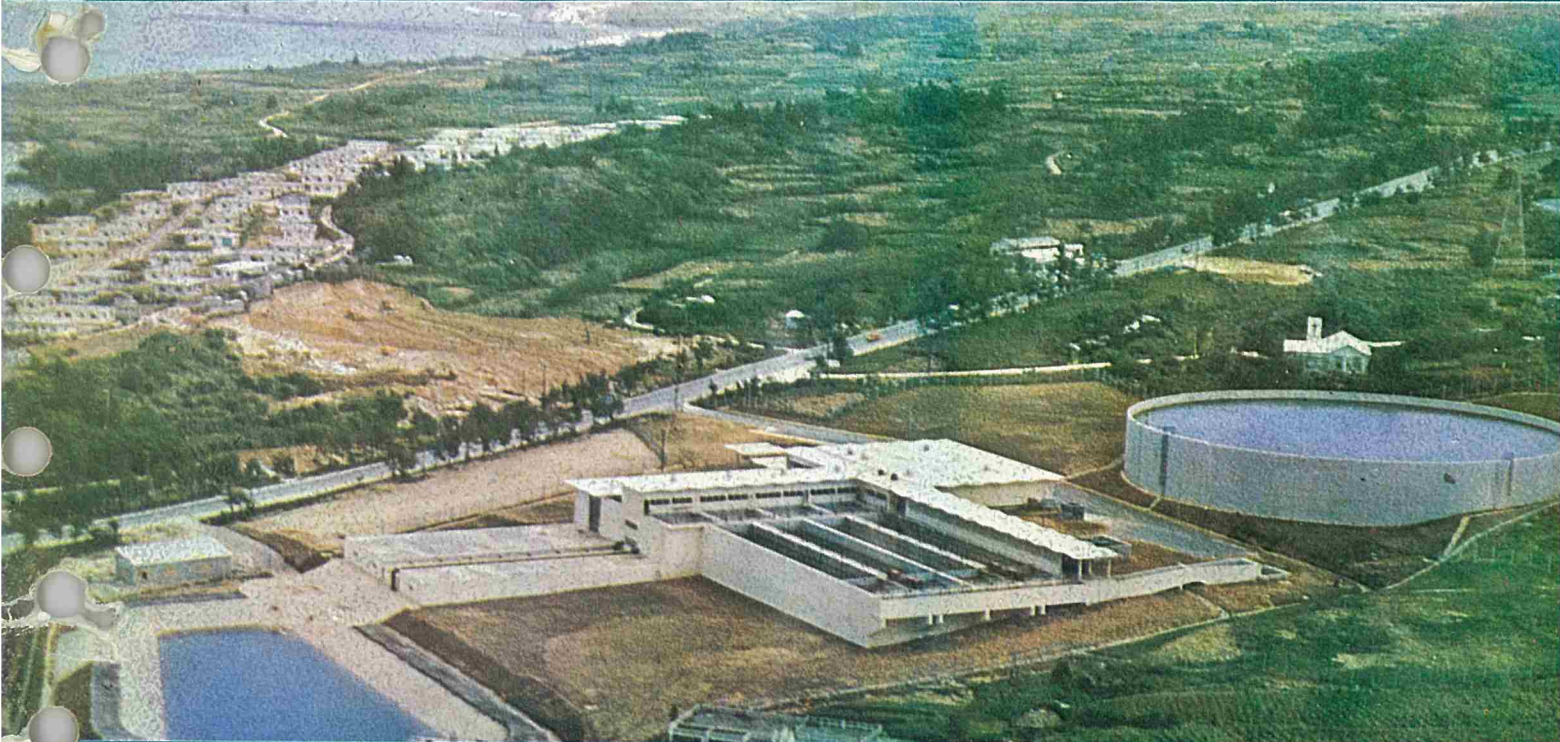


FY - 1968

# Annual Report



IA②  
SK0064  
=企業局=

**Ryukyu Domestic Water Corporation**



RDWC, #664-2, Aja, Naha, Okinawa

**FY 1968 at a Glance**

	(1,000 U.S. Dollars)		Increase % or (Decrease)
	FY 1968	FY 1967	
Operations:			
What we received:	1,762	1,713	2.9
Revenue from the sales of water	1,384	1,056	31.1
Interest income	378	657	(42.5)
How it was used:	1,762	1,713	2.9
For purchase of water	691	569	21.4
For operation and maintenance	129	106	21.7
For provision for depreciation	492	148	232.4
Costs of preliminary design studies on deferred or cancelled projects	27	443	(93.9)
Net increase in retained earnings	423	447	(5.4)
Capital investment:	3,054	1,718	77.8
Contribution in aid of construction from U.S. Government	2,299	1,086	111.7
Capital investment programmed from RDWC retained earnings	755	632	19.5
Other statistics:			
Million of gallons of water sold			
Treated water	5,881	4,437	32.5
Raw water	1,121	980	14.4
Number of permanent employees	61	50	22.0

**R D W C**  
**Annual Report**

*Fiscal Year ending June 30, 1968*

**CONTENTS**

FY 1968 at a Glance .....Inside Cover

Letter from the President ..... 2

Board of Directors and Officers ..... 3

Brief Description of  
Ryukyu Domestic Water Corporation..... 4

Activities in the Fiscal Year 1968 ..... 6

    General..... 6

    Sale of Water..... 6

    Construction..... 8

Integrated Water System (Schematic  
Diagram).....10

Future Plan .....12

Public Relations .....13

Financial Review .....14

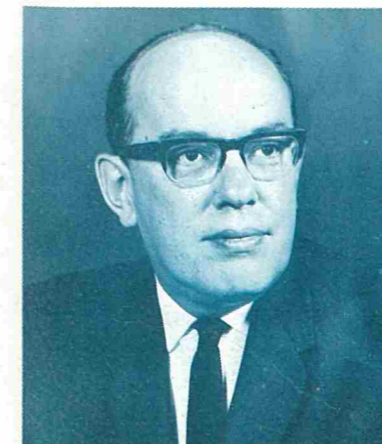
    Summary .....14

    Audit Report .....15

Comparative Balance Sheet .....16

Comparative Statement of  
Income and Retained Earnings.....17

Notes to Financial Statements .....18



Mr. Stanley S. Carpenter  
Civil Administrator  
U.S. Civil Administration  
Ryukyu Islands



## Letter from the President



I am pleased to present the Annual Report of the Ryukyu Domestic Water Corporation, which reflects the activities and accomplishments during the fiscal year ending June 30, 1968.

