3%	62.1%	60.7%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	4.1	4.2	4.0	4.4	4.6	23
Com. Stock Dividends as a % of Earnings	73.4%	65.5%	124.3%		72.9%	24
Return on Common Equity	7.1%	6.7%	5.9%	6.2%	6.6%	25
Internal Cash Generated as a % of Cash Outflows for Construction	143.6%	59.3%	119.1%	95.2%	118.5%	26
CWIP as a % of Plant	5.3%	5.0%	4.3%	0.8%	1.8%	27
Number of Employees	33	33	34	41	42	28

Current Assets	4,093,543.40	5,062,205	5,807,693.00	13,727,665.00	10,162,732.00
Current Liabilities	(201,836)	(430,312)	86,833	3,411,540	3,657,874
Total Capitalization	65,917,630	64,796,611	59,374,094	61,461,091	59,031,892
Long-Term Debt	29,290,119	29,354,288	24,736,561	23,298,080	23,223,560
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	36,627,511	35,442,323	34,637,533	38,163,011	35,808,332
Short-Term Debt					
Pretax Income	5,853,344	5,307,602	5,371,187	6,404,219	6,382,238
Interest Expense	1,413,490	1,263,136	1,327,440	1,442,547	1,393,193
Dividends Paid	1,890,951	1,530,320	2,669,541		1,700,000
Net Income (Excl. Preferred Stock Dividends)	2,576,139	2,335,111	2,148,133	2,300,685	2,332,659
Internal Cash	9,128,482	(3,367,503)	4,875,213	2,564,914	4,772,310
Cash Outflows for Construction	6,358,394	(5,682,766)	4,092,786	2,693,428	4,025,580
CWIP	5,215,983	4,664,886	3,668,414	645,622	1,489,576
Total Plant	98,978,191	92,807,310	86,274,210	84,195,531	81,485,858
Number of Employees	33	33	34	41	42
Salaries and Wages					

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$10,113,491	\$9,720,101	\$9,443,407	\$9,456,827	\$9,357,747
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments	1,655,647	1,611,940	1,612,078		
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments	1,655,647	1,611,940	1,612,078		
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	7,879	8,324	74,428		
7 Notes and Accounts Receivables - Net	427,282	404,953	218,162	283,143	256,600
8 Receivables from Associated Companies	468	630	101,599		276,594
9 Materials and Supplies	83,107	28,476	(6,863)	48,486	37,296
10 Prepayments	(135,721)	100,344	181,299	47,653	38,070
11 Accrued Utility Revenue	296,744	410,503	330,949	401,069	451,327
12 Misc Current and Accrued Assets		2,556			
13 Total Current and Accrued Assets	679,759	955,787	899,574	780,351	1,059,887
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	1,115,503	1,097,173	938,591	1,996,608	1,953,410
16 Accumulated Deferred Income Taxes					
17 Total Deferred Debits	1,115,503	1,097,173	938,591	1,996,608	1,953,410
18 Total Assets and Other Debits	\$13,564,399	\$13,385,002	\$12,893,650	\$12,233,786	\$12,371,044
PROPRIETARY CAPITAL					
19 Common Stock Issued				\$24,950	24,950
20 Preferred Stock Issued					
21 Other Paid-in Capital	4,358,395	2,858,395	\$2,858,395	2,017,959	2,017,959
22 Retained Earnings	205,131	158,418	23,408	3,189,985	2,953,075
23 Reacquired Capital Stock					
24 Total Proprietary Capital	4,563,526	3,016,813	2,881,803	5,232,894	4,995,984
LONG-TERM DEBT					
25 Long-Term Debt	4,983,486			3,800,000	3,800,000
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	294,815	159,521	112,880	2,975	173,000
28 Payables to Associated Companies	1,261,556	7,103,237	6,239,351	74,370	
29 Customer Deposits					
30 Taxes Accrued	(238,008)	(338,698)	68,493	(133,607)	264,381
31 Interest Accrued	30,348				15,311
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	18,684	38,757	120,419	419,671	446,982
34 Total Current and Accrued Liabilities	1,367,394	6,962,817	6,541,143	363,409	899,674
DEFERRED CREDITS					
35 Customer Advances for Construction	19,931	19,931	28,698	28,698	63,438
36 Other Deferred Credits	604,561	1,004,622	1,224,049	665,658	658,172
37 Accumulated Deferred Investment Tax Credits					46,300
38 Accumulated Deferred Income Taxes	2,025,500	2,378,993	2,212,148	2,143,127	1,907,476
39 Total Deferred Credits	2,649,992	3,403,546	3,464,895	2,837,483	2,675,386
OPERATING RESERVES					
40 Operating Reserves		1,825	5,809		
41 Total Liabilities and Other Credits	\$13,564,399	\$13,385,002	\$12,893,650	\$12,233,786	\$12,371,044

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$3,544,170	\$3,422,676	\$2,768,996	\$2,780,840	\$3,115,777	1
Operating Expense:						
Operation Expense	925,043	843,982	775,135	692,231	701,207	2
Maintenance Expense	68,032	97,977	112,994	121,218	88,849	3
Depreciation and Amortization Expense	245,516	226,883	256,894	271,593	244,540	4
Taxes Other than Income Taxes	1,950,170	1,539,381	1,440,612	1,160,712	882,574	5
Income Taxes	127,059	294,262	71,521	83,755	445,149	6
Total Operating Expenses	3,315,820	3,002,485	2,657,156	2,329,509	2,362,319	7
Net Operating Revenues	228,350	420,191	111,840	451,331	753,458	8
Other Utility Operating Income						9
Total Utility Operating Income	228,350	420,191	111,840	451,331	753,458	10
OTHER INCOME						
Interest and Dividend Income	29	52				11
Allowance for Funds Used During Construction	37,544	23,258	1,681	1,978	907	12
Miscellaneous Nonoperating Income						13
Other Income			(412)	1,970		14
Total Other Income	37,574	23,309	1,269	3,948	907	15
Other Income Deductions				1,368	1,988	16
Taxes-Other Income and Deductions		(6)				17
Income Available	265,924	443,507	113,109	453,911	752,377	18
INTEREST CHARGES						
Interest on Long-Term Debt	77,177	21,036				19
Interest on Debt to Associated Co.	(194)	(0)	32,004	192,022	101,324	20
Other Interest Expense	13,311	20,480	4,948	24,979	16,443	21
Total Interest Charges	90,294	41,516	36,952	217,001	117,767	22
Income Before Extraordinary Items	175,629	401,991	76,157	236,910	634,610	23
Net Extraordinary Items						24
Net Income	\$175,629	\$401,991	\$76,157	\$236,910	\$634,610	25
<hr/>						
RETAINED EARNINGS						
Unappropriated (Beginning)	\$158,418	\$23,408	\$3,189,985	\$2,953,075	\$2,318,465	26
Balance Transferred from Income	175,629	401,991	76,157	236,910	634,610	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	128,916	266,981	156,351			30
Adjustments to Retained Earnings			(3,086,383)			31
Net Change	46,713	135,010	(3,166,577)	236,910	634,610	32
Unappropriated (EOP)	205,131	158,418	23,408	3,189,985	2,953,075	33
Appropriated (EOP)						34
Total Retained Earnings	\$205,131	\$158,418	\$23,408	\$3,189,985	\$2,953,075	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$175,629	\$401,991	\$76,157	\$236,910	\$634,610
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	261,028	241,276	262,187	272,961	244,540
3 Deferred Taxes & ITCs	312,140	28,136	190,405	243,137	476,075
4 Receivables and Inventory	227,860	(600,793)	(343,664)	16,878	(160,786)
5 Payables and Accrued Expenses	(392,578)	(226,910)	(172,629)	(571,005)	604,235
6 Capitalized AFUDC - Equity Funds			(1,681)	(1,978)	(907)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(982,395)	(102,954)	111,295	(4,353)	(163,021)
9				(9,583)	(345)
10				(29,410)	1,178
11 Net Cash From Operating Activities	<u>(398,316)</u>	<u>(259,254)</u>	<u>122,070</u>	<u>153,557</u>	<u>1,635,579</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(646,318)	(496,093)	(323,141)	(153,557)	(744,953)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates.	(43,545)	101,106	(101,599)		
15 Contributions & Advances from Affiliates	(3,783,350)	(1,203,214)	4,333,449		
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					(276,594)
18 Other Debt & Equity Investments					
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities	<u>(4,473,213)</u>	<u>(1,598,201)</u>	<u>3,908,709</u>	<u>(153,557)</u>	<u>(1,021,547)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt					
25 Common Stock					
26 Preferred Stock	5,000,000	558,332	(3,800,000)		
27 Short-Term Debt		1,500,000			
28 Dividends Paid	(128,916)	(266,981)	(156,351)		
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>4,871,084</u>	<u>1,791,351</u>	<u>(3,956,351)</u>		
33 Net Increase/(Decrease) In Cash Equivalents	(445)	(66,104)	74,428		614,032
34 Cash & Cash Equivalents At Beginning Of Year	8,324	74,428			(614,032)
35 Cash & Cash Equivalents At End Of Year	\$7,879	\$8,324	\$74,428		

