

Village Woods Acquisition
Proposed Journal Entries per Account 104 B

APPENDIX A

Proposed Journal Entries per Account 104 A

WATER				WASTEWATER			
Account	Account Description	Debit	Credit	Account	Account Description	Debit	Credit
104	Utility Plant Purchased or Sold	\$ 128,500	\$ -	104	Utility Plant Purchased or Sold	\$ 158,000	\$ -
131	Cash	\$ -	\$ 128,500	131	Cash	\$ -	\$ 158,000
		<u>\$ 128,500</u>	<u>\$ 128,500</u>			<u>\$ 158,000</u>	<u>\$ 158,000</u>

Proposed Journal Entries per Account 104 B

WATER				WASTEWATER			
Account	Account Description	Debit	Credit	Account	Account Description	Debit	Credit
104	Utility Plant Purchased or Sold	\$ -	\$ 531,800	104	Utility Plant Purchased or Sold	\$ -	\$ 510,200
114	Utility Plant Acquisition Adjustment	\$ -	\$ -	114	Utility Plant Acquisition Adjustment	\$ -	\$ -
115	Accum. Amort. Utility Plant Acquisition Adjustment	\$ -	\$ -	115	Accum. Amort. Utility Plant Acquisition Adjustment	\$ -	\$ -
301	Organization	\$ -	\$ -	351	Organization	\$ -	\$ -
303	Land & Land Rights	\$ 4,800	\$ -	353	Land & Land Rights	\$ 800	\$ -
304-15	Structures & Improvements- Pumping Plant	\$ 32,500	\$ -	354	Structures & Improvements - SW	\$ -	\$ -
304-30	Structures & Improvements- Water Treatment Plant	\$ -	\$ -			\$ -	\$ -
307	Wells and Springs	\$ 93,300	\$ -			\$ -	\$ -
310	Power Generation Equipment	\$ 70,100	\$ -	355	Power Generation Equipment - SW	\$ -	\$ -
311	Pumping Equipment	\$ -	\$ -	371	Pumping Equipment	\$ -	\$ -
320	Water Treatment Equipment	\$ 60,800	\$ -	360	Collection Main Sewer Force	\$ 149,300	\$ -
330	Distribution Reservoirs and Standpipes	\$ 43,700	\$ -	361	Collection Main Sewer Gravity	\$ 388,800	\$ -
331	Mains	\$ 203,400	\$ -	364	Flow Measuring Devices	\$ -	\$ -
333	Services	\$ 49,800	\$ -	380	Wastewater Treatment Equipment	\$ -	\$ -
334	Meters	\$ -	\$ -			\$ -	\$ -
335	Hydrants	\$ 23,400	\$ -			\$ -	\$ -
340	Office Furniture and Equipment	\$ -	\$ -	390	Office Furniture and Equipment	\$ -	\$ -
	<u>Reserve for Depreciation & Contributed Property</u>				<u>Reserve for Depreciation & Contributed Property</u>		
108	Organization	\$ -	\$ -	108	Organization	\$ -	\$ -
108	Structures & Improvements- Pumping Plant	\$ -	\$ 5,800	108	Structures & Improvements - Pumping Plant	\$ -	\$ -
108	Structures & Improvements- Water Treatment Plant	\$ -	\$ -	108	Structures & Improvements - Treatment Plant	\$ -	\$ -
108	Wells and Springs	\$ -	\$ 13,900	108	Power Generation Equipment	\$ -	\$ -
108	Power Generation Equipment	\$ -	\$ 2,500	108	Pumping Equipment	\$ -	\$ -
108	Pumping Equipment	\$ -	\$ -	108	Wastewater Treatment Equipment	\$ -	\$ -
108	Water Treatment Equipment	\$ -	\$ 2,200	108	Collection Main Sewer Force	\$ -	\$ 13,700
108	Distribution Reservoirs and Standpipes	\$ -	\$ 6,600	108	Collection Main Sewer Gravity	\$ -	\$ 15,000
108	Mains	\$ -	\$ 10,900	108	Flow Measuring Devices	\$ -	\$ -

**Village Woods Acquisition
Proposed Journal Entries per Account 104 B**

APPENDIX A

108	Services	\$ -	\$ 5,200
108	Meters	\$ -	\$ -
108	Hydrants	\$ -	\$ 2,900
108	Office Furniture and Equipment	\$ -	\$ -
131	Cash	\$ -	\$ -
224	Other Long Term Debt	\$ -	\$ -
271	Contributions in Aid of Construction	\$ -	\$ -
		<u>\$ 581,800</u>	<u>\$ 581,800</u>

