

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 MUTUAL WATER COMPANY									
Excludes Depreciation									
			APPROVED BUDGET 2021	ACTUAL YTD 9/30/2016	ACTUAL YTD 9/7/2017	ACTUAL YTD 9/6/2018	ACTUAL YTD 9/4/2019	ACTUAL YTD 8/20/2020	ACTUAL YTD 9/16/2021
Water Sales & Service			185,000	58,411	54,854	65,442	64,156	82,029	149,194
Interest			0	16	54	71	35	30	0
Other Income			0	0	0	0	0	0	0
Subtotal - Operating Income			185,000	58,427	54,908	65,513	64,191	82,059	149,194
Admin									
Admin	Finance Mngr	Dee	16,800	10,800	9,600	11,200	11,200	9,800	11,200
Admin	Legal & Accting		3,000	7,061	2,650	2,700	5,200	6,896	2,000
Admin	Taxes		800	800	800	800	800	800	800
Admin	Interest Expense		2,500	4,747	6,746	7,502	6,601	2,761	1,592
Admin	Mailing & Office		452	1,171	601	562	515	439	424
Admin	Bank Charges		5,062	1,781	2,294	2,760	3,034	3,273	4,030
Admin	PayPal Charges		0						
Admin	Website		200	196	196	196	196	196	196
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	Supplies		0	0	0				
Ops - Recurring									
Ops - Recurring	Operations Mngr	Bill	13,200	7,000	8,000	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	Meter Reading Service		0						
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						1,902
Ops -R&M									
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									
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	126,998	125,895	126,555	125,799	99,633
Expense - Capital Improvements									
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

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 Ex BUDGET		2021 Budget	2021 YTD
Other Cap Ex			
Storage Container / Shed		10,000	Need to house parts INV
Viewcrest Tank		75,000	
Less: Bank Financing		(50,000)	
Enhance control system at White Oak to feed Grove		4,000	
Transfer switch at White Oak for generator		10,000	
Leak Evaluation of Water System		15,000	placeholder
Ongoing Maintenance		30,000	11,210
GRAND TOTAL		94,000	

Dave:
Actual costs closer to \$6k for initial assessment (\$4k) and one repair (\$2k)

CAP EX BUDGET ITEMS DEFERRED TO LATER YEARS	<i>Estimated Cost</i>				
	2022	2023	2024	2025	
Replace Backup Transfer Pump at Grove to feed White Oak Tank	15,000				18,931
Transfer pump to feed Sweet William Tank from concrete vault on Spring near upper Grove	20,000				
Purchase 50kw portable generator		60,000			
Replace piping on DAMWCO lot at Kenleigh			40,000		
B&R System Evaluation				50,000	
	35,000	60,000	40,000	50,000	30,141