

JD Water Co Inc
PO Box 566
Smallwood, NY 12788

Rate Increase for year 2008

JD Water Company is requesting a 60,036.00 rate increase from the last rate increase 1/31/2003. This is a 47 % rate increase.

The water company is currently serving approximately 415 customers. Which is a drop from the last rate increase which had an estimated client base of 489 a 15% loss of base revenue. This has been due to vacancies and homeowners drilling their own wells because the houses have become year round residents.

With a deteriorating client base the cost of operations has not decrease but has increased with the rise in fuel oil & gasoline cost. The water company has continually run short on cash flow each and every year. The operators have not taken their full salaries that they were allotted in the last rate increase because of this continued short fall.

Cost to repair and replace the antiquated piping is continuance and on going.

Rate now being charged are:

	Escrow
Dwelling	\$ 327.00 + 78.00 = 405.00
Hose	109.00 + 26.00 = 135.00
Lge Pool	218.00 + 52.00 = 270.00

Proposed Rates

Dwelling	\$ 517.33 + 78.00 = 595.33
Hose	174.66 + 26.00 = 200.66
Lge Pool	342.62 + 52.00 = 394.62

Currently estimated 248 Customer Billed for Dwelling
250 Customers Billed for Hose
1 Large Pool

Total number of customer is estimated around 415. There are various combinations of billings, dwelling only, dwelling with hose, Hose only, some have two hose hook ups etc. the total billing per type is as shown.


Companies projected income statement is included.

Copies of JD waters 2004, 2005 & 2006 tax returns are provided. A profit & Loss would look similar.

Please feel free to contact my accountant for further information:

Kathleen Brandes, CPA PC
PO Box 910
Monticello, NY 12701
845-791-5656

Sincerely



JD Water Co Inc