## Diamond A Mutual Water Company

Financial Report to Board of Directors

**SEPTEMBER 20, 2021** 

- Current Financial Status
- 2020 Cap Ex Review

## **Current Financial Status**

- YTD 2021 Net Income well above Prior Year and at record levels
  - Water Sales Revenue tracking at least
     \$40k higher than Budget
    - Dry winter has resulted in record high Water Sales
    - Electricity is \$13k higher (55%) than Prior Year, which is a function of the high Water Sales
  - Repair and Maintenance costs are only \$27k YTD vs annual budget of \$65k

|  | DIAMOND A MUTUA           | AL WATER COMPANY    | 1         |          |           |          |          |          |           |           |
|--|---------------------------|---------------------|-----------|----------|-----------|----------|----------|----------|-----------|-----------|
| BUDGET   2021   9/30/2016   9/7/2017   9/10   9/10/2018   8/20/2020   9/16/2021  | <b>Excludes Depreciat</b> | tion                |           |          |           |          |          |          |           |           |
| BUDGET   2021   9/30/2016   9/7/2017   9/10   9/10/2018   9/20/2018   9/30/2016   9/7/2017   9/30/2016   9/30/2016   9/7/2017   9/30/2016   9/30/201 |                           |                     |           |          |           |          |          |          |           |           |
| Mater Sales & Service  |                           |                     |           | APPROVED | ACTUAL    |          |          |          |           |           |
| Mater Sales & Service   185,000   186,000   186   19 |                           |                     |           | BUDGET   | YTD       | YTD      | YTD      | YTD      | YTD       | YTD       |
| Interest   |                           |                     |           | 2021     | 9/30/2016 | 9/7/2017 | 9/6/2018 | 9/4/2019 | 8/20/2020 | 9/16/2021 |
| Cher Income     0   0   0   0   0   0   0   0   0  | Water Sales & Service     | ce                  |           | 185,000  | 58,411    | 54,854   | 65,442   | 64,156   | 82,029    | 149,194   |
| Subtotal - Operating Income   185,000   58,427   54,908   65,513   64,191   82,059   149,194   | Interest                  |                     |           | 0        | 16        | 54       | 71       | 35       | 30        | 0         |
| Admin Finance Mngr Dee 16,800  | Other Income              |                     |           |          |           | -        |          |          |           |           |
| Admin   Legal & Acctling   3,000   7,061   2,650   2,700   5,200   6,896   2,000   8 | Subtotal - Operating      | Income              |           | 185,000  | 58,427    | 54,908   | 65,513   | 64,191   | 82,059    | 149,194   |
| Admin   Legal & Acctling   3,000   7,061   2,650   2,700   5,200   6,896   2,000   Admin   Taxes   800   8 |                           |                     |           |          |           |          |          |          |           |           |
| Admin   Legal & Acctling   3,000   7,061   2,650   2,700   5,200   6,896   2,000   Admin   Taxes   800   8 |                           |                     | _         |          |           |          |          |          |           |           |
| Admin   Taxes   800    |                           |                     | Dee       |          |           |          |          |          |           | ·         |
| Admin         Interest Expense         2,500         4,747         6,746         7,502         6,601         2,761         1,592           Admin         Malling & Office         452         1,171         601         562         515         439         424           Admin         Bank Charges         5,662         1,781         2,294         2,760         3,034         3,273         4,030           Admin         PayPal Charges         0         1         96         196         <   |                           |                     |           |          |           |          |          |          |           |           |
| Admin         Mailing & Office         452         1,171         601         562         515         439         424           Admin         Bank Charges         5,662         1,781         2,294         2,760         3,034         3,273         4,030           Admin         PayPal Charges         0         0         196         19  |                           |                     |           |          |           |          |          |          |           |           |
| Admin         Bank Charges         5,062         1,781         2,294         2,760         3,034         3,273         4,030           Admin         PayPal Charges         0         1         6         196 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>  |                           |                     |           |          |           |          |          |          |           |           |
| Admin         PayPal Charges         0         196   |                           |                     |           |          |           |          |          |          |           |           |
| Admin Website 200 196 196 196 196 196 196 196 196 Admin Fees 1,782 371 1,915 1,574 1,574 1,730 443 Admin Insurance 8,8500 3,810 5,619 3,765 1,902 8,049 8,543 Admin Answering Service 0 0 629 592  |                           |                     |           |          | 1,781     | 2,294    | 2,760    | 3,034    | 3,273     | 4,030     |
| Admin         Fees         1,782         371         1,915         1,574         1,574         1,730         443           Admin         Insurance         8,500         3,810         5,619         3,765         1,902         8,049         8,543           Admin         Answering Service         0         629         592   |                           |                     |           | -        |           |          |          |          |           |           |
| Admin         Insurance         8,500         3,810         5,619         3,765         1,902         8,049         8,543           Admin         Answering Service         0         629         592         1,902         8,049         8,543           Admin         Supplies         0         0         0         0         0         0           Ops - Recurring         Operations Mngr         Bill         13,200         7,000         8,000         8,000         7,700         8,800           Ops - Recurring         Monthly Service         JDY         23,713         8,079         11,171         12,695         9,756         11,190         12,337           Ops - Recurring         Water Analysis / Health Dept         2,067         3,322         1,087         3,163         3,927         1,505         1,125           Ops - Recurring         Generator Rental         6,000         12,828         14,754         21,851         9,668         0         13,149           Ops - R&M         Labor / Maintenance Projects         50,000         3,764         569         1,835         1,102         0         0           Ops - R&M         Repairs         10,000         4,217         13,898         5,153  |                           |                     |           |          |           |          |          | _        | _         |           |