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$2,619,859	\$2,632,597	\$1,701,964	\$1,639,809	\$1,935,426	1
Sales to Other Water Companies	403,965	223,131	519,295	350,189	421,080	2
Other Sales of Water	312,186	299,559	333,895	321,621	322,032	3
Total Revenues from Sales of Water	3,336,010	3,155,287	2,555,154	2,311,619	2,678,538	4
Other Water Operating Revenues	208,160	267,388	213,842	469,221	437,240	5
Total Water Operating Revenues	\$3,544,170	\$3,422,675	\$2,768,996	\$2,780,840	\$3,115,778	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	351,688	369,634	187,371	355,522	323,739	8
Sales to Other Water Companies	53,369	165,702	27,184	82,495	75,912	9
Other Sales of Water						10
Total Sales of Water	405,057	535,336	214,555	438,017	399,651	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	3,936	3,941	3,948	3,949	3,953	13
Sales to Other Water Companies	358	355	397	375	379	14
Other Sales of Water	48	48	16	48	50	15
Total Customers	4,342	4,344	4,361	4,372	4,382	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$665.61	\$668.00	\$431.10	\$415.25	\$489.61	18
Average Consumption per Customer (T.Gal)	89.35	93.79	47.46	90.03	81.90	19
Average Revenue per T Gallons Sold	\$7.45	\$7.12	\$9.08	\$4.61	\$5.98	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$25,054	\$10,305	\$9,839	\$7,447	\$10,432	24
Power and Pumping	266,270	212,372	206,749	198,485	179,676	25
Purification	47,512	36,947	78,519	59,063	57,247	26
Transmission and Distribution	154,263	121,387	106,086	102,096	94,241	27
Customer Accounting and Collecting	23,079	18,316	35,302	56,259	44,501	28
Administrative and General	476,897	542,632	451,634	390,100	403,959	29
Total O & M Expense	\$993,075	\$941,959	\$888,129	\$813,450	\$790,056	30

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

	2014	2013	2012	2011	2010
1 Revenues	\$3,544,170	\$3,422,675	\$2,768,996	\$2,780,840	\$3,115,778
2 Sales (Thousands of Gallons)	405,057	535,336	214,555	438,017	399,651
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$214,724	\$178,549	\$205,135	\$200,471	\$193,474
4 Wages and Benefits	429,738	292,960	315,981	316,924	299,155
5 Other Operation and Maintenance Expense	348,612	470,450	367,013	296,055	297,427
6 Depreciation and Amortization Expense	245,516	226,883	256,894	271,593	244,540
7 Income Taxes-Operating	127,059	294,262	71,521	83,755	445,149
8 Other Taxes-Operating	1,950,170	1,539,381	1,440,612	1,160,712	882,574
9 Capital Costs	228,350	420,191	111,840	451,330	753,459
10 Total	\$3,544,170	\$3,422,675	\$2,768,996	\$2,780,840	\$3,115,778
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	6.1	5.2	7.4	7.2	6.2
12 Wages and Benefits	12.1	8.6	11.4	11.4	9.6
13 Other Operation and Maintenance Expense	9.8	13.7	13.3	10.6	9.5
14 Depreciation and Amortization Expense	6.9	6.6	9.3	9.8	7.8
15 Income Taxes-Operating	3.6	8.6	2.6	3.0	14.3
16 Other Taxes-Operating	55.0	45.0	52.0	41.7	28.3
17 Capital Costs	6.4	12.3	4.0	16.2	24.2
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	0.53	0.33	0.96	0.46	0.48
20 Wages and Benefits	1.06	0.55	1.47	0.72	0.75
21 Other Operation and Maintenance Expense	0.86	0.88	1.71	0.68	0.74
22 Depreciation and Amortization Expense	0.61	0.42	1.20	0.62	0.61
23 Income Taxes-Operating	0.31	0.55	0.33	0.19	1.11
24 Other Taxes-Operating	4.81	2.88	6.71	2.65	2.21
25 Capital Costs	0.56	0.78	0.52	1.03	1.89
26 Total	8.75	6.39	12.91	6.35	7.80

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water					
Fuel for Pumping	174,582	160,032	170,691	162,995	161,623
Chemicals	40,142	18,517	34,444	37,476	31,851
Total PW, Fuel and Chemicals	214,724	178,549	205,135	200,471	193,474
Total - Ultimate Customers					

Wages and Benefits

Salaries	341,902	218,563	263,740	273,907	251,455
Pensions and Benefits	87,836	74,397	52,241	43,017	47,700
Total Wages and Benefits	429,738	292,960	315,981	316,924	299,155

Other Expenses

Total O&M Expenses	993,075	941,959	888,129	813,450	790,056
-Total PW, Fuel and Chemicals	214,724	178,549	205,135	200,471	193,474
-Wages and Benefits	429,738	292,960	315,981	316,924	299,155
Other Expenses	348,612	470,450	367,013	296,055	297,427

Depreciation and Amortization

Depreciation Exp	245,516	226,883	256,894	271,593	244,540
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	245,516	226,883	256,894	271,593	244,540

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

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible						1
Source of Supply	\$236,404	\$236,404	\$236,404	\$239,682	\$239,682	2
Pumping	908,774	906,677	906,677	1,015,806	1,007,621	3
Water Treatment	444,762	444,762	444,762	346,071	345,325	4
Transmission and Distribution	10,529,576	10,372,894	10,126,037	9,827,768	9,321,692	5
General	668,431	635,890	709,987	895,387	872,571	6
Purchased or Sold						7
Total Plant in Service	12,787,947	12,596,627	12,423,866	12,324,714	11,786,891	8
Plant Leased To Others						9
Construction Work In Progress	728,264	280,489	157,379	141,770	524,058	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights						13
Total Plant	13,516,211	12,877,116	12,581,245	12,466,484	12,310,949	14
Accum. Prov. - Depr. & Amort.	3,402,720	3,157,016	3,137,838	3,009,655	2,953,200	15
Net Plant	\$10,113,491	\$9,720,101	\$9,443,407	\$9,456,829	\$9,357,749	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.50	0.14	0.14	2.15	1.18	17
Total Capitalization	\$9,547,012	\$3,016,813	\$2,881,803	\$9,032,894	\$8,795,984	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	52.2%			42.1%	43.2%	19
Preferred Stock						20
Common Stock & Retained Earnings	47.8%	100.0%	100.0%	57.9%	56.8%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense	4.4	17.8	5.0	4.6	10.2	23
Com. Stock Dividends as a % of Earnings	73.4%	66.4%	205.3%			24
Return on Common Equity	4.6%	13.6%	1.9%	6.5%	13.6%	25
Internal Cash Generated as a % of Cash Outflows for Construction	-61.6%	52.3%	37.8%	91.0%	219.6%	26
CWIP as a % of Plant	5.4%	2.2%	1.2%	1.1%	4.3%	27
Number of Employees	4	3	5	4	4	28

Current Assets	679,758.56	955,787	899,574.00	780,351.00	1,059,887
Current Liabilities	1,367,394	6,962,817	6,541,143	363,409	899,674
Total Capitalization	9,547,012	3,016,813	2,881,803	9,032,894	8,795,984
Long-Term Debt	4,983,486			3,800,000	3,800,000
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	4,563,526	3,016,813	2,881,803	5,232,894	4,995,984
Short-Term Debt					
Pretax Income	392,983	737,769	184,630	535,993	1,199,514
Interest Expense	90,294	41,516	36,952	117,767	117,767
Dividends Paid	128,916	266,981	156,351		
Net Income (Excl. Preferred Stock Dividends)	175,629	401,991	76,157	332,483	634,610
Internal Cash	(398,316)	(259,254)	122,070	139,769	1,635,579
Cash Outflows for Construction	646,318	(496,093)	323,141	153,557	744,953
CWIP	728,264	280,489	157,379	141,770	524,058
Total Plant	13,516,211	12,877,116	12,772,027	12,466,484	12,310,949
Number of Employees	4	3	5	4	4
Salaries and Wages					

