

AQUA ILLINOIS - MOECHERVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000 WATER

Average Residential Bill

<u>Division:</u>	<u>A/U</u>	<u>Billing Units</u>	<u>Gallons</u>	<u>Gallons</u> <u>Equals Billing Units</u>	<u>Customer</u> <u>Charge</u>	<u>Rates *</u> <u>1000 Gallons</u>	<u>Usage *</u> <u>1000 Gallons</u>	<u>Subtotal</u>	<u>Gross Revenue Tax (ICC)</u>		<u>TOTAL</u> <u>BILL</u>
									<u>Rate %</u>	<u>Charge</u>	
Moecherville		1000 Gallons	5000	5.00	\$43.00	\$5.0000	\$15.00	\$58.00	0.10%	\$0.06	\$58.06

* The rate of \$5.00 per 1000 gallons is for usage greater than 2000 gallons per month.

AQUA ILLINOIS - MOECHERVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000 WATER

ITEM	2012	2013	2014	2015	2016	TOTAL
Purchase Price	1,400,000					1,400,000
Closing Costs	50,000					50,000
9% Interest on outstanding purchase price for 120 days	37,777					37,777
Meters @ \$150 per meter (or Other)		11,250	11,250	11,250	11,250	45,000
						0
						0
						0
						0
						0
						0
						0
						0
						0
TOTAL CAPITAL ADDITIONS	1,487,777	11,250	11,250	11,250	11,250	1,532,777
TOTAL ACCUMULATED	1,487,777	1,499,027	1,510,277	1,521,527	1,532,777	

AQUA ILLINOIS, INC
AQUA ILLINOIS - MOECHERVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
ACCOUNTING ENTRIES

Journal Entry # 1 To record funding.

<u>Account</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>
104	Utility Plant Purchased or Sold	1,400,000	
104	Legal & Original Cost Study - Closing Costs	87,777	
131	Cash		(1,487,777)

Journal Entry # 2 To record purchase at closing.

<u>Account</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>
104	Utility Plant Purchased or Sold		(1,400,000)
104	Legal - Closing Costs		(87,777)
114	Utility Plant Acquisition Adjustment	18,381	
300	Utility Plant In Service	4,966,281	
108	Accum. Depr.-Utility Plant		(805,969)
271	Contributions in Aid of Construction		(3,212,223)
272	Accumulated Amortization of CIAC	521,306	
		<u>5,505,969</u>	<u>(5,505,969)</u>

Journal Entry # 3 - To record the annually acquisition adjustment over 30 years.

<u>Account</u>	<u>Description</u>		
421	Non Utility Income - Other	613	
115	Accum. Amort. Of Utility Plant Acq. Adj.		(613)

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHERVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
RATE BASE PROJECTION

WATER

Rate Base Projection as of 12/31/2012:

Utility Plant	\$ 4,966,281
Accumulated Depreciation	(805,969)
Net CIAC	(2,690,917)
Other	<u>-</u>

RATE BASE (ESTIMATED) \$ 1,469,395

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHEVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
PLANT ACQUISITION ADJUSTMENT

WATER		
Acquisition Adjustment Projection:		
Purchase Price		\$ 1,400,000
Closing Costs		<u>87,777</u>
Cash Outflows		\$ 1,487,777
Rate Base		1,469,395
Other		<u>-</u>
Assets Purchased		<u>1,469,395</u>
Acquisition Adjustment (estimated)		<u>\$ 18,381</u>
	Years: 30	Annualized
		<u>\$ 613</u>

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHEVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
DETAIL OF UTILITY PLANT IN SERVICE
FOR THE YEARS ENDED DECEMBER 2012

