SSC CPAs, P.A.

RURAL WATER DISTRICT NO. 3

DOUGLAS COUNTY, KANSAS

FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2024 AND 2023

Table of Contents

	Page Number
Independent Auditor's Report	1 – 2
Financial Statements:	
Statements of Net Position	3
Statements of Revenues, Expenses, and Change in Net Position	4
Statements of Cash Flows	5
Notes to the Financial Statements	6 – 11
Supplemental information:	
Insurance Coverage (unaudited)	12 - 13
Customers Served (unaudited)	14

SSC CPAs, P.A.

Independent Auditor's Report

To the Board of Directors
Rural Water District No. 3
Douglas County, Kansas

Opinion
We have audited the accompanying financial statements of Rural Water District No. 3, Douglas County, Kansas as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise Rural Water District No. 3, Douglas County, Kansas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rural Water District No. 3, Douglas County, Kansas as of December 31, 2024 and 2023, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rural Water District No. 3, Douglas County, Kansas, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rural Water District No. 3, Douglas County, Kansas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher

than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rural Water District No. 3, Douglas County, Kansas' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rural Water District No. 3, Douglas County, Kansas' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise Rural Water District No. 3, Douglas County, Kansas' basic financial statements. The supplemental information on pages 12-14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

SSC CPAs, P.A.

SSC CPAs, P.A.
Topeka, Kansas
March 12, 2025

RURAL WATER DISTRICT NO. 3, DOUGLAS COUNTY, KANSAS

STATEMENTS OF NET POSITION

December 31,	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,703,304	$ 1,620,885
Certificates of deposit	102,254	98,535
Accounts receivable, net of allowance of $856,701 and $856,701, respectively	464,741	227,464
Prepaid expenses	206,149	195,062
Material inventory	159,493	159,493
Total current assets	2,635,941	2,301,439
Long-term assets		
Capital assets, net	7,242,589	7,285,090
Total long-term assets	7,242,589	7,285,090
Restricted assets		
Principal and interest account	317,334	312,271
KPWS loan reserve	136,412	136,412
Bond reserve account	650,387	629,875
Total restricted assets	1,104,133	1,078,558
TOTAL ASSETS	$ 10,982,663	$ 10,665,087
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable	$ 99,050	$ 46,743
Accrued payroll and related liabilities	47,470	31,658
Current portion of long-term debt	554,505	538,142
Accrued interest	38,028	48,659
Total current liabilities	739,053	665,202
Long-term liabilities		
Long-term debt, less current maturities	3,299,696	3,854,201
Total liabilities	4,038,749	4,519,403
Net position		
Invested in capital assets, net of related debt		
Tri-District	2,020,567	2,122,438
Other	1,367,821	770,309
Restricted		
Tri-District	1,820,061	1,143,681
Debt service	1,066,105	1,029,899
Unrestricted	669,360	1,079,357
Total net position	6,943,914	6,145,684
TOTAL LIABILITIES AND NET POSITION	$ 10,982,663	$ 10,665,087

RURAL WATER DISTRICT NO. 3, DOUGLAS COUNTY, KANSAS

STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION

For the years ended December 31,	2024	2023
REVENUES		
Water sales	$ 2,971,315	$ 2,455,568
Fixed cost recovery	463,290	350,450
Other operating revenue	142,264	147,212
Less: allowance for bad debt	-	(7,170)
Total operating revenue	3,576,869	2,946,060
EXPENSES		
Water purchases	160,122	169,035
Salaries, benefits and payroll taxes	693,758	660,856
Chemicals and supplies	239,876	349,760
Meter reading	-	27,433
Repairs and maintenance	355,297	411,150
Professional and other services	197,028	93,939
Utilities	167,016	206,230
Insurance	114,746	101,229
Truck and mileage	52,832	42,875
Office supplies and rent	59,822	58,619
Director's fees	9,050	8,425
Dues and fees	15,223	19,475
Depreciation and amortization	767,163	784,856
Other	13,710	15,800
Total expenses	2,845,643	2,949,682
Operating income	731,226	(3,622)
Other income (expense)		
New meters	120,000	209,382
Interest income	46,959	17,337
Interest expense	(99,955)	(119,377)
Total other income (expense)	67,004	107,342
Change in net position	798,230	103,720
Net position, beginning of year	6,145,684	6,041,964
Net position, end of year	$ 6,943,914	$ 6,145,684

