

CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY
BUDGETED REVENUE, EXPENSES AND NET INCOME
FOR THE YEAR ENDING AUGUST 31, 2011

Amendment (1) 1/31/2011
*Depreciation Expense

Amendment (2) 8/29/2011
*OPEB Expense

	Budget Year Ended August 31, 2010	Unaudited 10 Months Ended June 30, 2010	Budget Year Ending August 31, 2011
REVENUE			
Operating Revenue			
Metered water sales	\$ 23,720,000	\$ 19,127,380	\$ 23,720,000
Wastewater treatment sales	14,138,000	11,296,841	14,138,100
Street light fees	1,301,000	1,045,836	1,256,000
Water connection fees	984,900	818,350	982,100
Sewer tap fees	1,751,200	1,450,002	1,740,000
Transfer fees	173,500	141,475	186,700
Forfeited discounts and penalties	701,000	591,407	721,000
Customer repairs & service charges	303,000	246,057	298,000
Total Operating Revenue	<u>43,072,600</u>	<u>34,717,348</u>	<u>43,041,900</u>
Non-Operating Revenue			
Interest earnings			
Sinking Funds	117,800	79,556	80,700
Construction Fund	-	-	-
Revenue Fund	174,600	85,903	94,300
Gain on sale of assets	-	-	-
Miscellaneous	105,500	124,172	122,100
Total Non-Operating Revenue	<u>397,900</u>	<u>289,631</u>	<u>297,100</u>
TOTAL REVENUE	<u>\$ 43,470,500</u>	<u>\$ 35,006,979</u>	<u>\$ 43,339,000</u>
EXPENSES			
Operating Expenses			
Water Purchases and Production			
Purchased water	42,000	36,726	46,000
Water production:			
Salaries and wages	917,600	757,383	959,800
Payroll taxes	70,200	55,775	73,400
Group insurance	129,500	116,061	153,200
OPEB	56,000	46,945	101,050
Pension	160,600	100,739	157,300
Billing and accounting	14,300	10,777	14,400
Regulatory actions	-	-	-
Continuing education	25,400	15,737	20,000
Insurance - other than group	68,300	54,925	60,600
Lab fees and supplies	52,000	35,824	51,500
Miscellaneous	1,700	212	1,500
Office supplies	1,500	3,243	1,500
Operating supplies	344,000	227,576	330,000
Power	1,140,800	843,347	1,200,000
Professional fees	10,000	1,350	10,000
Repairs and maintenance - lines and meters	2,300	52	3,000
Repairs - other	8,500	7,887	10,400
Maintenance - other	164,100	163,644	295,000

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	Budget Year Ended August 31, <u>2010</u>	Unaudited 10 Months Ended June 30, <u>2010</u>	Budget Year Ending August 31, <u>2011</u>
Operating Expenses (continued)			
Water Purchases and Production			
(continued)			
Water production (continued):			
Postage	\$ 500	\$ 265	\$ 500
Small tools and equipment	1,300	200	2,000
Stream Monitoring	122,800	117,100	123,000
Telephone	15,400	11,119	15,000
Uniforms	7,000	5,325	7,000
Vehicle expense	<u>14,900</u>	<u>13,037</u>	<u>17,200</u>
Operating Expenses Before Depreciation	3,370,700	2,625,249	3,653,350
Depreciation	<u>1,160,500</u>	<u>967,120</u>	<u>1,278,400</u>
	<u>4,531,200</u>	<u>3,592,369</u>	<u>4,931,750</u>
Wastewater Treatment			
Purchased wastewater treatment	635,000	528,924	662,000
Wastewater treatment:			
Salaries and wages	2,123,300	1,681,696	2,182,600
Payroll taxes	162,400	122,342	167,000
Group insurance	399,200	308,711	455,500
OPEB	128,000	106,944	230,210
Pension	371,600	296,283	357,700
Billing and accounting	14,300	11,015	14,500
Environmental compliance	-	-	-
Regulatory actions	20,000	4,000	20,000
Continuing education	30,000	20,102	32,000
Insurance - other than group	122,900	97,071	107,100
Lab fees and supplies	50,000	35,331	46,600
Legal fees	-	-	-
Miscellaneous	3,500	1,632	3,500
Office supplies	6,000	9,964	8,500
Operating supplies	1,100,000	683,008	1,041,500
Postage	1,200	826	1,900
Power	1,854,700	1,267,470	1,620,000
Professional fees	10,000	3,970	10,000
Repairs and maintenance - lines and meters	31,500	7,721	20,000
Repairs - other	56,600	54,278	75,000
Maintenance - other	1,155,100	850,804	1,028,600
Small tools and equipment	5,300	8,222	8,000
Telephone	40,600	27,268	34,300
Uniforms	27,100	19,088	27,100
Vehicle expense	<u>71,900</u>	<u>45,821</u>	<u>52,200</u>
Operating Expenses Before Depreciation	8,420,200	6,192,491	8,205,810
Depreciation	<u>2,012,950</u>	<u>1,677,460</u>	<u>1,999,200</u>
	<u>10,433,150</u>	<u>7,869,951</u>	<u>10,205,010</u>