<u>12/31/2012</u>								
<u>Assets</u>	<u>Acct.</u>		<u>Basis</u>	<u>Rate</u>	<u>Current Year</u>	<u>Depreciation</u> <u>Prior Years</u>	<u>Current A/D</u>	<u>Book Value</u>
<u>Intangible Plant</u>								
Organization	301	\$	-	0.00%	\$ -	\$ -	\$ -	\$ -
Franchises & Consents	302		-	0.00%	-	-	-	-
<u>Source of Supply Plant</u>								
Land and Land Rights	303		59,250.00	0.00%	-	-	-	59,250.00
Structures and Improvements	304		-	4.17%	-	-	-	-
Collecting & Impounding Res.	305		-	1.50%	-	-	-	-
Lake, River and Other Intakes	306		-	1.47%	-	-	-	-
W ells and Springs	307		-	1.67%	-	-	-	-
Supply Mains	309		-	1.89%	-	-	-	-
<u>Pumping Plant</u>								
Land and Land Rights	303		-	0.00%	-	-	-	-
Structures and Improvements	304		-	2.27%	-	-	-	-
Power Generating Equipment	310		-	3.33%	-	-	-	-
Source of Supply & Pumping Equip	311		-	3.13%	-	-	-	-
Source of Supply & Pumping Equip	311.26		-	3.13%	-	-	-	-
Transmission & Distribution Pumpir	311.4		-	3.13%	-	-	-	-
<u>W ater Treatment Plant</u>								
Land and Land Rights	303		19,750.00	0.00%	-	-	-	19,750.00
Structures and Improvements	304		1,508,050.23	2.78%	41,923.80	199,138.03	241,061.83	1,266,988.40
W ater Treatment Equipment	320		-	3.57%	-	-	-	-
<u>Transmission & Dist. Plant</u>								
Land and Land Rights	303		-	0.00%	-	-	-	-
Structures and Improvements	304		-	4.17%	-	-	-	-
Dist. Reservoirs & Standpipes	330		749,884.00	1.67%	12,523.06	59,484.55	72,007.61	677,876.39
T & D Mains	331		1,600,886.17	1.89%	30,256.75	143,719.56	173,976.30	1,426,909.87
Services	333		204,144.30	3.33%	6,798.01	32,290.52	39,088.53	165,055.77
Meters	334		682,473.50	6.21%	42,381.60	201,312.62	243,694.23	438,779.27
Meter Installations	334		-	4.44%	-	-	-	-
Hydrants	335		76,843.00	3.95%	3,035.30	14,417.67	17,452.97	59,390.03
Other Plant & Misc. Equipment	339		-	5.56%	-	-	-	-

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHEVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
DETAIL OF UTILITY PLANT IN SERVICE
FOR THE YEARS ENDED DECEMBER 2012

<u>12/31/2012</u>					<u>Depreciation</u>		
<u>Assets</u>	<u>Acct.</u>	<u>Basis</u>	<u>Rate</u>	<u>Current Year</u>	<u>Prior Years</u>	<u>Current A/D</u>	<u>Book Value</u>
<u>General Plant</u>							
Land and Land Rights	303	-	0.00%	-	-	-	-
Structures and Improvements	304	-	4.00%	-	-	-	-
Laboratory Equipment	344	-	5.00%	-	-	-	-
Office Furniture	340	-	4.74%	-	-	-	-
Personal Computers	340	-	12.50%	-	-	-	-
PC Software	340	-	20.00%	-	-	-	-
MainFrame Computers	340	-	12.50%	-	-	-	-
MainFrame Software	340	-	12.50%	-	-	-	-
Other Machinery & Equipment	340	65,000.00	5.00%	3,250.00	15,437.50	18,687.50	46,312.50
Stores Equipment	342	-	3.28%	-	-	-	-
Power Equipment	345	-	5.00%	-	-	-	-
Communication Equipment	346	-	12.50%	-	-	-	-
Miscellaneous Equipment	347	-	5.56%	-	-	-	-
Transportation Equipment	341	-	10.77%	-	-	-	-
Tools, Shop and Garage Equip.	343	-	7.31%	-	-	-	-
Other Tangible Plant	348	-	3.33%	-	-	-	-
Fiscal Year Ending 12/31/2012		<u>\$ 4,966,281</u>		<u>\$ 140,169</u>	<u>\$ 665,800</u>	<u>\$ 805,969</u>	<u>\$ 4,160,312</u>

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHEVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
DETAIL OF CONTRIBUTIONS IN AID OF CONSTRUCTION
FOR THE YEARS ENDED DECEMBER 2012