RURAL WATER DISTRICT NO. 3, DOUGLAS COUNTY, KANSAS

STATEMENTS OF CASH FLOWS

For the years ended December 31,	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 3,197,328	$ 2,798,920
Payments to suppliers for goods and services	(1,343,502)	(1,440,115)
Payments to employees from payroll	(677,946)	(650,438)
Other operating receipts	142,264	147,212
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,318,144	855,579
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	46,959	17,337
Increase in debt reserve funds	(25,575)	(11,165)
Net change in certificates of deposits	(3,719)	(1,860)
NET CASH PROVIDED BY INVESTING ACTIVITIES	17,665	4,312
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on long term capital debt	(538,142)	(521,811)
Interest paid on long term capital debt	(110,586)	(124,608)
Benefit units sold	120,000	209,382
Purchase of capital assets	(724,662)	(77,997)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(1,253,390)	(515,034)
Net increase in cash and cash equivalents	82,419	344,857
Cash and cash equivalents, beginning of year	1,620,885	1,276,028
Cash and cash equivalents, end of year	$ 1,703,304	$ 1,620,885
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$ 731,226	$ (3,622)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	767,163	784,856
(Increase) decrease in operating assets:		
Accounts receivable, net	(237,277)	72
Inventory	-	53,596
Prepaid expenses	(11,087)	(12,648)
Increase (decrease) in operating liabilities:		
Accounts payable	52,307	22,907
Accrued payroll and related liabilities	15,812	10,418
Net cash provided by operating activities	$ 1,318,144	$ 855,579

RURAL WATER DISTRICT NO. 3, DOUGLAS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

1. FINANCIAL REPORTING ENTITY

Rural Water District No. 3, Douglas County, Kansas (the District) was organized on January 11, 1965 by order of the Board of County Commissioners, Douglas County, Kansas. The District, is a Kansas quasi-municipality, pursuant to K.S.A. 82a-12 *et seq*. The District was organized to provide water for residents within the District and is exempt from federal and state income taxes.

In August 1979, the District executed an agreement with Rural Water District No. 5, Osage County, Kansas and Rural Water District No. 8, Shawnee County, Kansas to establish the Tri-District Committee (Tri-District) for purposes of constructing and managing an intake structure, pumping facilities, and a water treatment plant at Clinton Lake in Douglas County, Kansas for the treatment and distribution of water to each of the three districts. The title to all assets and the liability for all financing is in the name of Rural Water District No. 3, Douglas County, Kansas.

All water agreements entered into by and among the District, Rural Water District No. 5, Osage County, and Rural Water District No. 8, Shawnee County, Kansas have expired by mutual agreement of the three districts.

Management and district legal counsel have determined that the Tri-District Committee does not constitute a legal entity, and therefore, has no power to contract, sue or to be sued. The water right being utilized to take water from Clinton Lake, the plant site, and plant facilities are all presently in the name of the District. Similarly, all obligations for indebtedness are on the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting
The financial statements of the District have been prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when they are incurred.

Cash and cash equivalents
The District considers all unrestricted cash and money market accounts to be cash or cash equivalents. Investments in certificates of deposit are recorded as certificates of deposit and are not included in cash or cash equivalents.

Restricted assets
Certain proceeds of the revenue bonds, as well as resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants.

Accounts receivable
Accounts receivable arise from the sale of water and represent amounts not yet received. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for doubtful accounts. Allowances are estimated based management's determination of accounts that may be uncollectible due to age or other factors. The allowance for doubtful accounts was $856,701 at December 31, 2024 and 2023, which is comprised of two customers with past due amounts greater than one year. A suit has been filed by the District against these two customers as discussed in Note 9.

Inventory
Inventory consists of miscellaneous parts and is valued at the lower of cost or market. Cost is determined on a weighted average basis.

Capital assets

Capital assets are recorded at cost greater than or equal to $2,500. Depreciation is recorded on the straight-line method over the estimated useful lives of the assets as follows:

Water systems	40 years
Furniture and equipment	5-10 years
Vehicles	5-10 years

The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized.

Net position

Net position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net position is classified in the following three components:

Invested in capital assets, net of related debt - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted - This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component of net position consists of net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Revenue recognition

Operating revenues consist of those revenues that result from the ongoing principal operations of the District and are recognized when earned. Water sales to customers and other districts are the primary source of revenue. Revenues from line extensions and the sale of meters are deferred until the District has completed the line extensions and set the meters.

Compensated absences

The District accrues for the costs of compensated absences to the extent that the employee’s right to receive payment relates to service already rendered, payment is probable, and the amount can be reasonably estimated.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. DEPOSITS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the District's carrying amount of deposits was $2,773,194 and the bank balance was $2,782,766. Of the bank balance, $500,000 was covered by federal depository insurance and $3,643,569 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

4. CAPITAL ASSETS

Capital assets, together with activity for the years ended December 31, 2024 and 2023 consisted of the following:

	2023	Additions	Reductions	2024
Capital Assets:				
Land	$ 235,573	$ -	$ -	$ 235,573
Water system	13,939,622	255,182	-	14,194,804
Furniture and equipment	298,178	11,263	-	309,441
Tri-District water system	9,488,167	105,631	-	9,593,798
Vehicles	327,295	-	-	327,295
Construction in process	-	352,587	-	352,587
	24,288,835	724,662	-	25,013,497
Less: Depreciation	(17,003,745)	(767,163)	-	(17,770,908)
Net capital assests	$ 7,285,090	$ (42,501)	$ -	$ 7,242,589