Marked accomplishment in this past year was the complete elimination of water rationing, which had been periodically enforced in peak seasons during the past several years. This had been primarily due to the unavailability of raw water resources and lack of adequate pumping and storage facilities to meet the rapidly increasing water demands in the local economy. At the end of this past year, for the first time, we had been able to provide water for the residents of Okinawa to meet their needs by having a fully operational Ishikawa Water Treatment Plant.

The Corporation, in order to meet with ever increasing water demands, continued its water resources development program to secure additional raw water from northern Okinawa. During the reporting period, the Corporation expended more than \$8 million for this program as well as expansion and improvement of the water delivery system.

This past year also marked an important and significant milestone in providing modern waterworks in the Ryukyu Islands by initiating adequate and improved water supply services to meet fully and timely the water supply needs for the residents of Okinawa. To this end, the Corporation has programmed in the fiscal year 1969 more than \$3 million. While meeting the challenges of the present water demands for service, we will continue to improve and expand the facilities by long-range planning to meet the needs of water demands of the expanding local economy.

To the Civil Administrator, members of the RDWC Board of Directors, advisors, and others, I sincerely express my hearty thanks for their encouragement, guidance and USCAR financial support to the Corporation. This has enabled us to accomplish our mission to provide safe and adequate water service for the use and benefit of the Ryukyuan people and for the industrial development of the Ryukyu Islands.

*Hirosade Ohama*

Hirosade Ohama  
President

## BOARD OF DIRECTORS

### Chairman

Harrington W. Cochran  
Col., CE, USA  
Director, Public Works Dept.  
U.S. Civil Administration



### Members

Hirosada Ohama  
President, Ryukyu Domestic  
Water Corporation



Kenchu Ishigaki  
Director, Construction Dept.  
Government of the Ryukyu Islands



Billy H. Morris  
Lt. Col., CE, USA  
Post Engineer, Fort Buckner



Teruo Teruya  
President, Ryukyu Development  
Loan Corporation



### Officers

Hirosada Ohama, President  
Vice President (Vacant)  
Goro Chinen, Secretary  
Gensuke Arakaki, Treasurer

### Alternate Board Members

Harold D. Sursa, LTC, CE, USA  
Sosei Gakiya  
Alfred A. DeSanto  
Hirosahi Higa

### Advisors

Leonard H. Dicke, Engineering  
Ram M. Sarda, Capt., Finances  
Irving Eisenstein, Legal



## BRIEF DESCRIPTION OF RYUKYU DOMESTIC WATER CORPORATION

### Establishment and Objectives

The Ryukyu Domestic Water Corporation (RDWC) was established on 4 September 1958 by High Commissioner Ordinance Number 8, as an instrumentality of the United States Civil Administration of the Ryukyu Islands (USCAR), for the purpose of providing safe and adequate water service for the use and benefit of the Ryukyuan people and for the industrial development of the Ryukyu Islands.

### Management and Operations

The management of the Corporation is vested in a Board of Directors, which is composed of five members all appointed by the Civil Administrator. Members are Col. Harrington W Cochran, Director, Public Works Department, United States Civil Administration of the Ryukyu Islands (Chairman), Mr. Hirosada Ohama, RDWC President, Mr. Kenchu Ishigaki, Director, Construction Department, Government of the Ryukyu Islands, Lt. Col. Billy H. Morris, Post Engineer, Fort Buckner, and Mr. Teruo Teruya, President of Ryukyu Development Loan Corporation.

The business affairs of the Corporation are carried out by the Ryukyuan staff under the direct supervision of the President.

### Operation of Integrated Island Water System

The Integrated Island Water System (IWS), the main source of potable water for the people on Okinawa, consists of facilities owned by the United States Army, Ryukyu Islands (USARYIS) and RDWC. The system is capable of producing an average of 36 million gallons per day.

Under the agreement between the two parties, USARYIS is responsible for the operation and maintenance of the entire Integrated Island Water System and furnishes at cost to RDWC the daily amount of water needed to satisfy the requirements of local municipalities and other consumers to the maximum extent possible. In FY 1968, IWS produced a total of 11.6 billion gallons of water (10.3 billion gallons of treated water and 1.3 billion gallons of raw water) and furnished RDWC a total of 7.029 billion gallons of treated water and 1.143 billion gallons of raw water).

Based on an operational arrangement between RDWC and Fort Buckner, the operator of the Integrated Island Water System, 27 RDWC employed personnel, i.e., a water works engineer, chemists, pump station operators, and dam tenders have been placed under the direct supervision of Island Water System Division and are engaging in the operation of the system. The aggregated wages for these employees will be credited to cost of water furnished RDWC.





## ACTIVITIES IN THE FISCAL YEAR 1968

### General

Efforts were concentrated mainly to develop water sources in northern Okinawa in parallel with strengthening of the existing water facilities in the central part of Okinawa with expenditure of \$8.4 million.

The development of water sources in northern Okinawa at the total cost of \$5.8 million (including design costs of \$0.3 million) called for construction of pump stations at Genka, Henan, Taiho, and Fukuji rivers to collect raw water from these rivers; installation of a 30 to 36 inch raw water transmission pipeline from Route 13 near Ufu, Ginoza-Son, across the island along Route 108, up to Route 1 near Kyoda in Nago-Cho, thence to Fukuji through Nago-Cho along Routes 1, 9, 4, and 13; construction of Kyoda Booster Pump Station to facilitate transmission of raw water to Ishikawa Water Treatment Plant. Completion of these projects will provide an additional 7 to 15 million gallons per day of raw water from various sources in northern Okinawa for Ishikawa Water Treatment Plant. As to the strengthening of the Existing facilities of the Integrated Island Water System, the Corporation made continuous efforts for constructing storage facilities, system expansion, and well field development in central Okinawa.

During the reporting period, there were five construction projects completed, and construction contracts for 11 projects were awarded at the total amount of \$3.9 million.

