

# DAVIDSON WATER, INC.

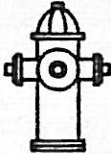
WELCOME, N. C.



JUNE, 1993

1994

*The Nation's Largest Rural Water System*



**SINCE 1969**



## ANNUAL MEETING

The annual meeting of the members of Davidson Water, Inc. was held on March 14, 1994 at the courthouse in Lexington. Twenty-seven members attended and 4,330 were represented by proxies. Therrell Grimes, President, presided at the meeting. Gregg Stabler, Manager, discussed this past year's operations and current and future construction needs. Robert Biesecker, CPA for Turlington and Company, reviewed the annual financial statements. A copy is included in this newsletter. Jim Hanes, John Sharpe, John Greer, Numa Everhart and Danny Fitzgerald were elected to serve a three year term on the Board of Directors. Barbara Ewings was elected to finish the remaining two years of Bennie Pugh's three year term. Bennie is no longer a member of Davidson Water, Inc. and had to relinquish his position on the board. Theresa Matthews was elected to finish the one year remaining of Fred Craver's term. Fred passed away this past year.

Mr. Stabler also displayed a map of the Davidson Water, Inc. service area and stated that to better represent our membership, Management and our Board of Directors feel that we need to have representation throughout our service area. Therefore, we have divided our service area into four districts divided by major highways with each district having approximately the same number of members. We suggested that the nominating committee select three board members from each district and three board members at large.

### PAST YEAR OPERATIONS

During this past year, Davidson Water, Inc. employees repaired over 1,000 water leaks, moved 206 meters due to road construction by DOT, raised 98 valves, repaired 48 valves, repaired 47 hydrants, installed 9 hydrants, made 1,074- 3/4" taps, 19 - 1" taps, 1 - 1 1/2" tap and 3 - 2" taps. Over 34,000 feet of water line extensions were made. We changed out 632 meters that stopped registering, cut off 3,419 meters for non payment and read and cut off 4,036 meters where residents moved and then returned to cut back on when new owners or renters moved in. We now have our generator in operation at our filter plant. Belmont pump station has been finished and several large transmission lines have been completed. The mapping project of our water system has also been finished.

## NEW PROJECTS

We are in the process of upgrading Kennedy pump station. This will allow us to get more water into the eastern part of our service area. A new 250,000 gallon elevated tank is now under construction. It is located off Business 185 on Prospect Road. The existing filters and controls at the water plant will be upgraded before summer. Our engineer is currently studying the need to upgrade our filter plant and office facilities.



**BENNIE PUGH**

Bennie Pugh has served on the Davidson Water, Inc. Board of Directors for eighteen years. He served as Treasurer and was on the Executive Board. His computer expertise was invaluable to the Board, Management and Staff. Bennie works at Thomasville Furniture Industries as Manager of Operation and Technical Services. Bennie plays golf and is a dedicated member of the Lions Club on the local and national level. In 1972, he served as District Governor of the Lions Foundation. Bennie was a valued board member and we wish him the best.



**IN MEMORY OF  
FRED CRAVER**

Fred (Dink) Craver, died after a long hard fought battle with cancer. He was a board member of Davidson Water, Inc. since 1973. He served as Treasurer and Vice President. Fred also served on the Wallburg Water, Inc. Board of Directors prior to consolidation of the five water systems into Davidson Water, Inc.

Fred loved sports, traveling and politics. He served on the Davidson County Board of Education for eight years always wanting to provide the best education possible.

Fred was a truly valued board member. Our prayers go out to his family.

This is an equal opportunity program. Federal law prohibits discrimination. Complaints of discrimination can be filed with the Administrator, FmHA, US Department of Agriculture, Washington, DC 20250-070.

## DAVIDSON WATER, INC. WELCOMES TWO NEW BOARD MEMBERS

Barbara Ewings of Trinity, NC was elected at our annual meeting to serve on the Board of Directors. She replaced Bennie Pugh, who had two years remaining on his three year term. Barbara works actively for the community and church and is very civic minded. She graduated from Guilford Technical Institute and helps her husband run DTP Electronics located on Uwharrie Road. Barbara likes deep sea fishing and show horses. We believe she will make a good addition to our board.

Theresa Matthews of Thomasville, NC was elected to the board replacing Fred Craver. Theresa graduated from North Carolina State University. She is a certified public accountant and owns her own business. Theresa, with her accounting expertise, is welcomed to our board of directors.

### ANNUAL FINANCIAL STATEMENTS BALANCE SHEET

September 30, 1993

#### ASSETS

Utility Plant at cost	\$48,024,011	
Less, accum depreciation	16,856,611	\$31,167,400
	<u>                    </u>	
Current Assets		4,690,403
Other Assets		<u>364,288</u>
		<u>\$36,222,091</u>

#### MEMBERS' EQUITY AND LIABILITIES

Members' Equity		
Memberships	\$ 938,732	
Contributions in aid	1,074,062	
Other Equity	<u>18,864,892</u>	\$20,877,686
Long-term debt less current maturities		13,163,573
Current liabilities including current maturities		1,288,441
Customer Advances for construction		<u>892,391</u>
		<u>\$36,222,091</u>

#### STATEMENT OF INCOME

Operating revenues		\$ 6,936,591
Operating revenue deductions		
Salaries and wages	\$ 1,079,217	
Office expenses	137,154	
Electricity	654,495	
Depreciation	1,521,326	
All other operating deductions	<u>966,480</u>	\$ 4,358,672
Net operating revenue		\$ 2,577,919
Interest on long-term debt		1,333,117
Net income before interest		<u>\$ 1,244,802</u>
Interest Income		\$ 132,689
Net income before extraordinary item		<u>\$ 1,377,491</u>
Gain/loss on sale of utility plant assets		<u>\$ 1,448</u>
Net income for the last year		<u>\$ 1,378,939</u>