

# Budgeted Revenue, Expenses, and Change in Net Position For the Fiscal Year Ended August 31, 2025



# CCWSA

Cherokee County Water & Sewerage Authority



CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY  
BUDGETED REVENUE, EXPENSES AND CHANGE IN NET POSITION  
FOR THE YEAR ENDING AUGUST 31, 2025

|  | Budget<br>Year Ending<br>August 31,<br><u>2024</u> | Unaudited<br>10 Months Ended<br>June 30,<br><u>2024</u> | Budget<br>Year Ending<br>August 31,<br><u>2025</u> |
|--|--|---|--|
| <b>REVENUE</b>   |  |   |  |
| Operating Revenue  |  |   |  |
| Metered water sales  | \$ 37,500,000                                      | \$ 31,808,251   | \$ 40,225,000                                      |
| Wastewater treatment sales   | 23,000,000   | 19,903,638  | 24,760,000   |
| Street light fees  | 1,599,000  | 1,339,469   | 1,739,000  |
| Water connection fees**  | 1,131,000  | 1,102,050   | 1,050,000  |
| Transfer fees  | 170,000  | 144,925   | 180,000  |
| Forfeited discounts and penalties  | 730,000  | 626,292   | 786,000  |
| Customer repairs & service charges   | <u>255,000</u>                                     | <u>263,808</u>  | <u>335,000</u>                                     |
| Total Operating Revenue  | <u>64,385,000</u>                                  | <u>55,188,433</u>                                       | <u>69,075,000</u>                                  |
| **FY 2025 Water Connections- 30% is allocated to Operating Revenues~ 70% is allocated to Capital Contributions |  |   |  |
| Non-Operating Revenue  |  |   |  |
| Interest earnings  |  |   |  |
| Sinking Funds  | 165,000  | 4,250   | 175,000  |
| Construction Fund  | 700,000  | 2,219,621   | 560,000  |
| Revenue Fund   | 4,200,000  | 3,804,463   | 4,990,000  |
| Amortization of Bond Premiums; net   | 1,858,330  | 1,548,525   | 1,808,935  |
| Gain on sale of assets   | -  | 124,486   | -  |
| Miscellaneous  | <u>375,000</u>                                     | <u>354,647</u>  | <u>375,000</u>                                     |
| Total Non-Operating Revenue  | <u>7,298,330</u>                                   | <u>8,055,992</u>  | <u>7,908,935</u>                                   |
| TOTAL REVENUE  | <u>\$ 71,683,330</u>                               | <u>\$ 63,244,425</u>                                    | <u>\$ 76,983,935</u>                               |
| <b>EXPENSES</b>  |  |   |  |
| Operating Expenses   |  |   |  |
| Water Purchases and Production   |  |   |  |
| Purchased water  | \$ 42,000  | \$ 40,466   | \$ 108,000   |
| Water production:  |  |   |  |
| Salaries and wages   | 1,653,000  | 1,311,413   | 1,799,600  |
| Payroll taxes  | 126,500  | 96,710  | 137,700  |
| Group insurance  | 334,000  | 237,235   | 330,000  |
| OPEB   | 12,421   | 10,351  | 16,930   |
| Pension  | 189,893  | 158,315   | 204,288  |
| Billing and accounting   | 22,000   | 16,107  | 22,000   |
| Regulatory actions   | -  | -   | -  |
| Continuing education, memberships, dues ,contributions   | 45,000   | 34,829  | 45,000   |
| Insurance - other than group   | 51,615   | 42,590  | 45,840   |
| Lab fees and supplies  | 81,000   | 39,626  | 98,000   |
| Miscellaneous  | 4,000  | 607   | 4,000  |
| Office supplies  | 3,500  | 622   | 2,000  |
| Operating supplies   | 518,000  | 326,682   | 482,000  |
| Power  | 1,600,000  | 1,247,521   | 1,720,000  |
| Professional fees  | 10,000   | 2,685   | 10,000   |
| Repairs and maintenance - lines<br>and meters  | 3,000  | -   | 3,000  |
| Repairs - other  | 18,000   | 13,033  | 18,000   |
| Maintenance - other  | 869,600  | 646,887   | 965,000  |