| Admin         Answering Service         0         629         592         Median         Median         Admin         Supplies         0<  |                           |                     |           |          |           |          |          |          |           |           |
| Admin Supplies 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | Admin                     |                     |           | 8,500    |           |          | 3,765    | 1,902    | 8,049     | 8,543     |
| Ops - Recurring  |                           | Answering Service   |           | 0        | 629       | 592      |          |          |           |           |
| Ops - Recurring         Monthly Service         JDY         23,713         8,079         11,171         12,695         9,756         11,190         12,337           Ops - Recurring         Meter Reading Service         0         0         0         0         1,1087         3,163         3,927         1,505         1,125           Ops - Recurring         Generator Rental         6,000         1,902         1,902         1,902         1,902           Ops - R&M         Labor / Maintenance Projects         50,000         12,828         14,754         21,851         9,668         0         13,149           Ops - R&M         Repairs         10,000         3,764         569         1,835         1,102         0         0           Ops - Utilities         Telephone         1,275         2,528         1,394         826         825         825         833           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating         Expenses         188,351         (32,927)         (45,646)         (30,887)         (24,421)         (8,287)         32,698           Income - Maintenance & Improvements  | Admin                     | Supplies            |           | 0        | 0         | 0        |          |          |           |           |
| Ops - Recurring         Monthly Service         JDY         23,713         8,079         11,171         12,695         9,756         11,190         12,337           Ops - Recurring         Meter Reading Service         0         0         0         0         1,087         3,163         3,927         1,505         1,125           Ops - Recurring         Generator Rental         6,000         12,828         14,754         21,851         9,668         0         13,149           Ops - R&M         Labor / Maintenance Projects         50,000         3,764         569         1,835         1,102         0         0         0           Ops - R&M         Repairs         10,000         4,217         13,898         5,153         12,808         14,296           Ops - Utilities         Telephone         1,275         2,528         1,394         826         825         825         833           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating         Expenses         188,351         (32,927)         (45,646)         (30,887)         (24,421)         (8,287)         32,698           Inco   |                           | 0 " 11              | D.III     | 40.000   |           | 2 222    |          |          |           |           |
| Ops - Recurring         Meter Reading Service         0           Ops - Recurring         Water Analysis / Health Dept         2,067           Ops - Recurring         Generator Rental         6,000           Ops - R&M         Labor / Maintenance Projects         50,000           Ops -R&M         Materials         5,000           Ops -R&M         Repairs         10,000           Ops - R&M         Repairs         10,000           Ops - Utilities         Telephone         1,275           Ops - Utilities         Electricity         38,000           Subtotal - Operating Expenses         188,351           Net Cash Flow From Operations         (3,351)           Income - Maintenance & Improvements         134,000           12,760         126,998           126,998         125,895           126,999         125,895           126,999         126,995           126,999         126,995           126,999         126,995           126,999         126,995           126,999         126,995           126,999         126,995           126,999         126,995           126,999         126,995           126,999  |                           |                     |           |          |           |          |          |          |           | ·         |
| Ops - Recurring         Water Analysis / Health Dept         2,067         3,322         1,087         3,163         3,927         1,505         1,125         1,902           Ops - Recurring         Generator Rental         6,000         12,828         14,754         21,851         9,668         0         13,149           Ops - R&M         Materials         5,000         3,764         569         1,835         1,102         0         0           Ops - R&M         Repairs         10,000         4,217         13,898         5,153         12,808         14,296           Ops - Utilities         Telephone         1,275         2,528         1,394         826         825         825         833           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating Expenses         188,351         91,354         100,554         96,400         88,612         90,346         116,495           Net Cash Flow From Operations         (3,351)         (32,927)         (45,646)         (30,887)         (24,421)         (8,287)         32,698           Income - Maintenance & Improvements         134,000         127,600  |                           | •                   |           |          | 8,079     | 11,171   | 12,695   | 9,756    | 11,190    | 12,337    |
| Ops - Recurring         Generator Rental         6,000           Ops -R&M         Labor / Maintenance Projects         50,000           Ops -R&M         Materials         5,000           Ops -R&M         Repairs         10,000           Ops - Utilities         Telephone         1,275           Ops - Utilities         Electricity         38,000           Subtotal - Operating Expenses         188,351           Net Cash Flow From Operations         (3,351)           Income - Maintenance & Improvements         134,000           Expense - Capital Improvements         134,000   |                           |                     |           |          |           |          |          |          |           |           |
| Ops -R&M         Labor / Maintenance Projects         50,000         12,828         14,754         21,851         9,668         0         13,149           Ops -R&M         Materials         5,000         3,764         569         1,835         1,102         0         0           Ops -R&M         Repairs         10,000         4,217         13,898         5,153         12,808         14,296           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating Expenses         188,351         91,354         100,554         96,400         88,612         90,346         116,495           Net Cash Flow From Operations         (3,351)         (32,927)         (45,646)         (30,887)         (24,421)         (8,287)         32,698           Income - Maintenance & Improvements         134,000         127,600         126,998         125,895         126,555         125,799         99,633  |                           | •                   | alth Dept |          | 3,322     | 1,087    | 3,163    | 3,927    | 1,505     |           |