	2022	Additions	Reductions	2023
Capital Assets:				
Land	$ 235,573	$ -	$ -	$ 235,573
Water system	13,939,622	-	-	13,939,622
Furniture and equipment	298,178	-	-	298,178
Tri-District water system	9,467,992	20,175	-	9,488,167
Vehicles	269,473	57,822	-	327,295
	24,210,838	77,997	-	24,288,835
Less: Depreciation	(16,223,083)	(780,662)	-	(17,003,745)
Net capital assests	$ 7,987,755	$ (702,665)	$ -	$ 7,285,090

Depreciation expense for the years ended December 31, 2024 and 2023 was $767,163 and $780,662, respectively.

5. LONG-TERM DEBT

Long-term debt consists of Water System Revenue Bonds and a note payable to Kansas Department of Health and Environment, payable in semi-annual payments set to mature August 1, 2029 and August 1, 2040, respectively. The Water System Revenue Bonds are secured by utility revenues.

The following is a detailed listing of the District's long-term debt:

Debt Issue	Date Issued	Original Amount	Interest Rate
Revenue Bonds - WUSRB	5/16/2013	$7,525,000	2.90%
Note payable - KPWS	8/15/2018	$1,364,123	2.33%

The following is a summary of changes in long-term debt for the year ended December 31, 2024:

	Beginning Principal Balance	Additions to Principal	Reductions of Principal	Ending Principal Outstanding
Revenue Bonds - WUSRB	$ 3,195,000	$ -	$ 480,000	$ 2,715,000
Note payable - KPWS	1,197,343	-	58,142	1,139,201
Total	$ 4,392,343	$ -	$ 538,142	$ 3,854,201

The following is a summary of changes in long-term debt for the year ended December 31, 2023:

	Beginning Principal Balance	Additions to Principal	Reductions of Principal	Ending Principal Outstanding
Revenue Bonds - WUSRB	$ 3,660,000	$ -	$ 465,000	$ 3,195,000
Note payable - KPWS	1,254,154	-	56,811	1,197,343
Total	$ 4,914,154	$ -	$ 521,811	$ 4,392,343

The annual debt service requirements to maturity as of December 31, 2024 is as follows:

Year ending December 31,	Principal	Interest	Total
2025	$ 554,505	$ 92,193	$ 646,698
2026	565,899	77,643	643,542
2027	582,327	62,660	644,987
2028	598,787	47,312	646,099
2029	725,282	30,719	756,001
2030-2034	350,090	66,647	416,737
2035-2039	393,081	30,114	423,195
2040	84,230	1,253	85,483
	$ 3,854,201	$ 408,541	$ 4,262,742

The District has certain loan covenants within the bond resolution requiring total revenue available for debt service, as defined in the bond agreement, of at least 110% of debt requirements for the revenue bond and 125% of debt requirements for the KDHE loan. These requirements were met for the years ended December 31, 2024 and 2023, respectively. The District last approved a rate increase effective February 1, 2024.

Interest expense on long-term debt totaled $99,955 and $119,377 for the years ended December 31, 2024 and 2023, respectively.

6. RETIREMENT PLAN

The District maintains a defined contribution plan covering all eligible employees. The District contributes seven percent of the employee's gross wages to the plan on a monthly basis. Employees are eligible for plan participation once they have reached 21 years of age and have been employed for more than one year. For the years ended December 31, 2024 and 2023, retirement plan expense was $27,440 and $30,228 respectively.

7. WATER PURCHASE CONTRACTS

On December 13, 1979, the District entered into a water purchase contract with the Kansas Water Resource Board to withdraw water from Clinton Lake. The contract allows the District to withdraw a maximum of 720.0 million gallons of raw water each year.

Effective December 13, 1989, the price of water increased to $0.1753 per each one-thousand gallons withdrawn. However, the District's contract was negotiated under statutes that limited the charge to no less than $0.05 and no more than $0.10 per one-thousand gallons. Therefore, the adjusted rate for water under the contract will be $0.10 per one thousand gallons for the period December 13, 1989 through December 13, 2021.

Effective December 14, 2021, the District entered into a new twenty-year variable rate contract with the Kansas Water Office. The new contract allows for the District to withdraw a maximum of 650.0 million gallons of raw water each year. The price per one thousand gallons will be reviewed annually and changes to the rate will be set by July 15 with an effective rate of January 1 of the following year. The rate was set at $0.514 and $0.473 per one thousand gallons for the years ending December 31, 2024 and 2023, respectively.