108	Office Furniture and Equipment	\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
131	Cash	\$ -	\$ -
224	Other Long Term Debt	\$ -	\$ -
271	Contributions in Aid of Construction	\$ -	\$ -
		<u>\$ 538,900</u>	<u>\$ 538,900</u>

Summary Accounting Entries to Record Initial Purchase

WATER

<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>
Various	Utility Plant	\$ 581,800	
108	Accumulated Depreciation		\$ 50,000
104	Utility Plant Purchased or Sold		\$ 531,800

This is a summary of the above journal entries. CIWC's \$531,800 increase in water rate base is derived from the following calculation:

Utility Plant	\$ 581,800
Accumulated Depreciation	\$ (50,000)
Net Plant Additions	<u>\$ 531,800</u>

Additional Journal Entries

Journal Entry #1

<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>
104	Utility Plant Purchased or Sold	\$ 403,300	
114	Utility Plant Acquisition Adjustment		\$ 403,300

To record transfer of purchased utility plant to acquisition adjustment account in accordance with USOA Accounting instruction 21 B.

Journal Entry #2

115	Accum. Amort. Of Utility Plant Acq. Adj.	\$ 40,330	
421	Non-Utility Income		\$ 40,330

Annual entry to record the below-the-line amortization of acquisition adjustment

Summary Accounting Entries to Record Initial Purchase

WASTEWATER

<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>
Various	Utility Plant	\$ 538,900	
108	Accumulated Depreciation		\$ 28,700
104	Utility Plant Purchased or Sold		\$ 510,200

This is a summary of the above journal entries. CIWC's \$510,200 increase in wastewater rate base is derived from the following calculation:

Utility Plant	\$ 538,900
Accumulated Depreciation	\$ (28,700)
Net Plant Additions	<u>\$ 510,200</u>

Additional Journal Entries

Journal Entry #1

<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>
104	Utility Plant Purchased or Sold	\$ 352,200	
114	Utility Plant Acquisition Adjustment		\$ 352,200

To record transfer of purchased utility plant to acquisition adjustment account in accordance with USOA Accounting instruction 21 B.

Journal Entry #2

115	Accum. Amort. Of Utility Plant Acq. Adj.	\$ 35,220	
421	Non-Utility Income		\$ 35,220

Annual entry to record the below-the-line amortization of acquisition adjustment

Village Woods Acquisition
Proposed Journal Entries per Account 104 B

CIWC Exhibit A

Proposed Journal Entries per Account 104 A

WATER				WASTEWATER			
Account	Account Description	Debit	Credit	Account	Account Description	Debit	Credit
104	Utility Plant Purchased or Sold	\$ 128,500	\$ -	104	Utility Plant Purchased or Sold	\$ 158,000	\$ -
131	Cash	\$ -	\$ 128,500	131	Cash	\$ -	\$ 158,000
		<u>\$ 128,500</u>	<u>\$ 128,500</u>			<u>\$ 158,000</u>	<u>\$ 158,000</u>

Proposed Journal Entries per Account 104 B

WATER				WASTEWATER			
Account	Account Description	Debit	Credit	Account	Account Description	Debit	Credit
104	Utility Plant Purchased or Sold	\$ -	\$ 531,800	104	Utility Plant Purchased or Sold	\$ -	\$ 510,200
114	Utility Plant Acquisition Adjustment	\$ -	\$ -	114	Utility Plant Acquisition Adjustment	\$ -	\$ -
115	Accum. Amort. Utility Plant Acquisition Adjustment	\$ -	\$ -	115	Accum. Amort. Utility Plant Acquisition Adjustment	\$ -	\$ -
301	Organization	\$ -	\$ -	351	Organization	\$ -	\$ -
303	Land & Land Rights	\$ 4,800	\$ -	353	Land & Land Rights	\$ 800	\$ -
304-15	Structures & Improvements- Pumping Plant	\$ 32,500	\$ -	354	Structures & Improvements - SW	\$ -	\$ -
304-30	Structures & Improvements- Water Treatment Plant	\$ -	\$ -			\$ -	\$ -
307	Wells and Springs	\$ 93,300	\$ -			\$ -	\$ -
310	Power Generation Equipment	\$ 70,100	\$ -	355	Power Generation Equipment - SW	\$ -	\$ -
311	Pumping Equipment	\$ -	\$ -	371	Pumping Equipment	\$ -	\$ -
320	Water Treatment Equipment	\$ 60,800	\$ -	360	Collection Main Sewer Force	\$ 149,300	\$ -
330	Distribution Reservoirs and Standpipes	\$ 43,700	\$ -	361	Collection Main Sewer Gravity	\$ 388,800	\$ -
331	Mains	\$ 203,400	\$ -	364	Flow Measuring Devices	\$ -	\$ -
333	Services	\$ 49,800	\$ -	380	Wastewater Treatment Equipment	\$ -	\$ -
334	Meters	\$ -	\$ -			\$ -	\$ -
335	Hydrants	\$ 23,400	\$ -			\$ -	\$ -
340	Office Furniture and Equipment	\$ -	\$ -	390	Office Furniture and Equipment	\$ -	\$ -
	Reserve for Depreciation & Contributed Property				Reserve for Depreciation & Contributed Property		
108	Organization	\$ -	\$ -	108	Organization	\$ -	\$ -
108	Structures & Improvements- Pumping Plant	\$ -	\$ 5,800	108	Structures & Improvements - Pumping Plant	\$ -	\$ -
108	Structures & Improvements- Water Treatment Plant	\$ -	\$ -	108	Structures & Improvements - Treatment Plant	\$ -	\$ -
108	Wells and Springs	\$ -	\$ 13,900	108	Power Generation Equipment	\$ -	\$ -
108	Power Generation Equipment	\$ -	\$ 2,500	108	Pumping Equipment	\$ -	\$ -
108	Pumping Equipment	\$ -	\$ -	108	Wastewater Treatment Equipment	\$ -	\$ -
108	Water Treatment Equipment	\$ -	\$ 2,200	108	Collection Main Sewer Force	\$ -	\$ 13,700
108	Distribution Reservoirs and Standpipes	\$ -	\$ 6,600	108	Collection Main Sewer Gravity	\$ -	\$ 15,000
108	Mains	\$ -	\$ 10,900	108	Flow Measuring Devices	\$ -	\$ -

