

FRANK P. STRATFORD
CERTIFIED PUBLIC ACCOUNTANT
Rutherfordton, N. C.

August 19, 1930.

Mr. E. C. Marshall, President,
Southern Public Utilities Company,
Charlotte, North Carolina.

Dear Sir:

In accordance with your request, and through the courtesy and co-operation of the officials of the Town of Forest City in making available the data requested, I give you below the result of computations I have made for the purpose of determining to what extent the Town of Forest City would be financially benefitted by the sale of its utilities to Southern Public Utilities Company in accordance with the proposal of purchase made by your company. I believe my computations have been made upon sound principles and that the results shown below are conservative.

Assuming that the sale is consummated I make the following comparisons:

(a) On the one hand the Town would lose its present cash revenues from the utilities, which for the past three years have averaged the net sum of	\$15,634.00
(b) In addition to the above the Town would pay to Southern Public Utilities Company for service in connection with street lights, fire hydrants and flush tanks	11,902.00
(c) There would also be an additional expense, at regular rates, for light and water consumed at the City Hall and other extras, estimated at a maximum of	750.00
MAKING A TOTAL OF	\$28,286.00

(a) On the other hand the Town would receive \$415,000 from the sale, which, if applied to reduce the present bonded indebtedness, would effect a saving at 6 percent of	\$24,900.00
(b) The burden of depreciation on the water and light plants now carried by the Town would be shifted to the purchaser. This item reduced to dollars as follows: Water plant—Cost \$162,980 @ 2½ percent Light plant—Cost \$ 58,065 @ 5 percent	6,977.00
(c) Town would realize taxes upon the properties when owned by the purchaser in an estimated minimum amount of	2,000.00
MAKING A TOTAL OF	\$33,877.00

(a) Thus it is seen that the Town would gain in one direction the sum of	\$33,877.00
(b) While it would lose in the other direction the sum of	28,286.00
RESULTING IN A NET GAIN OF	\$ 5,591.00

The above figures are presented upon an annual basis. The annual cash revenues were taken from the reports compiled by the auditors for the Town. The cost to the Town for service of street lights, etc., is based upon the number of such fixtures now in use as given me by the Town Treasurer multiplied by the rates per fixture named in the schedule of rates furnished by your company.

The depreciation is computed upon a cost value as appraised by Carolina Engineering Company, the Town's records not having been kept in a manner to reflect the costs.

The rates proposed to be charged by Southern Public Utilities Company to the users of water and electricity are as follows:

FOR WATER:

First	3,000 Gallons	\$1.00	Net
Next	3,000 Gallons	.25 per M Gallons	Net
Next	4,000 Gallons	.20 per M Gallons	Net
Next	990,000 Gallons	.14 per M Gallons	Net
All over	1,000,000 Gallons	.11 per M Gallons	Net

FOR ELECTRICITY:—Lighting:

First	25 KWH	\$.08	per KWH
Next	275 KWH	.07	per KWH
Next	300 KWH	.06	per KWH
Next	400 KWH	.048	per KWH
Next	1,000 KWH	.035	per KWH
Next	2,000 KWH	.03	per KWH
Over	4,000 KWH	.028	per KWH

Minimum \$1.00. Discount for payment in ten days, 5 percent on bills up to 100 KWH and 3 percent on bills over 100 KWH per month.

Power:—

First	50 KWH	\$.06	per KWH
Next	150 KWH	.045	per KWH
Next	200 KWH	.03	per KWH
Next	600 KWH	.026	per KWH
Next	1,000 KWH	.02	per KWH
Next	3,000 KWH	.018	per KWH
Next	4,000 KWH	.0165	per KWH
Next	10,000 KWH	.016	per KWH
Next	80,000 KWH	.014	per KWH
Next	50,000 KWH	.0135	per KWH
Next	100,000 KWH	.013	per KWH
Next	100,000 KWH	.0125	per KWH
Over	350,000 KWH	.012	per KWH

Minimum: \$1.00 per H. P. connected up to 25 H. P.
.75 per H. P. connected from 26 up to 50 H. P.
.50 per H. P. connected from 51 H. P. and over.
Terms: Net in ten days.

Cooking, Heating, Refrigeration, etc., in consumer's home:

First	50 KWH	\$.04	per KWH
Next	50 KWH	.035	per KWH
Over	100 KWH	.03	per KWH

Minimum: \$2.00 per month. Terms: Net ten days.

Cooking, Heating, Refrigeration, etc., in restaurants or similar establishments:

First	50 KWH	\$.06	per KWH
Next	150 KWH	.045	per KWH
Next	200 KWH	.03	per KWH
Next	600 KWH	.026	per KWH
Next	1,000 KWH	.0235	per KWH

Rates for further consumption on file at City Hall.

Minimum same as for power. Terms: Net ten days.

The rates now in effect by the Town at which charges are made to users of water and electricity are as follows:

FOR WATER:

First	3,000 Gallons	\$1.00
Next	3,000 Gallons	.25 per M. Gallons
Next	4,000 Gallons	.20 per M Gallons
Over	10,000 Gallons	.15 per M Gallons
Industrial Rate		.15 per M Gallons

Minimum: \$1.00 per month. Terms: Net.

