

CHEROKEE COUNTY WATER AND SEWERAGE AUTHORITY
BUDGETED REVENUE, EXPENSES AND NET INCOME
FOR THE YEAR ENDING AUGUST 31, 2010

	Budget Year Ended August 31, 2009	Unaudited 10 Months Ended June 30, 2009	Budget Year Ending August 31, 2010
REVENUE			
Operating Revenue			
Metered water sales	\$ 23,026,000	\$ 19,190,006	\$ 23,720,000
Wastewater treatment sales	13,726,000	11,188,387	14,138,000
Street light fees	1,299,000	1,059,538	1,301,000
Water connection fees	1,560,600	820,708	984,900
Sewer tap fees	3,145,500	1,459,309	1,751,200
Transfer fees	180,100	131,425	173,500
Forfeited discounts and penalties	729,000	554,228	701,000
Customer repairs & service charges	294,000	223,680	303,000
Total Operating Revenue	<u>43,960,200</u>	<u>34,627,281</u>	<u>43,072,600</u>
Non-Operating Revenue			
Interest earnings			
Sinking Funds	78,100	79,475	117,800
Construction Fund	2,500	695	-
Revenue Fund	836,700	332,202	174,600
Gain on sale of assets	-	-	-
Miscellaneous	216,900	120,096	105,500
Total Non-Operating Revenue	<u>1,134,200</u>	<u>532,468</u>	<u>397,900</u>
TOTAL REVENUE	<u>\$ 45,094,400</u>	<u>\$ 35,159,749</u>	<u>\$ 43,470,500</u>
EXPENSES			
Operating Expenses			
Water Purchases and Production			
Purchased water	80,000	34,184	42,000
Water production:			
Salaries and wages	894,300	737,128	917,600
Payroll taxes	68,400	54,756	70,200
Group insurance	134,800	102,816	129,500
OPEB			56,000
Pension	146,600	87,893	160,600
Billing and accounting	14,200	10,539	14,300
Regulatory actions	-	-	-
Continuing education	22,400	18,151	25,400
Insurance - other than group	80,600	67,167	68,300
Lab fees and supplies	56,000	39,419	52,000
Miscellaneous	3,700	1,298	1,700
Office supplies	1,200	1,163	1,500
Operating supplies	278,100	238,820	344,000
Power	1,138,000	792,216	1,140,800
Professional fees	15,000	1,296	10,000
Repairs and maintenance - lines and meters	12,800	1,860	2,300
Repairs and maintenance - other	195,300	120,400	172,600

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Operating Expenses (continued)			
Water Purchases and Production (continued)			
Water production (continued):			
Postage	\$ 200	\$ 406	\$ 500
Small tools and equipment	1,000	966	1,300
Stream Monitoring	122,800	121,738	122,800
Telephone	15,400	11,159	15,400
Uniforms	6,600	5,334	7,000
Vehicle expense	<u>23,300</u>	<u>10,365</u>	<u>14,900</u>
Operating Expenses Before Depreciation	3,310,700	2,459,074	3,370,700
Depreciation	<u>1,169,700</u>	<u>987,473</u>	<u>1,160,500</u>
	<u>4,480,400</u>	<u>3,446,547</u>	<u>4,531,200</u>
Wastewater Treatment			
Purchased wastewater treatment	660,000	502,114	635,000
Wastewater treatment:			
Salaries and wages	2,462,900	1,834,316	2,123,300
Payroll taxes	188,400	133,040	162,400
Group insurance	310,600	316,830	399,200
OPEB			128,000
Pension	403,700	285,029	371,600
Billing and accounting	14,200	10,773	14,300
Environmental compliance	-	-	-
Regulatory actions	20,000	5,150	20,000
Continuing education	30,400	21,979	30,000
Insurance - other than group	145,000	120,833	122,900
Lab fees and supplies	75,000	39,258	50,000
Legal fees	-	-	-
Miscellaneous	9,500	2,667	3,500
Office supplies	4,800	10,777	6,000
Operating supplies	1,122,900	823,315	1,100,000
Postage	600	919	1,200
Power	1,263,300	1,288,011	1,854,700
Professional fees	13,000	4,194	10,000
Repairs and maintenance - lines and meters	31,500	(2,869)	31,500
Repairs and maintenance - other	1,162,000	845,063	1,211,700
Small tools and equipment	5,200	4,010	5,300
Telephone	35,500	29,388	40,600
Uniforms	24,100	19,665	27,100
Vehicle expense	<u>103,900</u>	<u>49,948</u>	<u>71,900</u>
Operating Expenses Before Depreciation	8,086,500	6,344,410	8,420,200
Depreciation	<u>981,900</u>	<u>813,657</u>	<u>936,000</u>
	<u>9,068,400</u>	<u>7,158,067</u>	<u>9,356,200</u>