Another notable activity in this fiscal year was vigorous employee development program. Seven employees attended 2-week to 6-month training courses locally, and two received specialized training in the United States. Based on RDWC policy, five employees were reimbursed for their education expenses by RDWC upon successful completion of the courses. Their knowledge gained through the training will substantially contribute to their work efficiency.

### Sale of Water

During the fiscal year 1968, the Corporation sold 5,881 billion gallons of treated water to its customers which consisted of 14 municipalities, 1 housing company, and 28 retail customers, and 1,121 million gallons of raw water to Naha City and two industrial customers. The table shown below presents the breakdown of the water sold by type of customers in the past two fiscal years, and the chart on the next page illustrates the growth in the quantities of water sold by RDWC from FY 1959 through FY 1968.

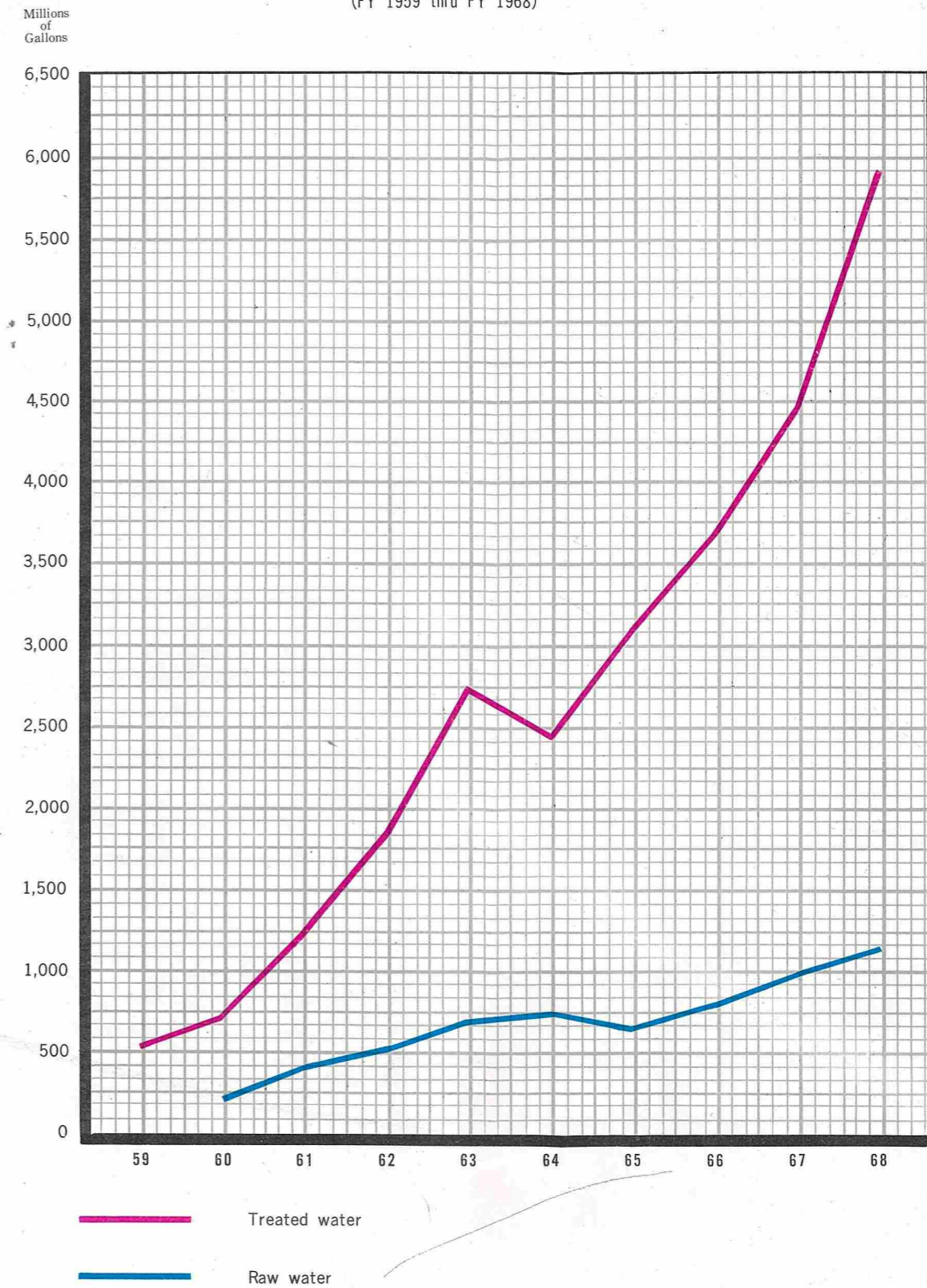
### BREAKDOWN OF WATER SOLD

(In Thousands of Gallons)

Treated Water Sold	FY 1968	FY 1967	Percentage of Increase or (Decrease)
Municipalities:			
Naha	2,173,523	1,393,268	56
Koza	959,038	782,013	23
Ginowan	778,712	668,643	16
Urasoe	684,998	562,719	22
Misato	269,835	231,043	17
Gushikawa	229,753	182,932	26
Chatan	158,135	145,335	9
Kadena	159,676	155,735	3
Yomitan	192,209	152,631	26
Kitanakagusuku	126,382	108,210	17
Yonagusuku	16,701	13,850	21
Nishihara	7,308	1,279	471
Ishikawa	25,969	0	-
Tomigusuku	1,030	0	-
Sub-total	5,783,269	4,397,658	32
Housing Company	924	787	17
Commercial and residential customers	96,823	38,901	149
<b>Total Treated Water Sold</b>	<b>5,881,016</b>	<b>4,437,346</b>	<b>33</b>
Raw Water Sold			
Municipality (Naha City)	1,113,614	966,010	15
Others	6,929	13,925	(50)
<b>Total Raw Water Sold</b>	<b>1,120,543</b>	<b>979,935</b>	<b>14</b>
<b>GRAND TOTAL</b>	<b>7,001,559</b>	<b>5,417,281</b>	<b>29</b>

## Water Sales

(FY 1959 thru FY 1968)





## Construction

### Projects Completed

During the reporting period, the Corporation completed the following five construction projects:

#### 1. Kadena, Kinser & Hauge Well Field Development - June 1968

Six wells (T-55, T-57A, H-6, H-18A, H-19A and H-20) were developed together with their associated collection system and the Camp Hauge control and pump station. Total yield is four million gallons per day.