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant		\$181,388,207	\$175,452,794	\$170,475,164	\$165,409,083
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents		200	12,683	22,849	(1,182,331)
7 Notes and Accounts Receivables - Net		2,153,184	2,435,480	3,724,391	2,526,026
8 Receivables from Associated Companies		49,483			
9 Materials and Supplies		428,297	456,354	571,429	365,013
10 Prepayments		321,913	123,092	203,783	58,219
11 Accrued Utility Revenue		4,792,541	5,061,467	3,628,417	3,631,997
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets		7,745,619	8,089,076	8,150,869	5,398,924
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits		29,204,380	35,546,120	34,390,803	24,351,916
16 Accumulated Deferred Income Taxes		2,543,140	1,549,680	373,792	556,273
17 Total Deferred Debits		31,747,520	37,095,800	34,764,595	24,908,189
18 Total Assets and Other Debits		\$220,881,345	\$220,637,670	\$213,390,628	\$195,716,196
PROPRIETARY CAPITAL					
19 Common Stock Issued		50,000	50,000	50,000	\$50,000
20 Preferred Stock Issued					
21 Other Paid-in Capital		108,411,250	108,411,250	108,411,250	99,686,250
22 Retained Earnings		65,818,722	66,017,651	65,267,903	59,857,761
23 Reacquired Capital Stock					
24 Total Proprietary Capital		174,279,972	174,478,901	173,729,153	159,594,011
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable		3,474,489	3,076,161	4,446,095	1,504,461
28 Payables to Associated Companies		113,921	105,341	184,909	180,589
29 Customer Deposits		135,348	3,268	34,898	20,829
30 Taxes Accrued		3,305,967	2,590,519	(1,054,862)	(634,436)
31 Interest Accrued		91		141,994	
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities		4,554,973	3,577,171	2,516,176	4,079,649
34 Total Current and Accrued Liabilities		11,584,790	9,352,459	6,269,210	5,151,092
DEFERRED CREDITS					
35 Customer Advances for Construction		408,621	311,018	430,385	594,745
36 Other Deferred Credits		5,198,015	5,524,305	3,910,294	3,196,396
37 Accumulated Deferred Investment Tax Credits		442,012	458,704	475,396	492,088
38 Accumulated Deferred Income Taxes		26,783,512	26,512,554	25,057,097	24,358,693
39 Total Deferred Credits		32,832,159	32,806,581	29,873,172	28,641,922
OPERATING RESERVES					
40 Operating Reserves		2,184,424	3,999,729	3,519,093	2,329,771
41 Total Liabilities and Other Credits		\$220,881,345	\$220,637,670	\$213,390,628	\$195,716,796

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues		\$50,591,295	\$49,712,441	\$48,966,236	\$43,555,966	1
Operating Expense:						
Operation Expense		22,763,461	22,013,328	21,706,994	20,010,912	2
Maintenance Expense		1,137,691	1,013,693	1,254,712	1,466,351	3
Depreciation and Amortization Expense		5,037,327	4,969,052	4,463,127	4,243,389	4
Taxes Other than Income Taxes		7,523,129	7,161,945	6,999,533	6,905,832	5
Income Taxes		3,838,243	3,934,216	3,952,868	6,698,212	6
Total Operating Expenses		40,299,851	39,092,233	38,377,234	39,324,696	7
Net Operating Revenues		10,291,444	10,620,208	10,589,002	4,231,270	8
Other Utility Operating Income						9
Total Utility Operating Income		10,291,444	10,620,208	10,589,002	4,231,270	10
OTHER INCOME						
Interest and Dividend Income		367,059	354,774	227,480	1,492,247	11
Allowance for Funds Used During Construction		265,981	277,472	(206,760)	72,558	12
Miscellaneous Nonoperating Income		743	36,718	46,366	171,262	13
Other Income		16,983	6,965	227		14
Total Other Income		650,765	675,929	67,313	1,736,067	15
Other Income Deductions		133,470	162,414	149,072	71,985	16
Taxes-Other Income and Deductions						17
Income Available		10,808,739	11,133,723	10,507,243	5,895,352	18
INTEREST CHARGES						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.		4,895,903	4,694,344	4,677,056	4,261,839	20
Other Interest Expense		386,804	246,520	420,045	478,443	21
Total Interest Charges		5,282,707	4,940,864	5,097,101	4,740,282	22
Income Before Extraordinary Items		5,526,032	6,192,859	5,410,142	1,155,070	23
Net Extraordinary Items						24
Net Income		\$5,526,032	\$6,192,859	\$5,410,142	\$1,155,070	25
RETAINED EARNINGS						
Unappropriated (Beginning)		\$66,017,651	\$65,267,903	\$59,857,761	\$61,502,691	26
Balance Transferred from Income		5,526,032	6,192,859	5,410,142	1,155,070	27
Appropriated		5,193,000	4,817,000		2,800,000	28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock						30
Adjustments to Retained Earnings		(531,961)	(626,112)			31
Net Change		(198,929)	749,747	5,410,142	(1,644,930)	32
Unappropriated (EOP)		65,818,722	66,017,651	65,267,903	59,857,761	33
Appropriated (EOP)						34
Total Retained Earnings		\$65,818,722	\$66,017,651	\$65,267,903	\$59,857,761	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income		\$4,994,071	\$6,192,859	\$5,410,142	\$1,155,070
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization		5,037,327	4,969,052	4,463,127	6,722,361
3 Deferred Taxes & ITCs		(739,194)			1,695,748
4 Receivables and Inventory		529,795	(29,065)	(1,400,599)	6,605,624
5 Payables and Accrued Expenses		1,516,883	(81,494)	2,727,865	1,283,989
6 Capitalized AFUDC - Equity Funds		(265,981)	277,472	(420,426)	(72,558)
7 Equity In Loss (Earnings) Of Affiliates			1,614,011	713,898	2,052,272
8 Other Adjustments		6,341,740	80,691	(145,564)	667,995
9		(326,290)	(1,596,496)	(34,128,945)	(389,250)
10		(1,298,678)	4,349,437	24,747,490	(8,594,346)
11 Net Cash From Operating Activities		<u>15,789,672</u>	<u>15,776,466</u>	<u>1,966,988</u>	<u>11,126,905</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction		(10,706,758)	(10,343,522)	(9,486,808)	(9,722,286)
13 Acquisition Of Other Non-Current Assets					
14 Investments In & Advances to Affiliates					
15 Contributions & Advances from Affiliates					
Net Proceeds - Sale Or Disposition Of:					
16 Property, Plant & Equipment					
17 Investments in Affiliated Companies					
18 Other Debt & Equity Investments					9
19 Other Non-Current Assets					
20 Other Cash Flows - Investing Activities					
21					
22					
23 Net Cash From Investing Activities		<u>(10,706,758)</u>	<u>(10,343,522)</u>	<u>(9,486,808)</u>	<u>(9,722,277)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt		97,603		8,725,000	
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid		(5,193,000)	(4,817,000)		(2,800,000)
29 Other Cash Flows - Financing Activities					
30			(626,110)		
31					
32 Net Cash From Financing Activities		<u>(5,095,397)</u>	<u>(5,443,110)</u>	<u>8,725,000</u>	<u>(2,800,000)</u>
33 Net Increase/(Decrease) In Cash Equivalents		(12,482)	(10,166)	1,205,180	(1,395,372)
34 Cash & Cash Equivalents At Beginning Of Year		12,683	22,849	(1,182,331)	213,041
35 Cash & Cash Equivalents At End Of Year		\$200	\$12,683	\$22,849	(\$1,182,331)

