

Attachment E.1 - Updated 10062021

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<u>Operating Budget</u>						
	Year 1	Year 2	Year 3	Year 4	Year 5	
<u>Operating revenue</u>						
Metered service revenue	\$ 25,695	\$ 41,957	\$ 45,210	\$ 45,210	\$ 45,210	
Flat rate service revenue	\$ -	\$ -	\$ -	\$ -	\$ -	
EPA testing surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	
Re-connect fees	\$ 541	\$ 883	\$ 952	\$ 952	\$ 952	
Returned check charge	\$ 270	\$ 442	\$ 476	\$ 476	\$ 476	
Late payment charge	\$ 541	\$ 883	\$ 952	\$ 952	\$ 952	
Other operating revenue	\$ -	\$ -	\$ -	\$ -	\$ -	
Total operating revenue	\$ 27,048	\$ 44,166	\$ 47,589	\$ 47,589	\$ 47,589	
<u>Operating expenses</u>						
Total salaries and wages (employees only)	\$ -	\$ -	\$ -	\$ -	\$ -	
Outside labor expenses (non-employees)	\$ 18,302	\$ 18,302	\$ 18,302	\$ 18,302	\$ 18,302	
Administrative and office expense	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	
Maintenance and repair expense	\$ 1,296	\$ 1,296	\$ 1,296	\$ 1,296	\$ 1,296	
Purchased water	\$ -	\$ -	\$ -	\$ -	\$ -	
Purchased sewage treatment	\$ -	\$ -	\$ -	\$ -	\$ -	
Electric power expense (exclude office)	\$ 2,484	\$ 2,484	\$ 2,484	\$ 2,484	\$ 2,484	
Chemicals expense	\$ 1,656	\$ 1,656	\$ 1,656	\$ 1,656	\$ 1,656	
Testing fees	\$ 162	\$ 162	\$ 162	\$ 162	\$ 162	
Transportation expense	\$ -	\$ -	\$ -	\$ -	\$ -	
Other operating expense	\$ -	\$ -	\$ -	\$ -	\$ -	
Total operation and maintenance expenses	\$ 26,600	\$ 26,600	\$ 26,600	\$ 26,600	\$ 26,600	
Annual depreciation expense	\$ 6,793	\$ 6,809	\$ 6,893	\$ 6,893	\$ 6,893	
Property taxes paid on utility property	\$ 266	\$ 266	\$ 266	\$ 266	\$ 266	
Payroll taxes	\$ -	\$ -	\$ -	\$ -	\$ -	
Franchise (gross receipts) tax	\$ 266	\$ 266	\$ 266	\$ 266	\$ 266	
Annual NCUC regulatory fee	\$ 274	\$ 274	\$ 274	\$ 274	\$ 274	
Total operating expenses	\$ 34,199	\$ 34,215	\$ 34,298	\$ 34,298	\$ 34,298	
<u>Income Taxes</u>						
State income taxes	\$ -	\$ 249	\$ 332	\$ 332	\$ 332	
Federal income taxes	\$ -	\$ 2,090	\$ 2,791	\$ 2,791	\$ 2,791	
Total income taxes	\$ -	\$ 2,338	\$ 3,123	\$ 3,123	\$ 3,123	
Net operating income (loss)	\$ (7,151)	\$ 7,612	\$ 10,167	\$ 10,167	\$ 10,167	
Interest expense	\$ 6,793	\$ 6,809	\$ 6,893	\$ 6,893	\$ 6,893	
Net income (loss)	\$ (13,944)	\$ 802	\$ 3,275	\$ 3,275	\$ 3,275	

STATEMENT OF CASH FLOWS

	Year 1	Year 2	Year 3	Year 4	Year 5
PRE-TAX OPERATING INCOME (LOSS)					
Total Operating Revenue	\$ 27,048	\$ 44,166	\$ 47,589	\$ 47,589	\$ 47,589
Operation and Maintenance Expenses	\$ 26,600	\$ 26,600	\$ 26,600	\$ 26,600	\$ 26,600
Taxes Other than Income	\$ 806	\$ 806	\$ 806	\$ 806	\$ 806
Pre-Tax Operating Income (Loss)	\$ (358)	\$ 16,760	\$ 20,183	\$ 20,183	\$ 20,183
INCOME TAX CALCULATION					
Pre-Tax Operating Income (Loss)	\$ (358)	\$ 16,760	\$ 20,183	\$ 20,183	\$ 20,183
CIAC					
Tax Depreciation	\$ 6,793	\$ 6,809	\$ 6,893	\$ 6,893	\$ 6,893
Interest Expense	\$ 6,793	\$ 6,809	\$ 6,893	\$ 6,893	\$ 6,893
Taxable Income (Loss)	\$ (13,944)	\$ 3,141	\$ 6,398	\$ 6,398	\$ 6,398
State Income Tax	\$ -	\$ 249	\$ 332	\$ 332	\$ 332
Federal Income Tax	\$ -	\$ 2,090	\$ 2,791	\$ 2,791	\$ 2,791
Total Income Taxes to be Paid	\$ -	\$ 2,338	\$ 3,123	\$ 3,123	\$ 3,123
Net Cash Provided by Operating Activities	\$ (358)	\$ 14,421	\$ 17,060	\$ 17,060	\$ 17,060
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Utility Plant	\$ 135,857	\$ 1,993	\$ -	\$ -	\$ -
Cash Bonds Posted	\$ 15,095	\$ 221	\$ -	\$ -	\$ -
CIAC					
Proceeds from Disposal of Utility Plant					
Net Cash Used by Investing Activities	\$ 150,953	\$ 2,214	\$ -	\$ -	\$ -
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from Short Term Debt					
Principal Repayment of Short Term Debt					
Proceeds from Long Term Debt	\$ 75,476	\$ 1,107	\$ -	\$ -	\$ -
Principal Repayment of Long Term Debt					
Interest Payment for Debt	\$ (6,793)	\$ (6,809)	\$ (6,893)	\$ (6,893)	\$ (6,893)
Proceeds from Equity	\$ 75,476	\$ 1,107	\$ -	\$ -	\$ -
Dividends Paid					
Funds Provided by Owner	\$ 7,151	\$ 1,444			
Net Cash Provided by Financing Activities	\$ 151,311	\$ (3,151)	\$ (6,893)	\$ (6,893)	\$ (6,893)
Net Increase (Decrease in Cash)	\$ (0)	\$ 9,056	\$ 10,167	\$ 10,167	\$ 10,167
Cash Balance at Beginning of Year	\$ -	\$ (0)	\$ 9,056	\$ 19,223	\$ 29,390
Cash Balance at End of Year	\$ (0)	\$ 9,056	\$ 19,223	\$ 29,390	\$ 39,558