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	Budget Year Ended August 31, <u>2009</u>	Unaudited 10 Months Ended June 30, <u>2009</u>	Budget Year Ending August 31, <u>2010</u>
Operating Expenses (continued)			
Distribution and Administration			
Salaries and wages	\$ 4,750,000	\$ 3,876,720	\$ 4,812,200
Payroll taxes	363,400	280,212	368,100
Group insurance	765,300	726,124	914,900
OPEB			290,000
Pension	778,500	540,131	842,100
Bad debts	70,000	(3,637)	120,000
Billing and accounting	406,300	323,211	435,300
Consumer reports and regulatory actions	7,500	7,125	9,500
Continuing education	25,600	22,108	30,340
Contract services	638,500	487,874	625,200
Directors' fees and expenses	60,200	48,063	60,200
Insurance - other than group	376,000	313,333	318,800
Lake Allatoona/Upper Etowah study	275,000	-	-
Legal and audit	182,800	179,509	220,000
Miscellaneous	22,200	18,340	35,300
Office supplies	23,600	18,883	24,900
Operating supplies	77,100	42,557	56,200
Postage	11,900	10,540	14,500
Power	208,700	110,658	159,300
Professional fees	250,800	74,889	100,000
Property taxes	22,000	23,665	26,000
Repairs and maintenance - lines and meters	880,700	357,604	446,300
Repairs and maintenance - other	473,000	437,090	613,100
Small tools	24,300	11,921	15,700
Stream monitoring	31,000	-	-
Telephone	56,800	41,846	57,700
Toilet rebate	18,000	19,800	20,000
Uniforms	28,000	20,082	26,500
Vehicle expense	372,800	168,573	242,700
Operating Expenses Before Depreciation and Capitalization of Salaries	11,200,000	8,157,221	10,884,840
Depreciation	6,607,000	5,428,871	6,829,300
Operating Expenses Before Capitalization of Salaries	17,807,000	13,586,092	17,714,140
Capitalization of salaries	(306,000)		(314,800)
	<u>17,501,000</u>	<u>13,586,092</u>	<u>17,399,340</u>
Streetlights	<u>840,000</u>	<u>729,991</u>	<u>882,000</u>
Stores	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>31,889,800</u>	<u>24,920,697</u>	<u>32,168,740</u>

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Non-Operating Expenses:			
Interest	\$ 9,988,800	\$ 8,358,041	\$ 9,817,800
Arbitrage rebate	-	-	-
Paying agent fees	32,500	15,306	20,000
Amortization of bond issue costs	<u>115,500</u>	<u>89,723</u>	<u>107,700</u>
Total Non-Operating Expenses	<u>10,136,800</u>	<u>8,463,070</u>	<u>9,945,500</u>
 TOTAL EXPENSES	 <u>42,026,600</u>	 <u>33,383,767</u>	 <u>42,114,240</u>
 NET INCOME	 <u>\$ 3,067,800</u>	 <u>\$ 1,775,982</u>	 <u>\$ 1,356,260</u>

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