

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 Year Ending August 31, <u>2024</u>	Unaudited 10 Months Ended June 30, <u>2024</u>	Budget Year Ending August 31, <u>2025</u>
REVENUE			
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>
EXPENSES			
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 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 Year Ending August 31, <u>2024</u>	Unaudited 10 Months Ended June 30, <u>2024</u>	Budget Year Ending August 31, <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 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 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 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 Year Ending August 31, <u>2024</u>	Unaudited 10 Months Ended June 30, <u>2024</u>	Budget Year Ending August 31, <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 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 Depreciation and Capitalization of Salaries	25,037,193	19,820,844	27,201,214
Depreciation	<u>9,623,000</u>	<u>8,019,167</u>	<u>10,373,500</u>
Operating Expenses Before 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	<u>1,255,000</u>	<u>1,144,840</u>	<u>1,508,000</u>
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 Year Ending August 31, <u>2024</u>	Unaudited 10 Months Ended June 30, <u>2024</u>	Budget Year Ending August 31, <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>
TOTAL EXPENSES	<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>
CHANGE IN NET POSITION	<u>\$ 10,132,503</u>	<u>\$ 15,081,704</u>	<u>\$ 8,044,960</u>

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

	Budget Year Ending August 31, <u>2024</u>	Budget Year Ending August 31, <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 (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>
Income Available For (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 (Bond) Debt Service Less 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>

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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 Year Ending August 31, <u>2024</u>	Unaudited 10 Months Ended June 30, <u>2024</u>	Budget Year Ending August 31, <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 - 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>
 Funds Available For Capital Expenditures From Current Year Operations	 <u>\$ 13,903,902</u>	 <u>\$ 16,759,970</u>	 <u>\$ 12,395,592</u>

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