<u>Contributed Property</u>	<u>Basis</u>	<u>Rate</u>	<u>Amortization</u>		<u>Current A/D</u>	<u>Book Value</u>
			<u>Current Year</u>	<u>Prior Years</u>		
Kane County CDBG	\$ (472,000)	2.82%	\$ (13,322)	\$ (63,278)	\$ (76,600)	\$ (395,400)
Rural Development Grant	\$ (1,400,000)	2.82%	\$ (39,514)	\$ (187,690)	\$ (227,204)	\$ (1,172,796)
USDA Loan *	\$ (1,340,223)	2.82%	\$ (37,827)	\$ (179,676)	\$ (217,502)	\$ (1,122,721)
TOTAL CIAC AS OF 2012	\$ (3,212,223)		\$ (90,662)	\$ (430,644)	\$ (521,306)	\$ (2,690,917)

*Original loan with USDA less purchase price and closing costs. (\$2,778,000 - \$1,400,000 - \$37,777)

CDBG = Community Development Block Grants

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHEVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
PROPOSED DEPRECIATION RATES

		<u>Water Rates</u>
<u>Intangible Plant</u>		
301	Organization	0.00%
302	Franchises & Consents	0.00%
<u>Source of Supply Plant</u>		
303	Land and Land Rights	0.00%
304	Structures and Improvements	4.17%
305	Collecting & Impounding Res.	1.50%
306	Lake, River and Other Intakes	1.47%
307	W ells and Springs	1.67%
309	Supply Mains	1.89%
<u>Pumping Plant</u>		
303	Land and Land Rights	0.00%
304	Structures and Improvements	2.27%
310	Power Generating Equipment	3.33%
311	Source of Supply & Pumping Equip.	3.13%
311	Source of Supply & Pumping Equip. - Hydraulic	3.13%
311	Transmission & Distribution Pumping Equip.	3.13%
<u>W ater Treatment Plant</u>		
303	Land and Land Rights	0.00%
304	Structures and Improvements	2.78%
320	W ater Treatment Equipment	3.57%
<u>Transmission & Dist. Plant</u>		
303	Land and Land Rights	0.00%
304	Structures and Improvements	4.17%
330	Dist. Reservoirs & Standpipes	1.67%
331	T & D Mains	1.89%
333	Services	3.33%
334	Meters	6.21%
334	Meter Installations	4.44%
335	Hydrants	3.95%
339	Other Plant & Misc. Equipment	5.56%

AQUA ILLINOIS, INC.
AQUA ILLINOIS - MOECHEVILLE WATER SYSTEM (AURORA, IL) @ \$1,400,000
PROPOSED DEPRECIATION RATES

<u>General Plant</u>		<u>Water Rates</u>
303	Land and Land Rights	0.00%
304	Structures and Improvements	4.00%
344	Laboratory Equipment	5.00%
340	Office Furniture	4.74%
340	Personal Computers	12.50%
340	PC Software	20.00%
340	MainFrame Computers	12.50%
340	MainFrame Software	12.50%
340	Other Machinery & Equipment	5.00%
342	Stores Equipment	3.28%
345	Power Equipment	5.00%
346	Communication Equipment	12.50%
347	Miscellaneous Equipment	5.56%
341	Transportation Equipment	10.77%
343	Tools, Shop and Garage Equip.	7.31%
348	Other Tangible Plant	3.33%

Moecherville Water District
Illinois Rural Water Association
Construction Documents