#### 2. Ufu to Kanna Raw Water Main - July 1967

Approximately 2.1 miles of 36-inch PCP pipeline extending from Kanna to Ufu were installed to convey raw water from northern sources to Ishikawa Water Treatment Plant.

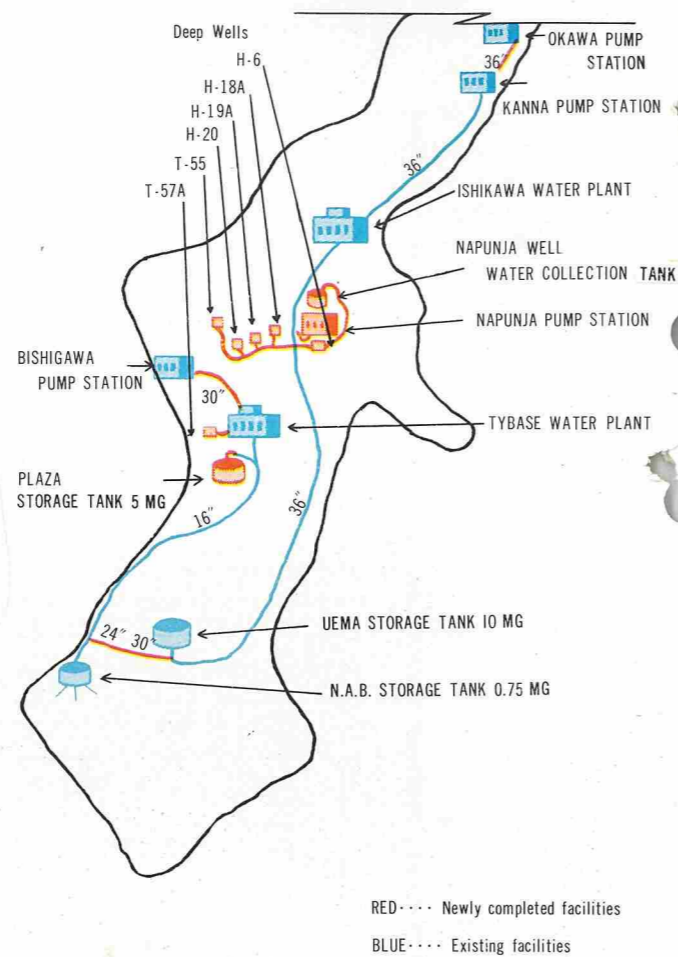
#### 3. Plaza 5 MG Storage Tank - April 1968

The facility, located approximately 1.2 miles south-westerly from Yamazato intersection of Highway 5 and 24, Koza City, provides a maximum water level of 410 feet above mean sea level by a tank with an outside diameter of 173 feet 4 inch and an inside bottom elevation at 380 feet.



RDWC & DE officials inspect newly completed 5MG Storage Tank, Plaza

### Brief Sketch of the Completed Facilities



#### 4. Bishi to Tybase Raw Water Main - November 1967

In order to increase raw water delivery capacity to the Tybase Water Treatment Plant, the existing two raw water mains (2.4 miles 16-inch line and another line consisting of 1.3 mile 16-inch and 4,250 linear feet of dual 12-inch line) between the Bishigawa raw water pump station and the treatment plant, were replaced with a 30-inch pipeline.

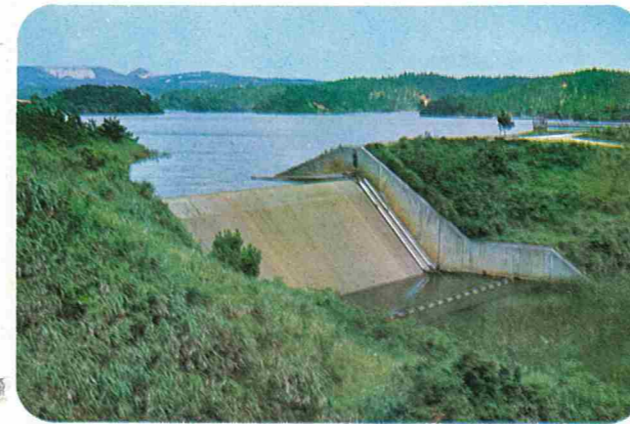
#### 5. Highway 44 Pipeline Connection - December 1967

The 36 inch Eastside Transmission Main at the crossroads of Highway 44 and 46, was extended westerly along Highway 44 to Highway 1. The pipeline consists of 7,775 linear feet of 30-inch pipeline and 4,484 linear feet of 24-inch pipeline.

### Projects Under Construction

There were 11 major projects under construction with percent completed as shown below:

1. Modification to Tybase High-Lift Pump Station (99%)
2. Modification to Zukeyama Dam, Phase II, Improvement (99%)
3. Highway 5 Central Feeder System (91%)
4. Tengan to Koza Water Main (84%)
5. A 5 MG Storage Tank at Ojana, Route 34 (68%)
6. Water Line from Tybase Water Treatment Plant to Kadena-Yomitan (67%)
7. Tengan Check Dam and Remedial Work for Tengan Dam and Reservoir (65%)