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,**

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers		\$29,735,888	\$28,319,856	\$25,553,446	\$18,736,567	1
Sales to Other Water Companies		8,416,638	8,679,310	7,513,698	4,800,013	2
Other Sales of Water		5,769,938	5,156,189	4,653,234	5,571,227	3
Total Revenues from Sales of Water		43,922,464	42,155,355	37,720,378	29,107,807	4
Other Water Operating Revenues		6,668,831	7,557,086	11,245,860	14,448,159	5
Total Water Operating Revenues		\$50,591,295	\$49,712,441	\$48,966,238	\$43,555,966	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers		3,898,130	3,911,285	3,894,080	4,172,095	8
Sales to Other Water Companies		1,160,263	1,313,043	1,114,499	1,097,926	9
Other Sales of Water		168,577	203,529	201,580	218,016	10
Total Sales of Water		5,226,970	5,427,857	5,210,159	5,488,037	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers		28,937	28,970	29,058	30,710	13
Sales to Other Water Companies		1,620	1,631	1,651	2	14
Other Sales of Water		339	692	805	745	15
Total Customers		30,896	31,293	31,514	31,457	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer		\$1,027.61	\$977.56	\$879.39	\$610.11	18
Average Consumption per Customer (T.Gal)		134.71	135.01	134.01	135.85	19
Average Revenue per T Gallons Sold		\$7.63	\$7.24	\$6.56	\$4.49	20
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	21
Average Consumption per Customer (T.Gal)	---	---	---	---	---	22
Average Revenue per T Gallons Sold	---	---	---	---	---	23
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply		\$12,920,193	\$11,876,055	\$12,664,548	\$11,507,211	24
Power and Pumping		2,016,689	1,949,329	1,940,592	1,784,565	25
Purification		658,698	593,024	582,032	449,939	26
Transmission and Distribution		2,125,620	2,026,574	2,101,150	2,410,302	27
Customer Accounting and Collecting		1,536,960	1,764,630	1,440,408	1,478,849	28
Administrative and General		4,642,991	4,817,410	4,232,975	3,846,397	29
Total O & M Expense		\$23,901,152	\$23,027,021	\$22,961,705	\$21,477,263	30

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

	2014	2013	2012	2011	2010
1 Revenues		\$50,591,295	\$49,712,441	\$48,966,238	\$43,555,966
2 Sales (Thousands of Gallons)		5,226,970	5,427,857	5,210,159	5,488,037
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals		\$14,288,971	\$13,192,267	\$13,905,860	\$12,539,728
4 Wages and Benefits		5,230,935	4,448,227	4,129,763	4,470,940
5 Other Operation and Maintenance Expense		4,381,247	5,386,527	4,926,082	4,466,595
6 Depreciation and Amortization Expense		5,037,327	4,969,052	4,463,127	6,722,361
7 Income Taxes-Operating		3,838,243	3,934,216	3,952,868	6,698,212
8 Other Taxes-Operating		7,523,129	7,161,945	6,999,533	6,905,832
9 Capital Costs		10,291,444	10,620,208	10,589,005	1,752,298
10 Total		\$50,591,295	\$49,712,441	\$48,966,238	\$43,555,966
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals		28.2	26.5	28.4	28.8
12 Wages and Benefits		10.3	8.9	8.4	10.3
13 Other Operation and Maintenance Expense		8.7	10.8	10.1	10.3
14 Depreciation and Amortization Expense		10.0	10.0	9.1	15.4
15 Income Taxes-Operating		7.6	7.9	8.1	15.4
16 Other Taxes-Operating		14.9	14.4	14.3	15.9
17 Capital Costs		20.3	21.4	21.6	4.0
18 Total		100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	#DIV/0!	2.73	2.43	2.67	2.28
20 Wages and Benefits		1.00	0.82	0.79	0.81
21 Other Operation and Maintenance Expense		0.84	0.99	0.95	0.81
22 Depreciation and Amortization Expense		0.96	0.92	0.86	1.22
23 Income Taxes-Operating		0.73	0.72	0.76	1.22
24 Other Taxes-Operating		1.44	1.32	1.34	1.26
25 Capital Costs		1.97	1.96	2.03	0.32
26 Total		9.68	9.16	9.40	7.94

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

Purchased Water	12,863,635	11,810,056	12,587,966	11,406,534
Fuel for Pumping	1,083,805	1,048,962	989,569	906,265
Chemicals	341,530	333,249	328,325	226,929
Total PW, Fuel and Chemicals	14,288,971	13,192,267	13,905,860	12,539,728
Total - Ultimate Customers	14,288,971	13,192,267	13,905,860	12,539,728

Wages and Benefits

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

Other Expenses

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

Depreciation and Amortization

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

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

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

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

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible		\$48,256	(\$36,725)	\$48,254	\$48,247	1
Source of Supply		22,060,784	22,060,784	22,063,169	22,020,913	2
Pumping		46,776,863	45,774,743	45,737,474	45,667,805	3
Water Treatment		2,970,275	2,947,645	2,971,817	2,967,127	4
Transmission and Distribution		122,575,860	116,517,481	109,860,819	103,058,049	5
General		17,769,950	14,778,471	11,703,419	9,907,651	6
Purchased or Sold						7
			90,845			
Total Plant in Service		212,201,989	202,133,244	192,384,952	183,669,792	8
Plant Leased To Others						9
Construction Work In Progress		2,609,991	2,473,311	2,989,973	3,832,088	10
Plant Held For Future Use						11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights		(90,846)	(90,846)			13
Total Plant		214,721,134	204,515,709	195,374,925	187,501,880	14
Accum. Prov. - Depr. & Amort.		33,332,927	29,062,915	24,899,762	22,092,797	15
Net Plant		\$181,388,207	\$175,452,794	\$170,475,163	\$165,409,083	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities		0.67	0.91	1.31	1.06	17
Total Capitalization		\$174,279,972	\$174,478,901	\$173,729,153	\$159,594,011	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%	21
Short-Term Debt						22
Pretax Coverage of Interest Expense		2.8	3.1	2.9	2.7	23
Com. Stock Dividends as a % of Earnings					242.4%	24
Return on Common Equity		3.2%	3.6%	3.2%	0.7%	25
Internal Cash Generated as a % of Cash Outflows for Construction		147.5%	83.3%	111.2%	144.7%	26
CWIP as a % of Plant		1.2%	1.2%	1.5%	2.0%	27
Number of Employees		67	61	61	62	28

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

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$369,612,354	\$367,004,115	\$338,555,170	\$315,101,545	\$288,149,977
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	4,113	5,369	1,528,247	1,935,078	523,360
7 Notes and Accounts Receivables - Net	4,940,609	4,294,402	6,069,745	7,940,031	5,560,821
8 Receivables from Associated Companies	16,525,871				
9 Materials and Supplies	829,385	1,042,236	974,056	765,928	802,945
10 Prepayments	7,115,618	6,845,890	5,937,191	5,610,728	5,186,734
11 Accrued Utility Revenue	3,683,545	6,347,475	6,145,000	5,451,353	4,791,987
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	33,099,141	18,535,372	20,654,239	21,703,118	16,865,847
DEFERRED DEBITS					
14 Unamort. Debt Expense	1,966,953	2,098,030	2,236,498	2,116,305	2,276,502
15 Other Deferred Debits	36,432,001	35,760,265	38,576,799	32,224,153	22,780,558
16 Accumulated Deferred Income Taxes	2,178,165	(167,264)	239,015	(201,136)	(184,485)
17 Total Deferred Debits	40,577,119	37,691,031	41,052,312	34,139,322	24,872,575
18 Total Assets and Other Debits	\$443,288,614	\$423,230,518	\$400,261,721	\$370,943,985	\$329,888,399
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$13,856,490	\$13,856,490	\$13,856,490	\$13,856,490	\$13,856,490
20 Preferred Stock Issued					
21 Other Paid-in Capital	134,278,053	99,278,053	99,278,053	84,278,053	64,278,053
22 Retained Earnings	91,382,722	90,629,449	77,455,653	72,581,315	65,448,180
23 Reacquired Capital Stock					
24 Total Proprietary Capital	239,517,265	203,763,992	190,590,196	170,715,858	143,582,723
LONG-TERM DEBT					
25 Long-Term Debt	82,000,000	82,000,000	82,000,000	81,000,000	81,000,000
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable	32,000,000	50,000,000	35,000,000	35,000,000	34,500,000
27 Accounts Payable	3,577,594	3,892,967	9,224,833	10,763,949	4,076,429
28 Payables to Associated Companies		2,532,996	248,096	347,370	368,272
29 Customer Deposits	489,684	330,764	252,130	176,143	174,153
30 Taxes Accrued	993,999	3,834,613	3,845,987	1,592,065	245,664
31 Interest Accrued	1,289,589	1,288,945	4,163,088	2,430,427	1,800,201
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	2,521,212	2,055,316	2,261,756	1,805,094	1,637,200
34 Total Current and Accrued Liabilities	40,872,078	63,935,601	54,995,890	52,115,048	42,801,919
DEFERRED CREDITS					
35 Customer Advances for Construction	3,723,503	3,382,657	2,013,747	3,222,750	3,141,892
36 Other Deferred Credits	15,062,334	6,829,749	8,046,771	7,318,528	7,902,982
37 Accumulated Deferred Investment Tax Credits	547,246	573,202	599,158	625,117	651,076
38 Accumulated Deferred Income Taxes	52,011,613	57,382,829	53,465,002	50,203,879	48,342,144
39 Total Deferred Credits	71,344,696	68,168,437	64,124,678	61,370,274	60,038,094
OPERATING RESERVES					
40 Operating Reserves	9,554,575	5,362,488	8,550,957	5,742,805	2,465,663
41 Total Liabilities and Other Credits	\$443,288,614	\$423,230,518	\$400,261,721	\$370,943,985	\$329,888,399