**Village Woods Acquisition
Proposed Journal Entries per Account 104 B**

CIWC Exhibit A

108	Services	\$ -	\$ 5,200
108	Meters	\$ -	\$ -
108	Hydrants	\$ -	\$ 2,900
108	Office Furniture and Equipment	\$ -	\$ -
131	Cash	\$ -	\$ -
224	Other Long Term Debt	\$ -	\$ -
271	Contributions in Aid of Construction	\$ -	\$ -
		<u>\$ 581,800</u>	<u>\$ 581,800</u>

108	Office Furniture and Equipment	\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
		\$ -	\$ -
131	Cash	\$ -	\$ -
224	Other Long Term Debt	\$ -	\$ -
271	Contributions in Aid of Construction	\$ -	\$ -
		<u>\$ 538,900</u>	<u>\$ 538,900</u>

Summary Accounting Entries to Record Initial Purchase

WATER			
Account	Account Description	Debit	Credit
Various	Utility Plant	\$ 581,800	
108	Accumulated Depreciation		\$ 50,000
104	Utility Plant Purchased or Sold		\$ 531,800

This is a summary of the above journal entries. CIWC's \$531,800 increase in water rate base is derived from the following calculation:

Utility Plant	\$ 581,800
Accumulated Depreciation	\$ (50,000)
Net Plant Additions	<u>\$ 531,800</u>

Additional Journal Entries

Journal Entry #1

Account	Account Description	Debit	Credit
104	Utility Plant Purchased or Sold	\$ 403,300	
114	Utility Plant Acquisition Adjustment		\$ 403,300

To record transfer of purchased utility plant to acquisition adjustment account in accordance with USOA Accounting instruction 21 B.

Journal Entry #2

115	Accum. Amort. Of Utility Plant Acq. Adj.	\$ 40,330	
421	Non-Utility Income		\$ 40,330

Annual entry to record the below-the-line amortization of acquisition adjustment

Summary Accounting Entries to Record Initial Purchase

WASTEWATER			
Account	Account Description	Debit	Credit
Various	Utility Plant	\$ 538,900	
108	Accumulated Depreciation		\$ 28,700
104	Utility Plant Purchased or Sold		\$ 510,200

This is a summary of the above journal entries. CIWC's \$510,200 increase in wastewater rate base is derived from the following calculation:

Utility Plant	\$ 538,900
Accumulated Depreciation	\$ (28,700)
Net Plant Additions	<u>\$ 510,200</u>

Additional Journal Entries

Journal Entry #1

Account	Account Description	Debit	Credit
104	Utility Plant Purchased or Sold	\$ 352,200	
114	Utility Plant Acquisition Adjustment		\$ 352,200

To record transfer of purchased utility plant to acquisition adjustment account in accordance with USOA Accounting instruction 21 B.

Journal Entry #2

115	Accum. Amort. Of Utility Plant Acq. Adj.	\$ 35,220	
421	Non-Utility Income		\$ 35,220

Annual entry to record the below-the-line amortization of acquisition adjustment