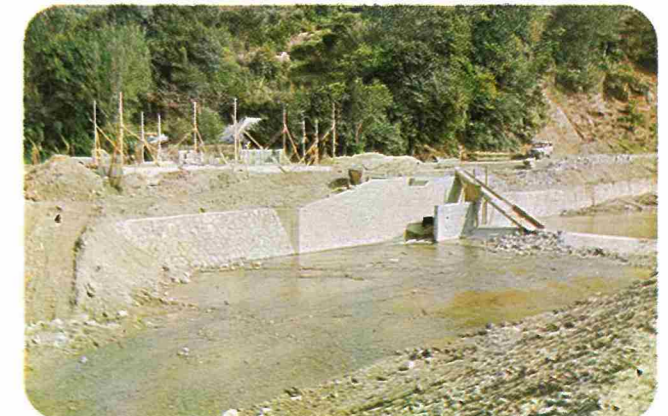
Zukeyama Dam



Pipe installation at Genka



Ojana 5MG Storage Tank



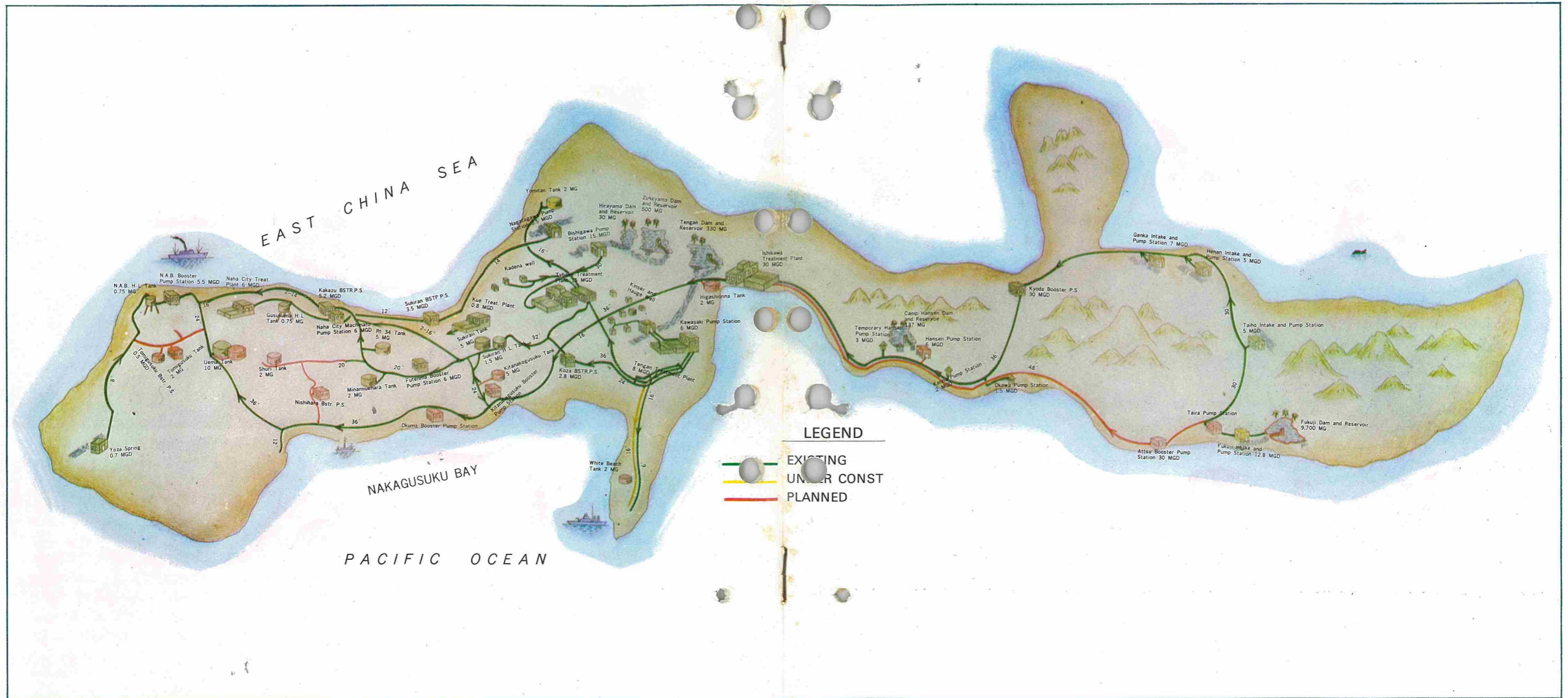
Genka Pump Station

8. Ufu-Fukuji Pipeline and Pump Stations:
  - a. Pipeline Installation, Ufu to Taiho (81%)
  - b. Pipeline, Taiho to Fukuji (75%)
  - c. Fukuji Pump Station (0)
  - d. Taiho Pump Station (61%)
  - e. Henan Pump Station (98%)
  - f. Genka Pump Station (98%)
  - g. Kyoda Pump Station (60%)
9. Agena to White Beach Water Main (54%)
10. Well Development (Stage III) Camp Kinser, Kadena Air Base, Tengan and Camp Hauge (28%)
11. Modification to Tengan High Lift Pump Station (11%)



# INTEGRATED WATER SYSTEM

PRINCIPAL FEATURES ONLY  
WITH CAPACITIES





## FUTURE PLANS

Based on the Master Water Plan and to keep pace with the increase of water demands arising from the economic development and improved standard of living of the people, the Corporation plans to construct a 300-foot-high rock-fill dam on the Fukuji river, in Higashi-Son, at an estimated total cost of \$11 million. The reservoir to be created will have a capacity of 9.7 billion gallons. Field exploration, foundation investigation and surveys for design and construction of the dam started in late May of 1967 and are underway. It is expected that construction work will commence in early 1969 with scheduled completion in the spring of 1972.