Item No.	Description	Quantity	Account	Bowen Engineering	CB&I Contractors	Gurantee Co. of North America	R.J. O'Neil	Other	TOTAL
<u>Budget Items with No Payout Documentation</u>									
1	Legal Expenses		304300					15,000.00	15,000.00
2a	Land / Clearance - Well #1		303210					19,750.00	19,750.00
2b	Land / Clearance - Well #2		303210					19,750.00	19,750.00
2c	Land / Clearance - Well #3		303210					19,750.00	19,750.00
2d	Land / Clearance - Water Treatment & Tower		303300					19,750.00	19,750.00
3	Engineering \$445,000 (Preliminary Report / Design / Inspection / Additional)								-
4	Water Plant & Office		304300					215,855.93	215,855.93
5	Main Replacement		331400					229,144.07	229,144.07
6	Equipment / Other Expenses		340545					65,000.00	65,000.00
7	Contingency (No final payout for main replacement)		331400					112,141.00	112,141.00
<u>Water Plant & Office</u>									
1	Traffic Maintenance and control		304300	1,800.00					1,800.00
2	Excavation for Structures		304300	7,260.00					7,260.00
3	CA-7 for sand and water mains		304300	9,120.00					9,120.00
4	Trenching and galvanized pipe for electric and commutations		304300	24,000.00					24,000.00
5	Site excavation, top soil, seeding		304300	3,720.00					3,720.00
6	Parkway site excavation, top soil, seeding		304300	1,020.00					1,020.00
7	Grouted stone riprap		304300	2,310.00					2,310.00
8	5" concrete sidewalk		304300	6,480.00					6,480.00
9	Concrete curb		304300	2,750.00					2,750.00
10	8" bollard		304300	800.00					800.00
11	Asphalt drive		304300	15,040.00					15,040.00
12	Asphalt marking		304300	1,200.00					1,200.00
13	6" sanitary sewer		304300	4,200.00					4,200.00
14	8" sanitary sewer complete and permits		304300	19,200.00					19,200.00
15	12" RCCP culvert pipe		304300	850.00					850.00
16	Precast RCCP flair ends		304300	1,600.00					1,600.00
17	48" precast manhole with frame and lid		304300	5,600.00					5,600.00
18	Filter backwash discharge structure with lid		304300	4,000.00					4,000.00
19	10" DI water main		304300	6,600.00					6,600.00
20	6" DI water main		304300	3,150.00					3,150.00
21	10" gate valve in 60" valve vault		304300	8,200.00					8,200.00
22	6" date valve in 48" vavle vault		304300	7,000.00					7,000.00
23	Fire hydrant complete		304300	2,100.00					2,100.00
24	Cast or DI fittings and accessories		304300	3,600.00					3,600.00
25	Pressure testing and chlorination of water main		304300	2,385.00					2,385.00
26	Concrete foundations		304300	42,336.00					42,336.00
27	Booster station skid for tower		304300	51,000.00					51,000.00
28	Complete package treatment plant		304300	830,165.00					830,165.00
29	3 well houses with instrumentation and demo existing per addendum #44		304300	62,000.00					62,000.00
30	Complete design / build wireless system		304300	46,000.00					46,000.00
31	Electric and telephone service installation to building		304300	48,000.00					48,000.00
32	Install and maintain temp erosion control		304300	2,800.00					2,800.00
33	Change Order No. 001								
	a Fill in drive to make one entrance		304300	3,076.14					3,076.14
	b Extra piping for overflow location change		304300	2,613.72					2,613.72
	c Remove 6" of stone in drive		304300	770.07					770.07

Moecherville Water District
Illinois Rural Water Association
Construction Documents