See Accompanying Summary of Significant Budget Assumptions



CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY  
BUDGETED REVENUE, EXPENSES AND CHANGE IN NET POSITION  
FOR THE YEAR ENDING AUGUST 31, 2025

|  | Budget<br>Year Ending<br>August 31,<br><u>2024</u> | Unaudited<br>10 Months Ended<br>June 30,<br><u>2024</u> | Budget<br>Year Ending<br>August 31,<br><u>2025</u> |
|--|--|---|--|
| Operating Expenses (continued)                         |  |   |  |
| Water Purchases and Production                         |  |   |  |
| <i>(continued)</i>                                     |  |   |  |
| Water production (continued):                          |  |   |  |
| Postage  | \$ 2,000   | \$ 359  | \$ 2,000   |
| Small tools and equipment                              | 5,700  | 2,608   | 6,800  |
| Stream Monitoring                                      | 70,000   | 64,926  | 78,000   |
| Telephone/Data Usage                                   | 50,000   | 22,384  | 40,000   |
| Uniforms   | 7,500  | 7,160   | 10,000   |
| Computer Equipment & Maintenance                       | 14,000   | 4,734   | 12,600   |
| Vehicle expense-Fuel                                   | <u>25,000</u>                                      | <u>15,932</u>   | <u>23,000</u>                                      |
| Operating Expenses Before<br>Depreciation              | 5,757,729  | 4,343,783   | 6,183,758  |
| Depreciation   | <u>1,745,500</u>                                   | <u>1,454,583</u>  | <u>1,842,000</u>                                   |
|  | <u>7,503,229</u>                                   | <u>5,798,366</u>  | <u>8,025,758</u>                                   |
| Wastewater Treatment                                   |  |   |  |
| Purchased wastewater treatment                         | \$ 925,000   | \$ 789,043  | \$ 997,000   |
| Wastewater treatment:                                  |  |   |  |
| Salaries and wages                                     | 5,115,100  | 3,788,613   | 5,349,800  |
| Payroll taxes  | 391,310  | 279,820   | 409,300  |
| Group insurance  | 1,175,000  | 844,690   | 1,272,000  |
| OPEB   | 45,028   | 37,524  | 68,776   |
| Pension  | 688,363  | 573,695   | 829,922  |
| Billing and accounting                                 | 22,000   | 14,379  | 22,000   |
| Regulatory actions                                     | 20,000   | -   | 50,000   |
| Continuing education, memberships, dues, contributions | 60,000   | 47,017  | 60,000   |
| Insurance - other than group                           | 187,100  | 154,337   | 186,225  |
| Lab fees and supplies                                  | 106,000  | 76,649  | 164,000  |
| Miscellaneous  | 10,000   | 6,015   | 10,000   |
| Office supplies  | 11,000   | 4,749   | 11,000   |
| Operating supplies                                     | 1,469,000  | 1,201,591   | 1,765,000  |
| Postage  | 2,000  | 324   | 2,000  |
| Power  | 2,240,000  | 1,757,298   | 2,295,000  |
| Professional fees                                      | 25,000   | 15,917  | 25,000   |
| Repairs and maintenance - lines<br>and meters          | 20,000   | -   | 20,000   |
| Repairs - other  | 105,000  | 92,290  | 108,000  |
| Maintenance - other                                    | 4,150,000  | 3,136,842   | 5,055,000  |
| Small tools and equipment                              | 13,200   | 12,704  | 22,300   |
| Telephone/Data Usage                                   | 91,000   | 62,972  | 91,000   |
| Uniforms   | 29,000   | 25,927  | 33,000   |
| Computer Equipment & Maintenance                       | 60,000   | 11,325  | 65,000   |
| Vehicle expense-Fuel                                   | <u>123,000</u>                                     | <u>75,364</u>   | <u>97,000</u>                                      |
| Operating Expenses Before<br>Depreciation              | 17,083,101   | 13,009,084  | 19,008,323   |
| Depreciation   | <u>3,860,000</u>                                   | <u>3,216,667</u>  | <u>3,906,700</u>                                   |
|  | <u>20,943,101</u>                                  | <u>16,225,750</u>                                       | <u>22,915,023</u>                                  |

See Accompanying Summary of Significant Budget Assumptions



CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY  
BUDGETED REVENUE, EXPENSES AND CHANGE IN NET POSITION  
FOR THE YEAR ENDING AUGUST 31, 2025