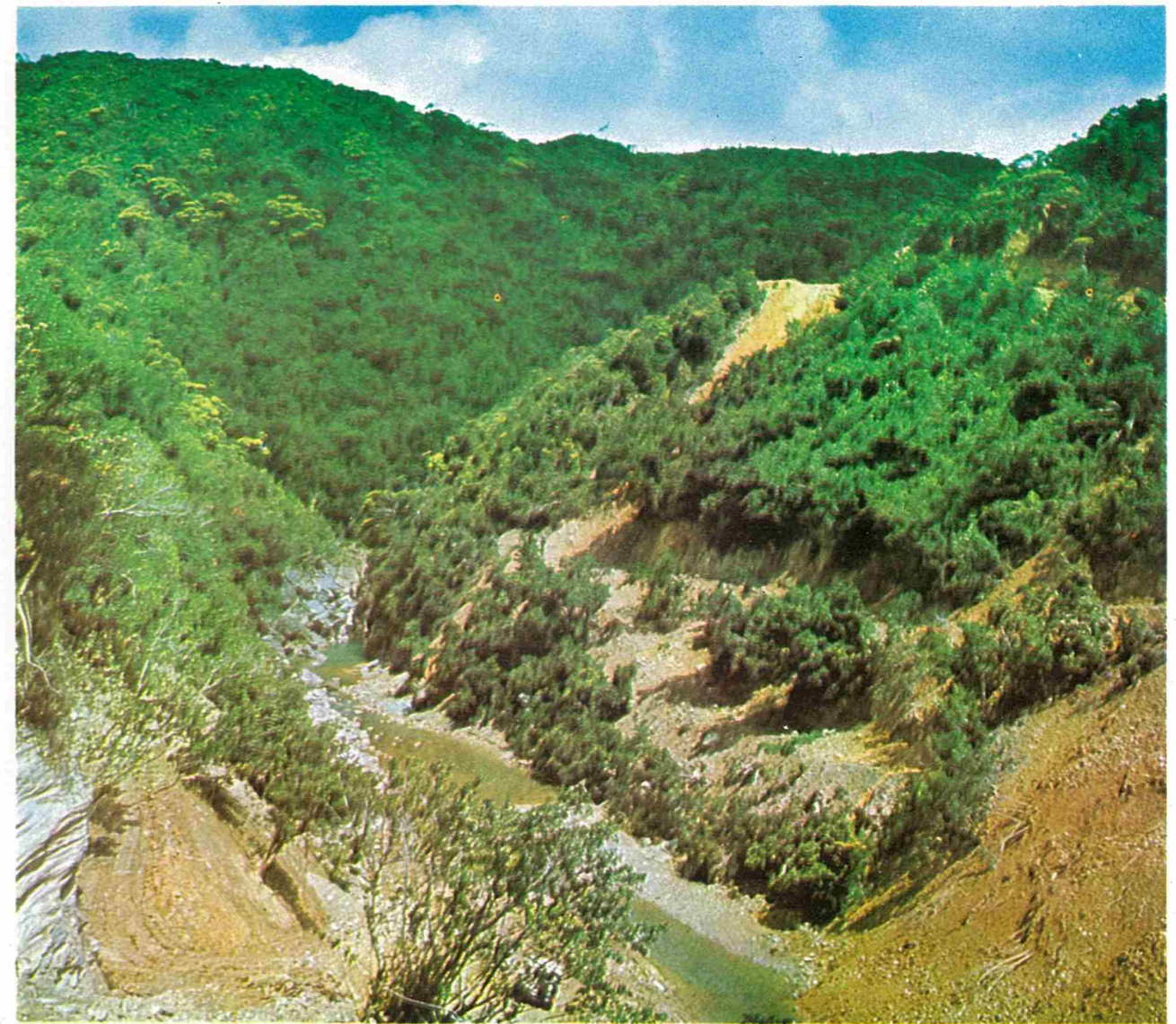
In parallel with development of raw water resources in northern Okinawa, the Corporation also plans to strengthen the storage and delivery facilities in central and southern Okinawa.

In FY 1969, \$1.6 million from USCAR General Fund and \$1.8 million from retained earnings are programmed for the following projects:

### 1. Fukuji Dam and Reservoir

- a. Design
- b. Phase I Construction (Tunnel, intake tower and access road)

2. Pipeline Extension — Central Feeder System, Construction
3. Tomigusuku Pipeline, Phase I and II, Construction
4. Camp Hansen Pump Station, Construction
5. Well Collection System — Tengan - Kadena Aquifer Area, Construction
6. 1.5 MG Tank at Tengan, Construction
7. Tybase Clearwell Addition, Design
8. Higashionna Tank, 2 MG, Design
9. Booster Pump Station, Highway 13 and 35, Design
10. Booster Pump Station, Highway 13 and 30, Design
11. Chemical Storage Building, Design
12. Stream Gauging, Study
13. Water Demand Study

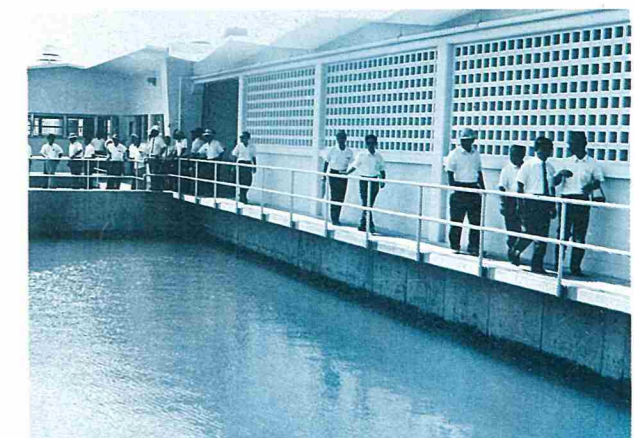


*Proposed site of Fukuji Dam*

## PUBLIC RELATIONS

In order to have the public better acquainted with RDWC activities, its plans, facilities, and proposed pump station sites for raw water sources in northern Okinawa, RDWC conducted a tour of the Integrated Island Water Facilities in July and September 1967. Participants included municipal mayors, councilmen and waterworks officials.

RDWC plans to expand this program to keep the general public informed of the RDWC mission.



*Municipal officials inspect Ishikawa Water Treatment Plant*



## FINANCIAL REVIEW

### Summary

#### 1. Decrease of Net Income

Although water sales in the fiscal year 1968 increased 31 percent, net income was decreased by 49 percent due to an increase of depreciation allowance for capital investment, which amounted to

	FY 1968	FY 1967	Decrease	Percentage
Balance of time deposits end of fiscal year	\$4,230,922	\$9,180,349	\$4,949,427	(54)
Interest on time deposit	378,418	657,276	278,858	(42)

#### 2. Capital Investment

There have been three sources of funds for capital investment of RDWC: the General Fund of USCAR, the ARIA appropriation (Administration Ryukyu Islands, Army) and the retained earnings of the Corporation.

During the reporting period ended 30 June 1968, the Corporation expended more than \$8 million for the development of northern water resources. Of this amount, \$2 million was derived from FY 1968 contributions from the USCAR General Fund, and \$6 million from prior year General Fund contribu-