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	Budget Year Ended August 31, <u>2010</u>	Unaudited 10 Months Ended June 30, <u>2010</u>	Budget Year Ending August 31, <u>2011</u>
Operating Expenses (continued)			
Distribution and Administration			
Salaries and wages	\$ 4,812,200	\$ 4,033,855	\$ 5,216,100
Payroll taxes	368,100	289,416	399,000
Group insurance	914,900	766,032	1,059,200
OPEB	290,000	241,945	520,740
Pension	842,100	628,085	855,000
Bad debts	120,000	(499)	120,000
Billing and accounting	435,300	337,262	415,500
Consumer reports and regulatory actions	9,500	7,425	7,500
Continuing education	30,340	25,057	44,900
Contract services	625,200	488,106	626,300
Directors' fees and expenses	60,200	44,911	60,200
Insurance - other than group	318,800	248,267	274,300
Lake Allatoona/Upper Etowah study	-	-	-
Legal and audit	220,000	123,124	193,500
Miscellaneous	35,300	20,715	25,000
Office supplies	24,900	26,218	39,100
Operating supplies	56,200	43,754	57,600
Postage	14,500	7,981	13,400
Power	159,300	108,040	136,200
Professional fees	100,000	49,528	85,000
Property taxes	26,000	23,833	26,000
Repairs and maintenance - lines and meters	446,300	424,509	454,800
Maintenance - other	433,100	204,049	346,900
Repairs - other	180,000	157,168	221,200
Small tools	15,700	10,585	17,500
Stream monitoring	-	-	-
Telephone	57,700	41,516	54,800
Toilet rebate	20,000	24,400	30,000
Uniforms	26,500	17,745	26,500
Vehicle expense	242,700	191,857	257,800
Operating Expenses Before Depreciation and Capitalization of Salaries	10,884,840	8,584,884	11,584,040
Depreciation	6,829,300	5,691,080	6,967,100
Operating Expenses Before Capitalization of Salaries	17,714,140	14,275,964	18,551,140
Capitalization of salaries	(314,800)		(345,900)
	<u>17,399,340</u>	<u>14,275,964</u>	<u>18,205,240</u>
Streetlights	882,000	726,738	881,000
Stores	-	-	-
Total Operating Expenses	<u>33,245,690</u>	<u>26,465,022</u>	<u>34,223,000</u>

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	Budget Year Ended August 31, <u>2010</u>	Unaudited 10 Months Ended June 30, <u>2010</u>	Budget Year Ending August 31, <u>2011</u>
Non-Operating Expenses:			
Interest	\$ 9,817,800	\$ 7,762,995	\$ 8,933,400
Arbitrage rebate	-	-	-
Paying agent fees	20,000	16,200	20,000
Amortization of bond issue costs	<u>107,700</u>	<u>92,885</u>	<u>112,700</u>
Total Non-Operating Expenses	<u>9,945,500</u>	<u>7,872,080</u>	<u>9,066,100</u>
 TOTAL EXPENSES	 <u>43,191,190</u>	 <u>34,337,102</u>	 <u>43,289,100</u>
 NET INCOME	 <u>\$ 279,310</u>	 <u>\$ 669,877</u>	 <u>\$ 49,900</u>

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