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$81,477,707	\$78,430,614	\$75,378,293	\$70,182,491	\$63,532,240	1
Operating Expense:						
Operation Expense	23,068,231	23,004,883	22,982,600	20,816,047	19,516,989	2
Maintenance Expense	3,460,835	4,437,486	5,777,017	6,110,203	5,708,453	3
Depreciation and Amortization Expense	9,090,644	8,655,131	8,426,197	7,853,270	7,466,266	4
Taxes Other than Income Taxes	20,516,813	17,880,737	16,749,044	14,001,590	13,321,632	5
Income Taxes	591,383	9,261,835	7,718,801	7,756,443	6,028,494	6
Total Operating Expenses	56,727,906	63,240,072	61,653,659	56,537,553	52,041,834	7
Net Operating Revenues	24,749,801	15,190,542	13,724,634	13,644,938	11,490,406	8
Other Utility Operating Income						9
Total Utility Operating Income	24,749,801	15,190,542	13,724,634	13,644,938	11,490,406	10
OTHER INCOME						
Interest and Dividend Income	271,695	286,173	248,249	190,777	203,023	11
Allowance for Funds Used During Construction	6,735,647	6,385,905	4,925,349	3,790,731	2,585,558	12
Miscellaneous Nonoperating Income	197,220	70,496	76,472	72,270	46,647	13
Other Income	(24,436)	(100,559)	(52,956)	(35,839)	(18,289)	14
Total Other Income	7,180,126	6,642,015	5,197,114	4,017,939	2,816,939	15
Other Income Deductions	230,607	62,737	304,433	30,661	132,110	16
Taxes-Other Income and Deductions						17
Income Available	31,699,320	21,769,820	18,617,315	17,632,216	14,175,235	18
INTEREST CHARGES						
Interest on Long-Term Debt	4,150,681	4,158,072	4,335,070	5,036,868	4,794,188	19
Interest on Debt to Associated Co.						20
Other Interest Expense	5,043,337	4,437,952	3,407,907	1,462,214	882,023	21
Total Interest Charges	9,194,018	8,596,024	7,742,977	6,499,082	5,676,211	22
Income Before Extraordinary Items	22,505,302	13,173,796	10,874,338	11,133,134	8,499,024	23
Net Extraordinary Items	21,752,028					24
Net Income	\$753,274	\$13,173,796	\$10,874,338	\$11,133,134	\$8,499,024	25
RETAINED EARNINGS						
Unappropriated (Beginning)	\$90,629,448	\$77,455,652	\$72,581,314	\$65,448,180	\$60,949,156	26
Balance Transferred from Income	753,274	13,173,796	10,874,338	11,133,134	8,499,024	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock			6,000,000	4,000,000	4,000,000	30
Adjustments to Retained Earnings						31
Net Change	753,274	13,173,796	4,874,338	7,133,134	4,499,024	32
Unappropriated (EOP)	91,382,722	90,629,448	77,455,652	72,581,314	65,448,180	33
Appropriated (EOP)						34
Total Retained Earnings	\$91,382,722	\$90,629,448	\$77,455,652	\$72,581,314	\$65,448,180	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$753,273	\$13,173,796	\$10,874,338	\$11,133,134	\$8,499,024
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	30,930,914	8,765,496	8,380,617	7,757,662	7,429,219
3 Deferred Taxes & ITCs	(7,742,600)	4,298,150	2,795,013	1,852,427	4,925,635
4 Receivables and Inventory	(14,295,297)	1,504,688	968,511	(3,001,559)	(1,747,000)
5 Payables and Accrued Expenses	(2,222,910)	(6,048,915)	626,920	7,466,728	381,080
6 Capitalized AFUDC - Equity Funds	(6,735,647)	(6,385,905)	(4,925,349)	(3,790,731)	(2,585,558)
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	(9,284,747)	2,816,534	(6,352,646)	(9,443,595)	3,364,054
9	8,232,585	(1,217,022)	728,243	(584,454)	(4,317,439)
10	1,081,745	(4,108,542)	4,735,611	4,199,549	2,564,775
11 Net Cash From Operating Activities	<u>717,316</u>	<u>12,798,280</u>	<u>17,831,258</u>	<u>15,589,161</u>	<u>18,513,790</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(18,059,417)	(30,690,068)	(26,739,064)	(30,742,231)	(28,794,852)
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>(18,059,417)</u>	<u>(30,690,068)</u>	<u>(26,739,064)</u>	<u>(30,742,231)</u>	<u>(28,794,852)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	35,340,845	1,368,910	13,790,997	20,080,858	24,500,000
25 Common Stock					196,929
26 Preferred Stock			1,000,000		
27 Short-Term Debt	(18,000,000)	15,000,000		500,000	
28 Dividends Paid			(6,000,000)	(4,000,000)	(4,000,000)
29 Other Cash Flows - Financing Activities			(290,022)	(16,070)	(228,758)
30					
31					
32 Net Cash From Financing Activities	<u>17,340,845</u>	<u>16,368,910</u>	<u>8,500,975</u>	<u>16,564,788</u>	<u>20,468,171</u>
33 Net Increase/(Decrease) In Cash Equivalents	(1,256)	(1,522,878)	(406,831)	1,411,718	10,187,109
34 Cash & Cash Equivalents At Beginning Of Year	5,369	1,528,247	1,935,078	523,360	(9,663,749)
35 Cash & Cash Equivalents At End Of Year	\$4,113	\$5,369	\$1,528,247	\$1,935,078	\$523,360

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

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$64,688,965	\$59,105,168	\$57,352,838	\$53,000,096	\$48,491,467	1
Sales to Other Water Companies						2
Other Sales of Water	11,374,635	10,581,971	9,925,741	9,466,331	8,386,618	3
Total Revenues from Sales of Water	76,063,600	69,687,139	67,278,579	62,466,427	56,878,085	4
Other Water Operating Revenues*	5,414,107	8,743,476	8,099,714	7,716,064	6,650,697	5
Total Water Operating Revenues	\$81,477,707	\$78,430,615	\$75,378,293	\$70,182,491	\$63,528,782	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	8,369,642	7,997,524	8,068,378	8,083,169	8,621,828	7
Sales to Other Water Companies						8
Other Sales of Water	84,201	70,866	73,569	103,055	88,159	9
Total Sales of Water	8,453,843	8,068,390	8,141,947	8,186,224	8,709,987	10
AVG CUSTOMERS PER MONTH						
Sales to General Customers	71,696	71,425	72,484	72,096	71,835	11
Sales to Other Water Companies						12
Other Sales of Water	1,843	1,772	1,718	1,637	1,592	13
Total Customers	73,539	73,197	74,202	73,733	73,427	14
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$902.27	\$827.51	\$791.25	\$735.13	\$675.04	15
Average Consumption per Customer (T.Gal)	116.74	111.97	111.31	112.12	120.02	16
Average Revenue per T Gallons Sold	\$7.73	\$7.39	\$7.11	\$6.56	\$5.62	17
UNMETERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	---	---	---	---	---	18
Average Consumption per Customer (T.Gal)	---	---	---	---	---	19
Average Revenue per T Gallons Sold	---	---	---	---	---	20
OPERATION AND MAINTENANCE EXPENSES						
Source of Supply	\$633,091	\$726,062	\$647,393	\$786,068	\$976,988	21
Power and Pumping	4,664,559	5,645,658	5,756,024	5,750,349	5,364,299	22
Purification	4,704,425	4,752,371	4,692,561	4,172,419	4,001,153	23
Transmission and Distribution	4,757,220	5,043,756	6,295,870	6,511,320	5,945,067	24
Customer Accounting and Collecting	2,641,536	3,318,385	3,795,793	2,579,423	3,155,337	25
Administrative and General	9,128,235	7,956,137	7,571,977	7,126,671	5,782,957	26
Total O & M Expense	\$26,529,066	\$27,442,369	\$28,759,617	\$26,926,250	\$25,225,801	27