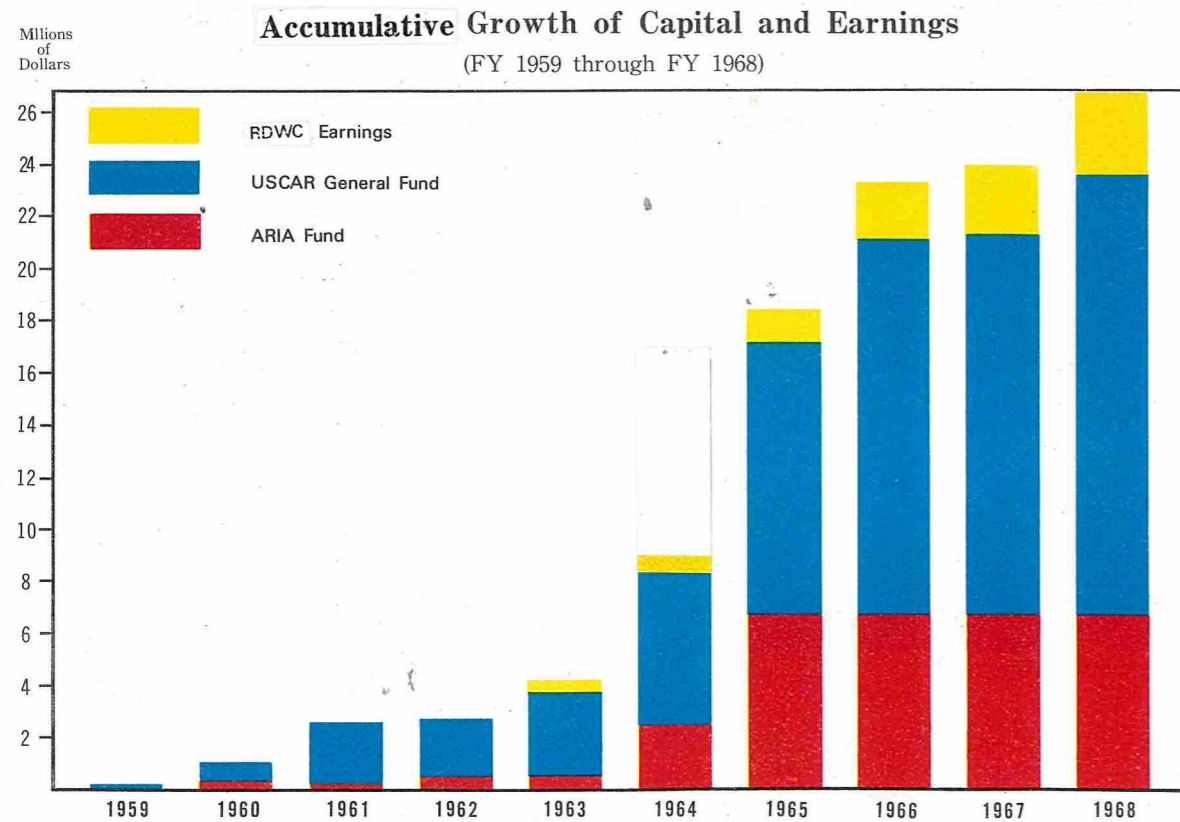
more than \$8 million, and a simultaneous decrease of interest from time deposits.

The balance of the time deposits and interest earned thereon compared with those of the previous year are shown below:

tions and RDWC retained earnings.

As the audit shows on 30 June 1968, the contributions from the USCAR General Fund and ARIA appropriation since 1959 totaled \$17.1 million and \$6.5 million respectively. Retained earnings for the same period totaled \$3.3 million. However, an additional \$1.0 million has been allocated from the USCAR General Fund and will be provided when needed.

The following chart shows accumulative growth of capital and earnings from FY 1959 through FY 1968:



## AUDIT REPORT

*Board of Directors*  
*Ryukyu Domestic Water Corporation*  
*P.O. Box 375, Naha, Okinawa*  
*Ryukyu Islands*

I have examined the balance sheet of the Ryukyu Domestic Water Corporation as of June 30, 1968 and the related statement of income and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, the accompanying balance sheet and statement of income and retained earnings present fairly the financial position of the Ryukyu Domestic Water Corporation at June 30, 1968 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The corporation has changed its accounting procedure concerning the starting date for computing depreciation during the year under review as described in Note 1.

*Kanwa Hokama*  
Kanwa Hokama  
Certified Public Accountant

Naha, Okinawa  
August 15, 1968



Ryukyu Domestic Water Corporation

Comparative Balance Sheet

	June 30	
	1968	1967
<b>ASSETS</b>		
Utility plant:		
Utility plants - (Note 1) .....	\$16,097,855.54	\$ 4,260,229.82
Less: Accumulated depreciation .....	( 936,246.22)	( 447,469.16)
Construction work in progress .....	7,537,205.61	11,153,370.03
Total utility plant .....	<u>\$22,698,814.93</u>	<u>\$14,966,130.69</u>
Current and accrued assets:		
Cash - (Note 2) .....	\$ 4,248,623.65	\$ 9,258,983.59
Accounts receivable .....	140,664.05	103,841.84
Accrued interest receivable .....	290,625.55	419,171.79
Plant materials and supplies - (Note 3) .....	296,309.24	73,719.46
Prepaid expenses .....	4,027.45	4,873.54
Total current and accrued assets .....	<u>\$ 4,980,249.94</u>	<u>\$ 9,860,590.22</u>
Total assets .....	<u>\$27,679,064.87</u>	<u>\$24,826,720.91</u>
<b>LIABILITIES AND CAPITAL</b>		
Proprietary capital:		
Capital - (Note 4) .....	\$23,637,558.36	\$21,426,075.10
Retained earnings - (Note 7) .....	3,508,591.70	3,085,680.16
Total proprietary capital .....	<u>\$27,146,150.06</u>	<u>\$24,511,755.26</u>
Current and accrued liabilities:		
Accounts payable - (Note 5) .....	\$ 508,297.92	\$ 289,428.76
Customers' deposits .....	865.00	5,031.00
Total current and accrued liabilities .....	<u>\$ 509,162.92</u>	<u>\$ 294,459.76</u>
Operating reserves:		
Separation and other reserves .....	\$ 23,751.89	\$ 20,505.89
Total liabilities and capital .....	<u>\$27,679,064.87</u>	<u>\$24,826,720.91</u>

The accompanying notes to financial statements are an integral part of this statement.

