

Detailed Comparative Income Statements

	Hopewell Service Corporation (Flat Rate)							
	C 93-W-0629 1/24/1994	2007	2008	2009	2010	Pro Forma Rate Year		
						Current	Proposed	Ref., Exh 1,
						Rates	Rates	Page Fn. #
Total Operating Revenues	\$43,800	\$42,354	\$36,564	\$34,599	\$43,674	\$43,896	\$54,349	4
Expenses:								
Operation & Management Salaries								
Officers Salaries	\$6,100					\$5,000	\$5,000	2 (1)
Supervision & Labor						2,100	2,100	2 (1)
Operations								
Water Treatment & Operations	8,800				6,780	10,200	10,200	2 (2)
Meter Reading								
Materials & Supplies								
Repairs & Maintenance	4,500	25,236	2,235	2,171	2,417	2,300	2,300	2 (2)
Chemicals								
Landscaping								
Utilities:								
Propane								
Purchased Power	1,520				2,859	2,900	2,900	2 (2)
Water								
Water Quality Report						500	500	2 (3)
Water Testing	1,200				170	200	200	2 (2)
Administration								
Accounts Payable & Clerical						1,500	1,500	2 (1)
Secretarial & Collecting						1,500	1,500	2 (1)
Billing						1,700	1,700	2 (1)
Bookkeeping						900	900	2 (1)
Insurance	1,000				2,667	2,700	2,700	2 (2)
Professional Fees:								
Accounting	1,600				580	1,000	1,000	2 (4)
Attorney's Fees						1,000	1,000	2 (4)
Other Expenses:	1,540	25,509	29,490	24,106				
Bank Charges					118	100	100	2 (2)
Licenses & Fees								
Office Expenses								
Postage					769	800	800	2 (2)
Rent		3,000	2,750	3,250	3,000	3,000	3,000	2 (2)
Supplies					44	0	0	2 (2)
Telephone								
Transportation								
Equipment Rental								
Total O&M Expenses	\$26,260	\$53,745	\$34,475	\$29,527	\$19,404	\$37,400	\$37,400	
Depreciation	1,790	4,253	4,253	4,253				
Amortization (Rate Case Expense)	900					700	700	
Operating Taxes:								
Real Estate	7,870	11,534	11,864		24,905	12,500	12,500	2 (2)
Gross Revenue	2,475							
Total Operating Rev. Deductions	\$39,295	\$69,532	\$50,592	\$33,780	\$44,309	\$50,600	\$50,600	
Utility Operating Income	\$4,505	(\$27,178)	(\$14,028)	\$819	(\$635)	(\$6,704)	\$3,749	
State Corporate Inc. Tax					25			
Operating Income	\$4,505	(\$27,178)	(\$14,028)	\$819	(\$660)	(\$6,704)		
Net Income Needed on Pre-Tax Rate of Return								
Net Income with Operating Margin						\$3,740		
Additional Rev Required						\$10,444		
Percent Increase Required						24%		
Rate Base	\$36,340							
Pre-tax Return on Rate Base								
Rate of Return	12.4%							

* Explanatory footnotes are provided on HSC Exhibit 1, page 2.

Hopewell Service Corporation

Explanation of Adjustments on Detailed Income Statement

- (1) Minimum charges to the water corporation for these categories. In the past, the owners and managers have foregone charging for these services, which have been provided.
- (2) Recent charges that have been experienced by the Corporation. No inflation has been included in these figures.
- (3) Required report that needs to be prepared.
- (4) Set to reflect the minimum level of professional services required to operate the company efficiently.

Hopewell Service Corporation

Computation of Pro-Forma Revenue & Proposed Rates

Hopewell Service Corporation		Per Customer		Annual Revenue	
		Quarterly	Annual	Current Rate	Proposed Rate
Flat-Rate Charge		\$78.95	\$315.80		
Number of Customers	139				
Totals Revenue from existing rate				\$43,896.20	
Gross Revenue Before Increase					\$43,896.20
Revenue Deficiency					10,443.80
Revenue from sales					\$54,340.00
Annual Revenue Required per customer					\$390.94
Proposed Rate		\$97.75	\$391.00		
Revenue from Proposed Rate					\$54,349.00
Percent Increase			24%		

Date	Description	Vendor	Amount
Well I Redevelopment, 2005			
09/02/05	7/26/05 Replaced Well Pump, Pump Cables and Drop Pipe	Mid-Hudson Pump Co., Inc.	\$2,741.91
07/29/05	Surge and Redevelopment of Well I	Boyd Artesian Well Co., Inc.	4,375.00
08/02/05	Backhoe Services for Well Redevelopment	Corbin Excavating, Inc.	367.63
08/19/05	Well Work	Boyd Artesian Well Co., Inc.	4,356.00
07/27/05	Through 8/22/05		
08/22/05	Water Purchases Related to Well Redevelopment and Addition	Troncillito, listed on the right	27,040.10
Well II Pump Replacement			
09/02/05	8/17/05 Replaced Well Pump	Mid-Hudson Pump Co., Inc.	1,201.74
New Well III			
09/02/05	8/22/05 Installation of Well and Pump	Mid-Hudson Pump Co., Inc.	6,742.90
05/14/07	8/05 72-Hour Flow Test	Mid-Hudson Pump Co., Inc.	2,880.00
Roof Replacement			
11/12/05	Roof Replacement Blockwell	Henry J. Welch General Contractor, Ltd.	2,338.86
Well Redevelopment and Pump Replacement			
02/06/07	Well Deepening	PF Beal & Son., Inc.	3,006.00
03/27/07	Installation of Pump Test	PF Beal & Son., Inc.	3,649.22
Pump Replacement Well II			
05/14/07	5/1/07 Replacement of Well Pump, Installation of Drop Pipe, etc	Mid-Hudson Pump Co., Inc.	5,625.95
Road Replacement			
10/10/07	Road Construction, Asphalt Installation and Milling	Bridgeview Excavation, Inc.	2,051.00
Replace Chemical Feed Pump			
09/19/07	8/2/07 Replace Chem-Tech Feed Pump	Mid-Hudson Pump Co., Inc.	372.70
Total Capital Improvements			\$66,749.01
Loan from Sagamor Water Corp.			\$57,798.00

Date	Amount
07/27/05	2,381.44
07/27/05	1,784.06
07/29/05	1,486.72
07/29/05	1,486.72
07/30/05	572.34
07/31/05	594.68
08/01/05	892.03
08/02/05	892.03
08/03/05	892.03
08/05/05	892.03
08/06/05	594.69
08/07/05	594.70
08/08/05	892.31
08/09/05	892.03
08/11/05	892.31
08/12/05	892.03
08/12/05	892.03
08/13/05	594.70
08/14/05	1,786.25
08/15/05	3,865.47
08/16/05	594.69
08/17/05	1,190.75
08/17/05	1,189.38
08/19/05	1,189.40
08/20/05	594.69
08/21/05	594.69
08/22/05	297.34
Total	\$27,040.10

09/21/05	\$1,486.72
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