FOR ELECTRICITY:—Lighting:

First	25 KWH	\$.10	per KWH
Next	15 KWH	.07	per KWH
Next	25 KWH	.06	per KWH
Next	85 KWH	.05	per KWH
Next	150 KWH	.035	per KWH
Next	200 KWH	.0345	per KWH
Over	500 KWH at flat rate as follows:		
	500 to 1,000 KWH	.038	per KWH
	1,000 to 2,000 KWH	.034	per KWH
	2,000 to 3,000 KWH	.03	per KWH
	3,000 to 10,000 KWH	.025	per KWH
	Over 10,000 KWH	.0225	per KWH

Minimum: \$1.00 per month. Terms: Net.

Power:

First	50 KWH	\$.06	per KWH
Next	150 KWH	.045	per KWH
Next	200 KWH	.03	per KWH
Next	600 KWH	.026	per KWH
Next	1,000 KWH	.0235	per KWH
Next	1,000 KWH	.0225	per KWH
Next	2,000 KWH	.0210	per KWH
All over	5,000 KWH	.0190	per KWH

No Minimum. No Discount.

Cooking:—Flat rate of \$.03 per KWH. Minimum \$2.25 per month.

Refrigerators:—Flat rate of \$.035 per KWH. Minimum \$1.00 per month.

Respectfully,

F. P. STRATFORD,
C. P. A.

CONCORD NEWS

Ellenboro, R-2, Aug. 25.—There were several visitors in attendance at Sunday school at Bethel last Sunday. There were one hundred and sixty-five present.

Rev. L. D. Harrill called off his appointment at Bethel on account of his meeting going on at Concord. Bethel was invited to attend church up there Sunday night.

Mr. and Mrs. Gather Jenkins spent the week-end at Mr. S. L. Hamrick's.

Mr. Leon Hamrick, of Boiling Springs visited some of his relatives in Ellenboro last week.

Mr. Odus Hamrick visited his step-mother, Mrs. Gaither Hamrick.

Mr. George Hamrick and family spent last Sunday with his brother, D. C. Hamrick.

Mr. W. E. Hill and sons, visited their grandmother last Sunday.

Mrs. S. L. Hamrick, Jack, Estelle, and Charles Hamrick visited at Cliffside Sunday.

Vertie Mae Hamrick visited relatives at Boiling Springs and attended the revival meeting there.

Mr. and Mrs. S. W. Holt and children, visited Mrs. B. L. Hamrick last Friday.

Mr. Howard Carter and Miss Addie Hamrick, Mr. Floyd Tate and Miss Edna Hamrick attended preaching last Sunday night at Concord.

Miss Lucile and Vertie Mae Hamrick spent last Saturday night at Mr. Belton Beason's.

INMAN R-2 NEWS

Inman, S. C., R-2, Aug. 25.—The many friends of Mr. Wade Powell will be glad to know that he is improving very fast.

Mr. G. G. Gilbert and Mr. D. Robbins were visitors at Mr. T. L. Gilbert's Sunday.

Miss Marjorie Gilbert spent Saturday night with her uncle, Mr. Lindsay Robbins, of near Broad River.

Mr. and Mrs. Warden Cooley were visitors of Mr. and Mrs. Volan Cooley Sunday.

Mr. Hudson Cooley spent Saturday night with Mr. Berrie Owens.

Mr. Ed McSwain and children, were visitors at Mr. W. Powell, Sunday afternoon.

Mr. and Mrs. J. Powell, of near Gaffney, spent Saturday and Sunday with Mr. and Mrs. W. Powell.

POLITICAL BUNK.

Chairman Legge of the Federal Farm Board, boiling over because the failure of his board has been commented on, says:

"Farmers as a class are doing a lot of thinking for themselves these days, and many of them seem to be aware that their present unhappy condition is a result of long years of unregulated production while they listened to gigantic schemes that high-powered statesmen have had to offer, rather than of any action of this

board. Present and future orations, written by the Democratic National Committee and fathered by various orators, to broadcast the alleged failures of the Farm Board, are only more of the same kind of political bunk by virtue of which the farmer arrived at his present position."

"Political bunk" are apt words here. It was political bunk that promised farm relief by way of the Federal Farm Board.—Louisville Courier-Journal.

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For the coming Fall school season we are featuring student suits especially designed for the younger set who not only desire smart patterns and style but also perfect fit. These suits are flawless in design. They embody style that heretofore was lacking in suits for school and college men. The favored patterns are Grey and Tan Tweeds—Blue Cheviots—Grey Cheviots—Grey Diagonals and Browns.

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A big, broad-shouldered, thick-treaded Goodyear with 6 plies of a sturdy, shock-absorbing Supertwist Cord (Goodyear patent) to withstand hard blows on the road. Yes, sir! Full oversize and a handsome looker. Latest example of the super values Goodyear can offer because of enjoying the world's largest tire sales. It's a BUY!

30x3½	\$4.95	10 Ply Truck Tires	\$6.35
29x4.40	\$5.55	32x6	\$34.10

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Cliffside, N. C.