Item No.	Description	Quantity	Account	Bowen	CB&I	Guarantee Co. of	R.J. O'Neil	Other	TOTAL
				Engineering	Contractors	North America			
	d Add shorter manhole lid frame		304300	189.75					189.75
	e Item 2. Delete 46.2 C.Y. Excavation @ \$44.00		304300	(2,032.80)					(2,032.80)
	f Item 26 Delete 6.86 C.Y. Concrete @ \$588.00		304300	(4,033.68)					(4,033.68)
	g Delete MV-5 manhole and valve		304300	(8,200.00)					(8,200.00)
	h Delete ceiling tiles		304300	(247.90)					(247.90)
	i Delete under slab piping		304300	(141.60)					(141.60)
	j Delete manhole and lid		304300	(728.30)					(728.30)
	k Delete concrete vulvert pipe		304300	(290.10)					(290.10)
34	Change Order No. 002		304300	59,933.00					59,933.00
<u>250 MG x 99.5' BCL Waterspheroid</u>									
1	Engineering		330400		36,000.00				36,000.00
2	Tank Material in Shop		330400		135,000.00				135,000.00
3	Tank Material Delivery to Shop		330400		109,000.00				109,000.00
4	Foundation Construction & Water Main		330400		114,000.00				114,000.00
5	Tank Erection		330400		202,700.00				202,700.00
6	Electrical (Rough)		330400		9,700.00				9,700.00
7	Electrical (Final)		330400		10,000.00				10,000.00
8	Paint		330400		112,200.00				112,200.00
9	Sterilize & Test		330400		500.00				500.00
10	Cathodic Protection		330400		7,300.00				7,300.00
11	Final Site Work		330400		5,000.00				5,000.00
12	Change Order #1 - Adding UV Blocker to Exterior Paint		330400		8,484.00				8,484.00
<u>Main Replacement</u>									
1	Traffic Maintenance & Control	1	331400			5,000.00			5,000.00
2	Exploration Trench	4	331400			6,044.40			6,044.40
3	Expose & Disconnect 4" line @ each well house	3	331400			3,605.40			3,605.40
4	Temp. Connection @ Easement S of 5th Avenue	1	331400			3,772.00			3,772.00
5	4" DIPS HDPE DR 11.0 (HDD)	1,208	331400			33,220.00			33,220.00
6	6" DIPS HDPE DR 11.0 (HDD)	4,219	331400			158,634.40			158,634.40
7	8" DIPS HDPE DR 11.0 (HDD)	13,915	331400			670,703.00			670,703.00
8	4" gate valve, bends and reducer @ well houses	3	331400			6,775.80			6,775.80
9	4" gate valve and box @ easement	3	331400			3,673.80			3,673.80
10	6" gate valve and box @ parkway	11	331400			14,484.80			14,484.80
11	6" gate valve and box @ pvmt. Including fill & Restoration	1	331400			2,289.70			2,289.70
12	8" gate valve and box @ parkway	30	331400			54,924.00			54,924.00
13	8" gate valve and box @ pvmt. Including fill & Restoration	1	331400			2,454.10			2,454.10
14	10" gate valve and box @ pvmt. Including fill & Restoration	1	331400			6,612.50			6,612.50
15	Casing for Street Crossing	1,271	331400			146,927.60			146,927.60
16	Blow-Off Complete	3	331400			4,012.50			4,012.50
17	Fire Hydrant Complete	26	335400			76,843.00			76,843.00
18	Min. 12 test of water main	1	331400			7,981.00			7,981.00
19	HDPE or D.I. fittings as required	1	331400			48,000.00			48,000.00
20	1" Service Tap	271	333400			204,144.30			204,144.30
21	Single Pitsetter	171	334410			202,942.80			202,942.80
22	Dual Pitsetter	109	334410			141,896.20			141,896.20
23	Fence removal and reinstallation	1,200	331400			54,000.00			54,000.00
24	Temporary Erosion Control	1	331400			15,000.00			15,000.00

**Moecherville Water District
P&L of the Illinois Rural Water Association
October 8, 2010 through June 30, 2012**

Income	<u>21 Months</u>	<u>Annualized</u>	
User Fees	446,657.36	255,232.78	
Other	806.79	461.02	
Total Income	447,464.15	255,693.80	
Expenses:			
Operator	62,000.00	35,428.57	O/S-Operations
Clerical	12,092.80	6,910.17	Labor
Electric	25,624.00	14,642.29	Power
Chemicals	10,698.18	6,113.25	Chemicals
Water Billing	4,083.75	2,333.57	ACO
Postage, Mailing Service	4,994.60	2,854.06	ACO
Lab Fees	3,184.00	1,819.43	Lab
Maintenance	41,716.28	23,837.87	Maintenance
Service Vehicles	174.00	99.43	Transporation
Insurance	16,079.12	9,188.07	Insurance
Collection	8,122.50	4,641.43	Bad Debt
Office Supplies	2,062.40	1,178.51	Miscellaneous
Telephone / Telecommunications	5,865.37	3,351.64	Miscellaneous
Gas	1,679.12	959.50	Miscellaneous
Service Charges	444.97	254.27	Miscellaneous
Property Taxes	724.40	413.94	Taxes
Payroll Expenses	5,099.74	2,914.14	Taxes
Legal Fees	17,494.12	9,996.64	Legal
Hearings & Meetings	9,477.96	5,415.98	Legal
Total Expenses	231,617.31	132,352.75	
Operating Income	215,846.84	123,341.05	