Ryukyu Domestic Water Corporation

Comparative Statement of Income and Retained Earnings

	Year ended June 30	
	1968	1967
Sales - (Note 6) .....	\$1,384,432.28	\$1,056,322.80
Cost of sales .....	690,884.25	568,816.61
Gross margin .....	<u>\$ 693,548.03</u>	<u>\$ 487,506.19</u>
Operating expenses:		
Administrative and general salaries .....	\$ 83,278.21	\$ 61,875.35
Office supplies and other expenses .....	11,085.34	6,411.01
Outside service employed .....	68.50	15,598.27
Property insurance .....	1,788.52	1,470.65
Injuries and damages .....	3,592.33	133.00
Rents .....	16,908.31	13,281.75
Payroll tax .....	1,587.87	1,193.80
Miscellaneous general expense .....	2,043.09	2,245.36
Maintenance of general plant .....	3,422.39	2,364.61
Field maintenance expense .....	5,611.50	1,935.45
Depreciation expense * (Note 1) .....	492,466.08	147,986.19
Total operating expenses .....	<u>\$ 621,852.14</u>	<u>\$ 254,495.44</u>
Utility operating income .....	<u>\$ 71,695.89</u>	<u>\$ 233,010.75</u>
Other income:		
Interest income .....	\$ 378,418.28	\$ 657,276.24
Miscellaneous income .....	427.26	611.07
Total other income .....	<u>\$ 378,845.54</u>	<u>\$ 657,887.31</u>
Net income .....	<u>\$ 450,541.43</u>	<u>\$ 890,898.06</u>
Adjustment to retained earnings:		
Less: Extraneous losses from abandoned projects - (Note 7) .....	( 27,629.89)	( 443,717.51)
Net increase in the retained earnings .....	<u>\$ 422,911.54</u>	<u>\$ 447,180.55</u>
Retained earnings at beginning of year .....	3,085,680.16	2,638,499.61
Retained earnings at end of year .....	<u>\$3,508,591.70</u>	<u>\$3,085,680.16</u>

The accompanying notes to financial statements are an integral part of this statement.



Ryukyu Domestic Water Corporation

Notes to Financial Statements

For the Year ended June 30, 1968

**1. Utility plant and depreciation:**

Additions and deductions of the utility plant during the current year are as follows:

a) Original cost:

Plant	Balance July 1, '67	Addition	Deduction	Balance June 30, '68
1) Source of supply	\$1,289,354.49	\$ 3,900,985.98	\$ -0-	\$ 5,190,340.47
2) Pumping plant	323,723.57	144,184.83	-0-	467,908.40
3) Water treatment	448,097.67	3,064,084.29	-0-	3,512,181.96
4) Transmission	2,133,714.49	4,722,777.00	2,084.02	6,854,407.47
5) General plant	65,339.60	9,357.64	1,680.00	73,017.24
Totals	<u>\$4,260,229.82</u>	<u>\$11,841,389.74</u>	<u>\$3,764.02</u>	<u>\$16,097,855.54</u>

b) Accumulated depreciation:

Plant	Balance July 1, '67	(Depr.) Addition	Deduction	Balance June 30, '68
1) Source of supply	\$ 171,824.20	\$ 219,082.39	\$ -0-	\$ 390,906.59
2) Pumping plant	65,941.91	39,806.76	-0-	105,748.67
3) Water treatment	29,268.70	50,261.45	-0-	79,530.15
4) Transmission	165,078.47	177,155.08	2,084.02	340,149.53
5) General plant	15,355.88	6,160.40	1,605.00	19,911.28
Totals	<u>\$ 447,469.16</u>	<u>\$ 492,466.08</u>	<u>\$3,689.02</u>	<u>\$ 936,246.22</u>

Provisions for depreciation have been computed at the following annual composite straight-line rates.

1) Source of supply	4.5% (22 years)
2) Pumping plant	10.0% (10 years)
3) Water treatment	1.7% (60 years)
4) Transmission and distribution	3.0% (33 years)
5) General plant	10.0% (10 years)

Until the previous year the corporation used the facility transfer date as the acquisition date of the completed construction under the U.S. Army District Engineer's supervision and as the starting date for computing depreciation. Effective July 1, 1967, the corporation partially changed the above method and began using the beneficial occupancy date as the starting date for computing depreciation.

**2. Cash:**

Cash and accrued interest receivable at June 30, 1968 consist of the following:

	Cash	Accrued interest
a) Petty cash and change fund	\$ 200.00	-0-
b) Demand deposits	17,501.65	-0-
c) Interest bearing time deposits	4,230,922.00	\$290,625.55
Totals	<u>\$4,248,623.65</u>	<u>\$290,625.55</u>

**3. Plant materials and supplies:**

Inventories at June 30, 1968 consist of the following:

a) Plant materials for Master Water Plan projects stated at first-in, first-out cost	\$206,093.83
b) Plant materials for maintenance stated at first-in, first-out cost	90,215.41
Total	<u>\$296,309.24</u>

The costing of the plant materials for maintenance has been changed from the moving average cost to the first-in, first-out cost, and the effect of the change is quite negligible.

**4. Capital:**

During the year under review a total of \$2,211,483.26 was provided by the USCAR General Fund. The balance of the capital at June 30, 1968 amounting to \$23,637,558.36 has been entirely contributed by the U.S. Government.

**5. Accounts payable:**

Accounts payable at June 30, 1968 consist of the following:

a) Cost of raw water and treated water to the Post Engineer and C.S.G. for April through June 1968	\$126,022.50
b) Retained percentages on various projects owed contractors	313,153.58
c) Accrued salaries and wages for June 1968	14,726.25
d) Materials and services purchased and accrued	53,872.93
e) Miscellaneous liabilities	522.66
Total	<u>\$508,297.92</u>



**6. Sales:**

Sales for the year under review consist of the following:

	<u>M/Gallons</u>	<u>Amount</u>
a) Treated water:		
Municipalities	5,783,269	\$1,268,847.45
Retail customers	97,747	25,667.84
Total treated water sales	5,881,016	\$1,294,515.29
b) Raw water:		
Naha City and others	1,120,543	89,643.44
Total water sales	7,001,559	\$1,384,158.73
c) Miscellaneous services		273.55
Total sales		<u>\$1,384,432.28</u>

**7. Retained earnings:**

Extraneous losses from abandoned projects for the year are as follows:

a) Hansen Dam project cancelled	\$ 15,493.59
b) Kanna Dam project cancelled	2,600.30
c) Okubigawa project cancelled	9,536.00
Total	<u>\$ 27,629.89</u>

**8. Contingent liability:**

The corporation is contingently liable to its contractors for liquidated damages amounting to \$21,545.00 which are in dispute as of June 30, 1968.

**9. Taxes:**

The corporation is exempt from all taxes.