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

	2014	2013	2012	2011	2010
1 Revenues	\$81,477,707	\$78,430,615	\$75,378,293	\$70,182,491	\$63,528,782
2 Sales (Thousands of Gallons)	8,453,843	8,068,390	8,141,947	8,186,224	8,709,987
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$3,559,053	\$4,910,441	\$4,781,257	\$4,786,248	\$4,302,612
4 Wages and Benefits	9,830,874	10,599,179	10,946,704	10,271,145	9,204,208
5 Other Operation and Maintenance Expense	13,139,139	11,932,749	13,031,656	11,868,857	11,718,622
6 Depreciation and Amortization Expense	9,090,644	8,655,131	8,426,197	7,853,270	7,466,266
7 Income Taxes-Operating	591,383	9,261,835	7,718,801	7,756,443	6,028,494
8 Other Taxes-Operating	20,516,813	17,880,737	16,749,044	14,001,590	13,321,632
9 Capital Costs	24,749,801	15,190,543	13,724,634	13,644,938	11,486,948
10 Total	\$81,477,707	\$78,430,615	\$75,378,293	\$70,182,491	\$63,528,782
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	4.4	6.3	6.3	6.8	6.8
12 Wages and Benefits	12.1	13.5	14.5	14.6	14.5
13 Other Operation and Maintenance Expense	16.1	15.2	17.3	16.9	18.4
14 Depreciation and Amortization Expense	11.2	11.0	11.2	11.2	11.8
15 Income Taxes-Operating	0.7	11.8	10.2	11.1	9.5
16 Other Taxes-Operating	25.2	22.8	22.2	20.0	21.0
17 Capital Costs	30.4	19.4	18.2	19.4	18.1
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.42	0.61	0.59	0.58	0.49
20 Wages and Benefits	1.16	1.31	1.34	1.25	1.06
21 Other Operation and Maintenance Expense	1.55	1.48	1.60	1.45	1.35
22 Depreciation and Amortization Expense	1.08	1.07	1.03	0.96	0.86
23 Income Taxes-Operating	0.07	1.15	0.95	0.95	0.69
24 Other Taxes-Operating	2.43	2.22	2.06	1.71	1.53
25 Capital Costs	2.93	1.88	1.69	1.67	1.32
26 Total	9.64	9.72	9.26	8.57	7.29

Purchased Water, Fuel or Power for Pumping and Chemicals

Purchased Water	163,522	174,824	172,784	167,206	161,630
Fuel for Pumping	2,343,724	3,506,945	3,472,388	3,600,932	3,270,725
Chemicals	1,051,807	1,228,672	1,136,085	1,018,110	870,257
Total PW, Fuel and Chemicals	3,559,053	4,910,441	4,781,257	4,786,248	4,302,612
Total - Ultimate Customers	3,559,053	4,910,441	4,781,257	4,786,248	4,302,612

Wages and Benefits

Salaries	5,975,691	6,803,691	7,108,469	6,512,543	6,380,911
Pensions and Benefits	3,855,183	3,795,488	3,838,234	3,758,602	2,823,297
Total Wages and Benefits	9,830,874	10,599,179	10,946,704	10,271,145	9,204,208

Other Expenses

Total O&M Expenses	26,529,066	27,442,369	28,759,617	26,926,250	25,225,442
-Total PW, Fuel and Chemicals	3,559,053	4,910,441	4,781,257	4,786,248	4,302,612
-Wages and Benefits	9,830,874	10,599,179	10,946,704	10,271,145	9,204,208
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	13,139,139	11,932,749	13,031,656	11,868,857	11,718,622

Depreciation and Amortization

Depreciation Exp	9,090,644	8,655,131	8,426,197	7,853,270	7,466,266
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	9,090,644	8,655,131	8,426,197	7,853,270	7,466,266

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

Total PW, Fuel and Chemicals	3,559,053	4,910,441	4,781,257	4,786,248	4,302,612
divided by Total Gallons	8,453,843	8,068,390	8,141,947	8,186,224	8,709,987
Cost per Gallon	0.0004	0.0006	0.0006	0.0006	0.0005

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

	2014	2013	2012	2011	2010	
WATER UTILITY PLANT						
Plant in Service						
Intangible	\$93,725	\$93,725	\$93,725	\$93,655	\$90,872	1
Source of Supply	33,567,992	33,450,976	30,508,711	29,526,195	28,500,418	2
Pumping	35,923,377	33,918,030	33,781,262	32,554,479	31,449,037	3
Water Treatment	51,964,755	51,605,182	46,981,623	44,650,050	43,669,226	4
Transmission and Distribution	260,171,656	246,294,102	229,615,301	215,627,215	204,250,615	5
General	27,528,200	26,848,265	26,425,726	24,830,244	19,827,066	6
Purchased or Sold						7
Plant In Service	409,249,705	392,210,280	367,406,347	347,281,838	327,787,234	8
Plant Leased To Others						9
Construction Work In Progress	54,930,082	63,034,763	56,493,817	47,571,660	35,434,678	10
Plant Held For Future Use	8,794,537	8,794,537	8,794,537	8,794,537	8,792,615	11
Plant Acquisition Adjustments						12
Accum. Gains & Losses - Utility Land & Land Rights	(1,179,408)	(1,179,408)	(1,179,412)	(1,179,412)	(1,179,412)	13
Total Plant	471,794,916	462,860,172	431,515,289	402,468,623	370,835,115	14
Accum. Prov. - Depr. & Amort.	102,182,562	95,856,057	92,960,119	87,367,078	82,685,138	15
Net Plant	\$369,612,354	\$367,004,115	\$338,555,170	\$315,101,545	\$288,149,977	16
SELECTED RATIOS AND STATISTICS						
Current Assets / Current Liabilities	0.81	0.29	0.38	0.42	0.39	17
Total Capitalization	\$353,517,265	\$335,763,992	\$307,590,196	\$286,715,858	\$259,082,723	18
<u>Percent Of Capitalization (incl S-T Debt)</u>						
Long-Term Debt	23.2%	24.4%	26.7%	28.3%	31.3%	19
Preferred Stock						20
Common Stock & Retained Earnings	67.8%	60.7%	62.0%	59.5%	55.4%	21
Short-Term Debt	9.1%	14.9%	11.4%	12.2%	13.3%	22
Pretax Coverage of Interest Expense	3.5	3.6	3.4	3.9	3.6	23
Com. Stock Dividends as a % of Earnings			61.8%	35.9%	47.1%	24
Return on Common Equity	0.3%	6.7%	5.4%	7.1%	6.0%	25
Internal Cash Generated as a % of Cash Outflows for Construction	4.0%	41.7%	66.7%	50.7%	64.3%	26
CWIP as a % of Plant	11.6%	13.6%	13.1%	11.8%	9.6%	27
Number of Employees	112	111	119	115	110	28

Current Assets	33,099,141.00	18,535,372.00	20,654,239.00	21,703,118.00	16,865,847
Current Liabilities	40,872,078	63,935,601	54,995,890	52,115,048	42,801,919
Total Capitalization	353,517,265	335,763,992	307,590,196	286,715,858	259,082,723
Long-Term Debt	82,000,000	82,000,000	82,000,000	81,000,000	81,000,000
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	239,517,265	203,763,992	190,590,196	170,715,858	143,582,723
Short-Term Debt	32,000,000	50,000,000	35,000,000	35,000,000	34,500,000
Pretax Income	32,521,310	31,094,392	26,640,549	25,419,320	20,335,839
Interest Expense	9,194,018	8,596,024	7,742,977	6,499,082	5,676,211
Dividends Paid			6,000,000	4,000,000	4,000,000
Net Income (Excl. Preferred Stock Dividends)	753,273	13,173,796	9,708,467	11,133,134	8,499,024
Internal Cash	717,316	12,798,280	17,831,258	15,589,161	18,513,790
Cash Outflows for Construction	18,059,417	30,690,068	26,739,064	30,742,231	28,794,852
CWIP	54,930,082	63,034,763	56,493,817	47,581,660	35,434,678
Total Plant	471,794,916	462,860,172	431,515,289	402,468,623	370,835,115
Number of Employees	112	111	119	115	110
Salaries and Wages					