|   | Budget<br>Year Ending<br>August 31,<br><u>2024</u> | Unaudited<br>10 Months Ended<br>June 30,<br><u>2024</u> | Budget<br>Year Ending<br>August 31,<br><u>2025</u> |
|---|--|---|--|
| Operating Expenses <i>(continued)</i>                                       |  |   |  |
| Distribution and Administration   |  |   |  |
| Salaries and wages  | \$ 12,302,600                                      | \$ 9,812,308  | \$ 12,933,000                                      |
| Payroll taxes   | 941,150  | 709,512   | 989,400  |
| Group insurance   | 2,780,000  | 2,216,467   | 3,445,000  |
| OPEB  | 120,336  | 100,279   | 165,061  |
| Pension   | 1,839,592  | 1,532,863   | 1,991,813  |
| Bad debts   | 100,000  | (672)   | 100,000  |
| Billing and accounting  | 463,000  | 404,226   | 500,000  |
| Continuing education, memberships, dues, contributions                      | 173,000  | 117,355   | 194,000  |
| Contract services   | 863,000  | 721,045   | 1,242,000  |
| Directors' fees and expenses  | 60,000   | 46,924  | 60,000   |
| Insurance - other than group  | 500,015  | 426,445   | 446,940  |
| Lab/environmental supplies  | 40,000   | 18,742  | 47,500   |
| Legal and audit   | 125,000  | 125,683   | 158,000  |
| Miscellaneous   | 42,000   | 22,050  | 40,000   |
| Office supplies   | 69,000   | 36,333  | 64,000   |
| Operating supplies  | 111,000  | 85,855  | 116,000  |
| Postage   | 12,000   | 8,203   | 12,000   |
| Power   | 275,000  | 274,097   | 363,000  |
| Professional fees   | 450,000  | 180,184   | 450,000  |
| Property taxes  | 24,000   | 15,039  | 24,000   |
| Public Outreach   | 14,500   | 12,788  | 16,500   |
| Repairs, maintenance, small line extensions - lines<br>and meters           | 667,000  | 440,200   | 575,000  |
| Maintenance - other   | 862,000  | 690,585   | 999,000  |
| Repairs - other   | 473,000  | 385,101   | 479,000  |
| Merchant & Service Fees   | 654,000  | 657,140   | 794,000  |
| Small tools   | 130,000  | 102,936   | 122,000  |
| Stream Monitoring   | -  | -   | -  |
| Telephone/Data Usage  | 190,000  | 156,333   | 210,000  |
| Toilet Rebate/Smart Leak Detection Program                                  | 15,000   | 100   | 15,000   |
| Uniforms  | 57,000   | 43,919  | 65,000   |
| Computer Equipment & Maintenance  | 131,000  | 103,442   | 34,000   |
| Vehicle expense-Fuel  | 553,000  | 375,364   | 550,000  |
| Operating Expenses Before<br>Depreciation and<br>Capitalization of Salaries | 25,037,193   | 19,820,844  | 27,201,214   |
| Depreciation  | 9,623,000  | 8,019,167   | 10,373,500   |
| Operating Expenses Before<br>Capitalization of Salaries                     | 34,660,193   | 27,840,011  | 37,574,714   |
| Capitalization of salaries  | (771,866)  | -   | (1,027,267)  |
|   | <u>33,888,327</u>                                  | <u>27,840,011</u>                                       | <u>36,547,447</u>                                  |
| Street lights expense   | 1,255,000  | 1,144,840   | 1,508,000  |
| Total Operating Expenses  | <u>63,589,657</u>                                  | <u>51,008,967</u>                                       | <u>68,996,228</u>                                  |

See Accompanying Summary of Significant Budget Assumptions



CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY  
BUDGETED REVENUE, EXPENSES AND CHANGE IN NET POSITION  
FOR THE YEAR ENDING AUGUST 31, 2025

|   | Budget<br>Year Ending<br>August 31,<br><u>2024</u> | Unaudited<br>10 Months Ended<br>June 30,<br><u>2024</u> | Budget<br>Year Ending<br>August 31,<br><u>2025</u> |
|---|--|---|--|
| Non-Operating Expenses:                           |  |   |  |
| Interest  | \$ 7,527,805                                       | \$ 6,305,785  | \$ 7,070,382                                       |
| Amortization Expense - Deferred Amt. on Refunding | 322,365  | 268,636   | 322,365  |
| Cost of Issuance Expense                          | -  | -   | -  |
| Total Non-Operating Expenses                      | <u>7,850,170</u>                                   | <u>6,574,420</u>  | <u>7,392,747</u>                                   |
| <b>TOTAL EXPENSES</b>                             | <u>71,439,827</u>                                  | <u>57,583,387</u>                                       | <u>76,388,975</u>                                  |
| Excess Before Contributions                       | <u>243,503</u>                                     | <u>5,661,038</u>  | <u>594,960</u>                                     |
| Capital Contributions                             |  |   |  |
| Contributions from Customers                      | -  | 62,634  | -  |
| Sewer tap fees                                    | 7,250,000  | 6,786,583   | 5,000,000  |
| Water connection fees                             | <u>2,639,000</u>                                   | <u>2,571,450</u>  | <u>2,450,000</u>                                   |
| Total Capital Contributions                       | <u>9,889,000</u>                                   | <u>9,420,667</u>  | <u>7,450,000</u>                                   |
| <b>CHANGE IN NET POSITION</b>                     | <u>\$ 10,132,503</u>                               | <u>\$ 15,081,704</u>                                    | <u>\$ 5,594,960</u>                                |