| Ops -R&M         Materials         5,000         3,764         569         1,835         1,102         0         0           Ops -R&M         Repairs         10,000         4,217         13,898         5,153         12,808         14,296           Ops - Utilities         Telephone         1,275         2,528         1,394         826         825         825         833           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating Expenses         188,351         91,354         100,554         96,400         88,612         90,346         116,495           Net Cash Flow From Operations         (3,351)         (32,927)         (45,646)         (30,887)         (24,421)         (8,287)         32,698           Income - Maintenance & Improvements         134,000         126,998         125,895         126,555         125,799         99,633   | Ops - Recurring           | Generator Rental    |           | 6,000    |           |          |          |          |           | 1,902     |
| Ops -R&M         Materials         5,000         3,764         569         1,835         1,102         0         0           Ops -R&M         Repairs         10,000         4,217         13,898         5,153         12,808         14,296           Ops - Utilities         Telephone         1,275         2,528         1,394         826         825         825         833           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating Expenses         188,351         91,354         100,554         96,400         88,612         90,346         116,495           Net Cash Flow From Operations         (3,351)         (32,927)         (45,646)         (30,887)         (24,421)         (8,287)         32,698           Income - Maintenance & Improvements         134,000         126,998         125,895         126,555         125,799         99,633   | One P&M                   | Lahor / Maintenance | Projects  | 50,000   | 12 828    | 14 754   | 21 851   | 9 668    | 0         | 13 1/0    |
| Ops -R&M       Repairs       10,000       4,217       13,898       5,153       12,808       14,296         Ops - Utilities       Telephone       1,275       2,528       1,394       826       825       833         Ops - Utilities       Electricity       38,000       18,251       18,669       16,971       19,159       22,374       34,826         Subtotal - Operating Expenses       188,351       91,354       100,554       96,400       88,612       90,346       116,495         Net Cash Flow From Operations       (3,351)       (32,927)       (45,646)       (30,887)       (24,421)       (8,287)       32,698         Income - Maintenance & Improvements       134,000       127,600       126,998       125,895       126,555       125,799       99,633  | •                         |                     | 1 Tojeoto |          |           |          |          | •        |           |           |
| Ops - Utilities         Telephone         1,275         2,528         1,394         826         825         833           Ops - Utilities         Electricity         38,000         18,251         18,669         16,971         19,159         22,374         34,826           Subtotal - Operating Expenses         188,351         91,354         100,554         96,400         88,612         90,346         116,495           Income - Maintenance & Improvements         134,000         126,998         125,895         126,555         125,799         99,633           Expense - Capital Improvements         134,000         126,998         125,895         126,555         125,799         99,633  |                           |                     |           |          |           |          | 1,033    |          | -         |           |
| Ops - Utilities         Electricity         38,000           Subtotal - Operating Expenses         188,351           Net Cash Flow From Operations         (3,351)           Income - Maintenance & Improvements         134,000           Expense - Capital Improvements         134,000  | Ops -Naivi                | Repairs             |           | 10,000   | 4,217     | 13,090   |          | 5, 155   | 12,000    | 14,290    |
| Ops - Utilities         Electricity         38,000           Subtotal - Operating Expenses         188,351           Net Cash Flow From Operations         (3,351)           Income - Maintenance & Improvements         134,000           Expense - Capital Improvements         134,000  | Ops - Utilities           | Telephone           |           | 1.275    | 2.528     | 1.394    | 826      | 825      | 825       | 833       |
| Subtotal - Operating Expenses       188,351         Net Cash Flow From Operations       (3,351)         Income - Maintenance & Improvements       134,000         Expense - Capital Improvements       134,000   | -                         |                     |           |          |           |          |          |          |           |           |
| Net Cash Flow From Operations       (3,351)         Income - Maintenance & Improvements       134,000         Expense - Capital Improvements       134,000             127,600       126,998       125,895       126,555       125,799       99,633  | <del></del>               | <del></del>         |           |          |           |          |          |          |           |           |
| Income - Maintenance & Improvements 134,000  Expense - Capital Improvements 125,895 126,555 125,799 99,633   |                           |                     |           |          |           | ,        |          |          |           | •         |
| Expense - Capital Improvements   | Net Cash Flow From        | n Operations        |           | (3,351)  | (32,927)  | (45,646) | (30,887) | (24,421) | (8,287)   | 32,698    |
| Expense - Capital Improvements   |                           |                     |           |          |           |          |          |          |           |           |
|  |                           |                     |           | 134,000  | 127,600   | 126,998  | 125,895  | 126,555  | 125,799   | 99,633    |
| Subtotal - Capital         134,000         127,600         126,998         125,895         126,555         125,799         99,633  |                           | <del>`</del>        |           |          |           |          |          |          |           |           |
|  | Subtotal - Capital        |                     |           | 134,000  | 127,600   | 126,998  | 125,895  | 126,555  | 125,799   | 99,633    |
| CASH FLOW FROM OPERATIONS 130,649 94,673 81,352 95,008 102,134 117,512 132,331   | CASH FLOW FROM            | OPERATIONS          |           | 130.649  | 94.673    | 81.352   | 95.008   | 102.134  | 117.512   | 132.331   |