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

	2014	2013	2012	2011	2010
UTILITY PLANT					
1 Net Utility Plant	\$6,696,124	\$6,263,277	\$6,257,298	\$5,995,322	\$5,416,289
OTHER PROPERTY AND INVESTMENTS					
2 Nonutility Property (Net)					
3 Other Investments					
4 Sinking Funds and Other Special Funds					
5 Total Other Property and Investments					
CURRENT AND ACCRUED ASSETS					
6 Cash and Cash Equivalents	1,000	1,150	16,155	14,824	12,871
7 Notes and Accounts Receivables - Net	113,365	104,694	263,332	346,829	180,066
8 Receivables from Associated Companies	103,039	1,698,068			
9 Materials and Supplies	46,232	47,671	44,452	43,474	79,260
10 Prepayments	109,059	97,077	101,503	98,696	93,222
11 Accrued Utility Revenue	201,240	207,481	201,213	187,646	150,345
12 Misc Current and Accrued Assets					
13 Total Current and Accrued Assets	573,935	2,156,141	626,656	691,469	515,764
DEFERRED DEBITS					
14 Unamort. Debt Expense					
15 Other Deferred Debits	1,326,714	1,608,301	1,882,907	1,319,237	928,445
16 Accumulated Deferred Income Taxes	46,514	25,844	26,197	22,009	21,805
17 Total Deferred Debits	1,373,228	1,634,145	1,909,104	1,341,246	950,250
18 Total Assets and Other Debits	\$8,643,287	\$10,053,563	\$8,793,058	\$8,028,037	\$6,882,303
PROPRIETARY CAPITAL					
19 Common Stock Issued	\$33,600	\$33,600	\$33,600	\$33,600	\$33,600
20 Preferred Stock Issued					
21 Other Paid-in Capital	7,945,181	7,945,181	6,563,181	6,015,181	5,065,181
22 Retained Earnings	(1,788,566)	(521,196)	(529,457)	(591,811)	(652,629)
23 Reacquired Capital Stock					
24 Total Proprietary Capital	6,190,215	7,457,585	6,067,324	5,456,970	4,446,152
LONG-TERM DEBT					
25 Long-Term Debt					
CURRENT AND ACCRUED LIABILITIES					
26 Notes Payable					
27 Accounts Payable	80,462	56,536	151,204	400,370	141,337
28 Payables to Associated Companies		9,658	12,333	16,866	10,060
29 Customer Deposits	500				
30 Taxes Accrued	(72,845)	57,126	(251,785)	(160,414)	(253,881)
31 Interest Accrued					
32 Matured Long-Term Debt					
33 Misc Current and Accrued Liabilities	87,103	82,557	79,878	71,356	43,244
34 Total Current and Accrued Liabilities	95,220	205,877	(8,370)	328,178	(59,240)
DEFERRED CREDITS					
35 Customer Advances for Construction	13,771				231,380
36 Other Deferred Credits	735,465	631,845	622,911	311,837	246,286
37 Accumulated Deferred Investment Tax Credits	17,797	18,853	19,909	20,965	22,021
38 Accumulated Deferred Income Taxes	1,072,249	1,148,898	1,309,241	1,169,063	1,291,188
39 Total Deferred Credits	1,839,282	1,799,596	1,952,061	1,501,865	1,790,875
OPERATING RESERVES					
40 Operating Reserves	518,570	590,505	782,043	741,025	704,516
41 Total Liabilities and Other Credits	\$8,643,287	\$10,053,563	\$8,793,058	\$8,028,037	\$6,882,303

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

	2014	2013	2012	2011	2010	
UTILITY OPERATING INCOME						
Operating Revenues	\$2,038,073	\$1,929,162	\$1,868,949	\$1,606,744	\$1,537,570	1
Operating Expense:						
Operation Expense	819,502	988,631	903,324	758,667	752,896	2
Maintenance Expense	184,395	211,680	245,565	177,092	184,785	3
Depreciation and Amortization Expense	258,438	243,265	203,441	146,395	111,196	4
Taxes Other than Income Taxes	327,410	282,279	287,359	275,881	249,301	5
Income Taxes	105,465	(554)	(27,411)	40,900	(3,350)	6
Total Operating Expenses	1,695,210	1,725,302	1,612,278	1,398,934	1,294,828	7
Net Operating Revenues	342,863	203,860	256,671	207,810	242,742	8
Other Utility Operating Income						9
Total Utility Operating Income	342,863	203,860	256,671	207,810	242,742	10
OTHER INCOME						
Interest and Dividend Income	13,837	8,382	3,374	689	148	11
Allowance for Funds Used During Construction	10,090	1,864	17,653	10,601	40,081	12
Miscellaneous Nonoperating Income			3,500		9,217	13
Other Income						14
Total Other Income	23,927	10,246	24,527	11,291	49,446	15
Other Income Deductions	2,258	50	32,264	155	19	16
Taxes-Other Income and Deductions						17
Income Available	364,532	214,056	248,934	218,946	292,169	18
INTEREST CHARGES						
Interest on Long-Term Debt						19
Interest on Debt to Associated Co.	157,818	163,758	161,034	134,316	121,029	20
Other Interest Expense	26,084	42,037	25,545	23,812	178,786	21
Total Interest Charges	183,902	205,795	186,579	158,128	299,815	22
Income Before Extraordinary Items	180,630	8,261	62,355	60,818	(7,646)	23
Net Extraordinary Items						24
Net Income	\$180,630	\$8,261	\$62,355	\$60,818	(\$7,646)	25
RETAINED EARNINGS						
Unappropriated (Beginning)	(\$521,196)	(\$529,456)	(\$591,811)	(\$652,629)	(\$644,983)	26
Balance Transferred from Income	180,630	8,261	62,355	60,818	(7,646)	27
Appropriated						28
Dividends Declared-Preferred Stock						29
Dividends Declared-Common Stock	1,448,000					30
Adjustments to Retained Earnings						31
Net Change	(1,267,370)	8,261	62,355	60,818	(7,646)	32
Unappropriated (EOP)	(1,788,566)	(521,196)	(529,456)	(591,811)	(652,629)	33
Appropriated (EOP)						34
Total Retained Earnings	(\$1,788,566)	(\$521,196)	(\$529,456)	(\$591,811)	(\$652,629)	35

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

	2014	2013	2012	2011	2010
Cash Flows From Operating Activities					
1 Net Income	\$180,630	\$8,261	\$62,355	\$60,818	(\$7,646)
Adjustments to reconcile net income to net cash provided by operating activities:					
2 Depreciation, Depletion & Amortization	258,438	243,265	203,441	140,921	111,196
3 Deferred Taxes & ITCs	(98,376)	(161,046)		(122,329)	507,437
4 Receivables and Inventory	1,594,038	(1,548,917)	68,950	(168,278)	65,437
5 Payables and Accrued Expenses	19,314	(94,664)	(298,337)	330,460	102,297
6 Capitalized AFUDC - Equity Funds	(10,090)	(1,864)	17,653	(390,793)	
7 Equity In Loss (Earnings) Of Affiliates					
8 Other Adjustments	281,588	274,606	(116,605)	65,551	(290,945)
9	103,620	8,934	(1,056)	(1,056)	510,158
10	(213,888)	121,799		104,068	(255,635)
11 Net Cash From Operating Activities	<u>2,115,274</u>	<u>(1,149,626)</u>	<u>(63,600)</u>	<u>19,362</u>	<u>742,299</u>
Cash Flows From Investing Activities					
12 Cash Outflows For Construction	(681,195)	(247,380)	(483,070)	(967,409)	(1,178,719)
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 Reduction in Working Funds					
23 Net Cash From Investing Activities	<u>(681,195)</u>	<u>(247,380)</u>	<u>(483,070)</u>	<u>(967,409)</u>	<u>(1,178,719)</u>
Cash Flows From Financing Activities					
Net Proceeds (Payments) - Issuing & Retiring:					
24 Long-Term Debt	13,771	1,382,000	548,000	950,000	400,000
25 Common Stock					
26 Preferred Stock					
27 Short-Term Debt					
28 Dividends Paid	(1,448,000)				
29 Other Cash Flows - Financing Activities					
30					
31					
32 Net Cash From Financing Activities	<u>(1,434,229)</u>	<u>1,382,000</u>	<u>548,000</u>	<u>950,000</u>	<u>400,000</u>
33 Net Increase/(Decrease) In Cash Equivalents	(150)	(15,006)	1,330	1,953	(36,420)
34 Cash & Cash Equivalents At Beginning Of Year	1,150	16,156	14,822	12,869	49,289
35 Cash & Cash Equivalents At End Of Year	\$1,000	\$1,150	\$16,152	\$14,822	\$12,869