See Accompanying Summary of Significant Budget Assumptions



CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY  
BUDGETED EARNINGS COVERAGE BASED UPON BUDGETED  
REVENUE AND EXPENSE FOR THE YEAR ENDING AUGUST 31, 2025

|   | Budget<br>Year Ending<br>August 31,<br><u>2024</u> | Budget<br>Year Ending<br>August 31,<br><u>2025</u> |
|---|--|--|
| Operating Revenue   | \$ 64,385,000                                      | \$ 69,075,000                                      |
| Less Operating Expenses   | <u>63,589,657</u>                                  | <u>68,996,228</u>                                  |
|   | 795,343  | 78,772   |
| Add:  |  |  |
| Interest earnings -   |  |  |
| Sinking Funds   | 165,000  | 175,000  |
| Revenue Fund  | 4,200,000  | 4,990,000  |
| Miscellaneous income  | 375,000  | 375,000  |
| Gain on sale of assets  | -  | -  |
| Capital Contributions   | 9,889,000  | 7,450,000  |
| Depreciation  | <u>15,228,500</u>                                  | <u>16,122,200</u>                                  |
| Income Available For<br>(Bond) Debt Service                     | <u>\$ 30,652,843</u>                               | <u>\$ 29,190,972</u>                               |
| Required Bond Debt Service                                      | <u>\$ 16,617,805</u>                               | <u>\$ 16,620,380</u>                               |
| Earnings Coverage - Estimated                                   | <u>1.84</u>  | <u>1.76</u>  |
| Earnings Coverage - Required                                    | <u>1.20</u>  | <u>1.20</u>  |
| <br>  |  |  |
| Income Available For<br>(Bond) Debt Service                     | \$ 30,652,843                                      | \$ 29,190,972                                      |
| Less:   |  |  |
| Water connection fees   | (3,770,000)  | (3,500,000)  |
| Sewer tap fees  | <u>(7,250,000)</u>                                 | <u>(5,000,000)</u>                                 |
| Income Available For<br>(Bond) Debt Service Less<br>Tap-On Fees | <u>\$ 19,632,843</u>                               | <u>\$ 20,690,972</u>                               |
| Earnings Coverage - Estimated                                   | <u>1.18</u>  | <u>1.24</u>  |
| Earnings Coverage - Required                                    | <u>1.00</u>  | <u>1.00</u>  |

See Accompanying Summary of Significant Budget Assumptions



CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY  
FUNDS AVAILABLE FOR CAPITAL EXPENDITURE  
BASED UPON BUDGETED REVENUE AND EXPENSE  
FOR THE YEAR ENDING AUGUST 31, 2025

|   | Budget<br>Year Ending<br>August 31,<br><u>2024</u> | Unaudited<br>10 Months Ended<br>June 30,<br><u>2024</u> | Budget<br>Year Ending<br>August 31,<br><u>2025</u> |
|---|--|---|--|
| Operating Revenue   | \$ 64,385,000                                      | \$ 55,188,433   | \$ 69,075,000                                      |
| Less Operating Expenses   | <u>63,589,657</u>                                  | <u>51,008,967</u>                                       | <u>68,996,228</u>                                  |
|   | 795,343  | 4,179,466   | 78,772   |
| Add:  |  |   |  |
| Depreciation  | 15,228,500   | 12,690,417  | 16,122,200   |
| Interest earnings -<br>Revenue Fund   | 4,200,000  | 3,804,463   | 4,990,000  |
| Miscellaneous income  | 375,000  | 354,647   | 375,000  |
| Gain on sale of assets  | -  | 124,486   | -  |
| Capital Contributions   | 9,889,000  | 9,420,667   | 7,450,000  |
| Deduct:   |  |   |  |
| Sinking fund deposits   | <u>(16,583,941)</u>                                | <u>(13,814,176)</u>                                     | <u>(16,620,380)</u>                                |
| <br>Funds Available For Capital<br>Expenditures From Current<br>Year Operations | <br><u>\$ 13,903,902</u>                           | <br><u>\$ 16,759,970</u>                                | <br><u>\$ 12,395,592</u>                           |

See Accompanying Summary of Significant Budget Assumptions