8. CONCENTRATION OF CREDIT RISK

The District is engaged in the sale of water to customers located in an area around Douglas County, Kansas. The District grants credit to those customers and requires no collateral. Therefore, the maximum amount at risk is the carrying value. At December 31, 2024, two customers, Osage Rural Water District No. 5 and Shawnee Rural Water District No. 8, accounted for 40% of total net accounts receivable. In addition, two customers accounted for 51% of total revenue for the District at December 31, 2024.

9. LAWSUIT

In 2019, the District was named in a lawsuit claiming breach of contract by Osage Rural Water District No. 5 ("Osage 5") and Shawnee Rural Water District No. 8 ("Shawnee 8"). In 2021, a settlement agreement was entered into by the three districts and the lawsuit was dismissed.

In 2024, the District filed suit against Osage 5 and Shawnee 9 to resolve the water rights and claims by and among the three districts. Osage 5, Shawnee 8 and the Tri-District Water Authority have all filed counterclaims against the District in the 2024 suit. The District Court for Douglas County entered a Temporary Injunction which compels the District to continue to provide water service to Osage 5 and Shawnee 8 under terms which the District maintains is causing it to suffer a loss on such water sales. The District has appealed the District's Court's Order. Trial for the suit filed in 2024 will occur in December 2025.

10. RISKS AND UNCERTAINTIES

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District joined together with other entities in the State to participate in Employers Mutual Insurance Corp. (EMC), a public entity risk pool currently operating as a common risk management and insurance program for the participating members.

The District pays an annual premium to EMC for its insurance coverage. The agreement to participate provides that EMC will be self-sustaining through member premiums. Additional premiums may be due if total claims for the pool are different than what has been anticipated by EMC management.

11. RELATED PARTIES

During the year ended December 31, 2024, there were three employees related to two different board members. The contractor for the new shop project is a board member and related to an employee. Related party transactions were $40,000 for the year ended December 31, 2024.

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 12, 2025, the date which the financial statements were available to be issued, and determined that no subsequent events have occurred that would require recognition in the financial statements.

SUPPLEMENTAL INFORMATION

RURAL WATER DISTRICT NO. 3

INSURANCE COVERAGE (UNAUDITED)

Property Covered	Premium	Coverage	Expiration date
RURAL WATER DISTRICT NO.3			
Commercial property: (9A5-76-22-25)	$ 22,101	100% Coinsurance	6/2/2025
All locations		$ 10,000,498	
General liability: (9D5-76-22-25)	$ 4,877		6/2/2025
Aggregate Limit -			
General		$ 1,000,000	
Products/Completed operations		$ 1,000,000	
Each occurrence limit		$ 500,000	
Personal and advertising injury		$ 500,000	
Damage to premises rent (per premises)		$ 300,000	
Medical expense (per person)		$ 5,000	
Public Employee Dishonesty: (9F5-76-22-25)	$ 616		6/2/2025
Per loss		$ 450,000	
Commercial Inland Marine: (9M5-76-22-25)	$ 2,855		6/2/2025
Contractor Equipment		$ 25,000	
Scheduled property floater		$ 130,000	
Commercial Auto: (9E5-76-22-25)	$ 7,224		6/2/2025
Liability insurance (per loss)		$ 500,000	
Worker's compensation: (9H5-76-22-25)	$ 8,582		6/2/2025
Bodily injury by accident		$ 500,000	
Bodily injury by disease (per employee)		$ 500,000	
Bodily injury by disease (policy limit)		$ 500,000	
Directors' and Officers' Liability: (9K5-76-22-25)	$ 5,127	$ 1,000,000	6/2/2025

RURAL WATER DISTRICT NO. 3

INSURANCE COVERAGE (UNAUDITED)

Property Covered	Premium	Coverage	Expiration date
TRI-DISTRICT			
Commercial property: (9A5-39-69-25)	$ 51,648	90% Coinsurance	4/10/2025
Building and personal property		$ 19,713,361	
Loss of income			
General liability: (9D5-39-69-25)	$ 3,146		4/10/2025
Aggregate Limit -			
General		$ 1,000,000	
Products/Completed operations		$ 1,000,000	
Personal and advertising injury		$ 500,000	
Damage to premises rent (per premises)		$ 300,000	
Medical expense (per person)		$ 5,000	
Inland Marine: (9C5-39-69-25)	$ 1,306		4/10/2025
Hardware		$ 10,000	
Programs, applications and media		$ 7,500	
Scheduled property floater		$ 80,644	
Commercial Auto: (9E5-39-69-25)	$ 4,530		4/10/2025
Liability insurance (per loss)		$ 500,000	

RURAL WATER DISTRICT NO. 3

CUSTOMERS SERVED (UNAUDITED)

DECEMBER 31, 2024

	Beginning of the year	End of the year
Number of meters	1,964	1,978
Estimated number of customers served	4,910	4,945