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,

	2014	2013	2012	2011	2010	
SALES AND CUSTOMER DATA						
REVENUES						
Sales to General Customers	\$550,217	\$530,431	\$427,960	\$453,513	\$441,944	1
Sales to Other Water Companies	892,647	869,906	774,249	714,306	665,087	2
Other Sales of Water	293,846	270,580	249,763	277,330	269,672	3
Total Revenues from Sales of Water	1,736,710	1,670,917	1,451,972	1,445,149	1,376,703	4
Other Water Operating Revenues	301,363	258,245	416,646	161,595	160,867	5
Total Water Operating Revenues	\$2,038,073	\$1,929,162	\$1,868,618	\$1,606,744	\$1,537,570	6
WATER SALES (Thousands of Gallons)						
Sales to General Customers	47,729	47,179	45,001	68,381	66,291	8
Sales to Other Water Companies	252,369	255,495	265,096	274,978	283,551	9
Other Sales of Water	34,076	34,370	34,575	43,374	40,403	10
Total Sales of Water	334,174	337,044	344,672	386,733	390,245	11
AVG CUSTOMERS PER MONTH						
Sales to General Customers	1,312	1,303	1,269	1,399	1,399	13
Sales to Other Water Companies	196	196	194	200	200	14
Other Sales of Water	67	70	65	42	73	15
Total Customers	1,575	1,569	1,528	1,641	1,672	16
OPERATING REVENUE RELATIONSHIP						
METERED GENERAL CUSTOMERS						
Average Annual Bill per Customer	\$419.37	\$407.08	\$337.24	\$324.17	\$315.90	18
Average Consumption per Customer (T.Gal)	36.38	36.21	35.46	48.88	47.38	19
Average Revenue per T Gallons Sold	\$11.53	\$11.24	\$9.51	\$6.63	\$6.67	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	11,188	16,050	10,376	13,503	12,226	24
Power and Pumping	206,152	203,691	207,950	196,018	201,383	25
Purification	57,756	47,074	35,888	48,518	54,980	26
Transmission and Distribution	174,166	215,883	286,744	197,845	219,461	27
Customer Accounting and Collecting	63,792	159,508	170,114	104,263	134,163	28
Administrative and General	490,843	558,105	437,817	375,610	315,467	29
Total O & M Expense	\$1,003,897	\$1,200,312	\$1,148,890	\$935,758	\$937,680	30

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

	2014	2013	2012	2011	2010
1 Revenues	\$2,038,073	\$1,929,162	\$1,868,618	\$1,606,744	\$1,537,570
2 Sales (Thousands of Gallons)	334,174	337,044	344,672	386,733	390,245
DOLLAR AMOUNTS					
3 Purchased Water, Fuel or Power for Pumping, and Chemicals	\$98,883	\$91,825	\$90,564	\$86,338	\$116,942
4 Wages and Benefits	376,156	404,168	466,355	437,487	348,359
5 Other Operation and Maintenance Expense	528,858	704,319	591,971	411,933	472,379
6 Depreciation and Amortization Expense	258,438	243,265	203,441	146,395	111,196
7 Income Taxes-Operating	105,465	(554)	(27,411)	40,900	(3,350)
8 Other Taxes-Operating	327,410	282,279	287,359	275,881	249,301
9 Capital Costs	342,863	203,860	256,340	207,811	242,743
10 Total	\$2,038,073	\$1,929,162	\$1,868,618	\$1,606,744	\$1,537,570
PERCENT OF REVENUES					
11 Purchased Water, Fuel or Power for Pumping, and Chemicals	4.9	4.8	4.8	5.4	7.6
12 Wages and Benefits	18.5	21.0	25.0	27.2	22.7
13 Other Operation and Maintenance Expense	25.9	36.5	31.7	25.6	30.7
14 Depreciation and Amortization Expense	12.7	12.6	10.9	9.1	7.2
15 Income Taxes-Operating	5.2	(0.0)	(1.5)	2.5	(0.2)
16 Other Taxes-Operating	16.1	14.6	15.4	17.2	16.2
17 Capital Costs	16.8	10.6	13.7	12.9	15.8
18 Total	100.0	100.0	100.0	100.0	100.0
DOLLARS PER THOUSAND GALLONS SOLD					
19 Purchased Water, Fuel or Power for Pumping, and Chemicals	0.30	0.27	0.26	0.22	0.30
20 Wages and Benefits	1.13	1.20	1.35	1.13	0.89
21 Other Operation and Maintenance Expense	1.58	2.09	1.72	1.07	1.21
22 Depreciation and Amortization Expense	0.77	0.72	0.59	0.38	0.28
23 Income Taxes-Operating	0.32	(0.0)	(0.1)	0.11	(0.0)
24 Other Taxes-Operating	0.98	0.84	0.83	0.71	0.64
25 Capital Costs	1.03	0.60	0.74	0.54	0.62
26 Total	6.10	5.72	5.42	4.15	3.94

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

Purchased Water					
Fuel for Pumping	92,290	84,849	84,572	78,246	110,561
Chemicals	6,593	6,976	5,992	8,092	6,381
Total PW, Fuel and Chemicals	98,883	91,825	90,564	86,338	116,942
Total - Ultimate Customers	98,883	91,825	90,564	86,338	116,942

Wages and Benefits

Salaries	239,222	248,867	305,449	298,419	266,161
Pensions and Benefits	136,934	155,301	160,906	139,068	82,198
Total Wages and Benefits	376,156	404,168	466,355	437,487	348,359

Other Expenses

Total O&M Expenses	1,003,897	1,200,312	1,148,890	935,758	937,680
-Total PW, Fuel and Chemicals	98,883	91,825	90,564	86,338	116,942
-Wages and Benefits	376,156	404,168	466,355	437,487	348,359
-Other Gains					
+Other Losses					
-Other Revenues					
Other Expenses	528,858	704,319	591,971	411,933	472,379

Depreciation and Amortization

Depreciation Exp	258,438	243,265	203,441	146,395	111,196
Amort of Utility Plant					
Amort of Other Utility Plant					
Amort of Property Losses					
Total Depre and Amort	258,438	243,265	203,441	146,395	111,196

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

Total PW, Fuel and Chemicals	98,883	91,825	90,564	86,338	116,942
divided by Total Gallons	334,174	337,044	344,672	386,733	390,245
Cost per KWH	0.0003	0.0003	0.0003	0.0002	0.0003
times Sales for Resale MWHs					
Sales for Resale Cost					

Current Assets	573,935.00	2,156,141.14	626,655.53	691,469	515,764
Current Liabilities	95,220	205,877	(8,370)	328,178	(59,240)
Total Capitalization	6,190,215	7,457,585	6,067,324	5,456,970	4,446,152
Long-Term Debt					
Preferred Stock					
Common Stock and Retained Earnings (Excl. Preferred Stock)	6,190,215	7,457,585	6,067,324	5,456,970	4,446,152
Short-Term Debt					
Pretax Income	472,255	213,552	253,787	260,000	288,838
Interest Expense	183,902	205,795	186,579	158,128	299,815
Dividends Paid	1,448,000				
Net Income (Excl. Preferred Stock Dividends)	180,630	8,261	62,355	60,818	(7,646)
Internal Cash	2,115,274	(1,149,626)	(63,600)	19,362	742,299
Cash Outflows for Construction	681,195	247,380	483,070	967,409	1,178,719
CWIP	518,810	217,525	247,619	950,484	428,371
Total Plant	9,128,590	8,499,205	8,182,564	7,830,342	7,236,770
Number of Employees	5	5	5	5	5
Salaries and Wages					