## **Current Financial Status**

- Cash position remains strong with \$245k
   in the Bank
  - Currently tracking to end 2020 with over \$250k in cash
- Loan is being amortized per schedule
  - Total Debt is \$36k

## YTD Cap Ex Review

| 2021 Cap E                               | x BUD   | GET            |                 |                   |              |   |        |        |        |        |  |
|--|---|----------------|-----------------|-------------------|--------------|---|--------|--------|--------|--------|--|
|  |   |                |                 |                   |              |   |        |        |        |        |  |
|  |   |                |                 |                   | 2021         |   |        |        |        | 2021   |  |
|  |   |                |                 |                   | Budget       |   |        |        |        | YTD    |  |
| Other Cap                                | Ex  |                |                 |                   |              |   |        |        |        |        |  |
|  | Storag  | ge Container / | ' Shed          |                   | 10,000       | Need to house parts INV                 |        |        |        |        |  |
|  | Viewcrest Tank                                      |                |                 |                   | 75,000       |   |        |        |        |        |  |
|  |   | Less: Bank Fi  | nancing         |                   | (50,000)     | Dave:                                   | Dave:  |        |        |        |  |
|  | Enhan   | ce control sys | stem at White ( | Dak to feed Grove | 4,000        | Actual costs closer to \$6k for initial |        |        |        |        |  |
|  | Transfer switch at White Oak for generator          |                |                 |                   | 10,000       | assessment (\$4k) and one repair (\$2k) |        |        |        |        |  |
|  | Leak Evaluation of Water System                     |                |                 |                   | 15,000       | placeholder                             |        |        |        |        |  |
| Ongoing N                                | /Jainte   | nance          |                 |                   | 30,000       |   |        |        |        | 11,210 |  |
| GRAND TO                                 | DTAL  |                |                 |                   | 94,000       |   |        |        |        |        |  |
|  |   |                |                 |                   |              |   |        |        |        |        |  |
| CAP EX BU                                | JDGET   | ITEMS DEFER    | RED TO LATER Y  | EARS ES           | stimated Cos | t                                       |        |        |        |        |  |
|  |   |                |                 |                   | 2022         | 2023                                    | 2024   | 2025   |        |        |  |
|  | Replace Backup Transfer Pump at Grove to feed White |                |                 | 15,000            |              |   |        |        | 18,931 |        |  |
|  | Oak   | Tank           |                 |                   |              |   |        |        |        |        |  |
| Transfer pump to feed Sweet William Tank |   |                | 20,000          |                   |              |   |        |        |        |        |  |
|  | -   |                |                 | ar upper Grove    |              |   |        |        |        |        |  |
|  | Purchase 50kw portable generator                    |                |                 |                   |              | 60,000                                  |        |        |        |        |  |
|  | Replace piping on DAMWCO lot at Kenleigh            |                |                 |                   |              | ,                                       | 40,000 |        |        |        |  |
|  | B&R System Evaluation                               |                |                 |                   |              |   | , -    |        |        |        |  |
|  | B&R S   | ystem Evalua   | tion            |                   |              |   |        | 50,000 |        |        |  |