

# STATEMENT OF CASH FLOW

as of December 31, 2015 and 2014

|   | <b>2015</b>        | <b>2014</b>        |
|---|--------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                    |                    |
| Cash received from consumers                                | \$ 84,763,122      | \$ 83,020,735      |
| Cash paid to suppliers, vendors and employees               | (74,018,074)       | (74,580,509)       |
| Interest and dividends received                             | 34,310             | 34,229             |
| Interest paid   | (1,753,078)        | (1,932,232)        |
| All other, net  | 63,713             | 63,693             |
|   | <u>9,089,993</u>   | <u>6,605,916</u>   |
| <b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>     |                    |                    |
|   | <u>9,089,993</u>   | <u>6,605,916</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |                    |                    |
| Acquisition of utility plant in service, net of retirements | (5,510,961)        | (7,017,567)        |
| Proceeds from sale of utility plant in service              | 142,695            | -                  |
| Purchase of investments                                     | (30,544)           | -                  |
| Proceeds from sale of investments                           | 1,567,117          | 340,390            |
| Decrease in certificate of deposit plus earnings            | -                  | 1,325,940          |
|   | <u>(3,831,693)</u> | <u>(5,351,237)</u> |
| <b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>     |                    |                    |
|   | <u>(3,831,693)</u> | <u>(5,351,237)</u> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |                    |                    |
| Repayments on borrowings of long-term debt                  | (1,607,932)        | (1,683,956)        |
| Change in line of credit                                    | (3,200,000)        | 600,000            |
| Retirement of capital credits                               | (375,547)          | (421,010)          |
| Change in memberships                                       | 11,710             | 12,220             |
| Receipt of customer advances                                | -                  | 49,500             |
| Repayment of customer advances                              | (145,369)          | -                  |
|   | <u>(5,317,138)</u> | <u>(1,443,246)</u> |
| <b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>     |                    |                    |
|   | <u>(5,317,138)</u> | <u>(1,443,246)</u> |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | (58,838)           | (188,567)          |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>         | <u>709,705</u>     | <u>898,272</u>     |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>               | <u>\$ 650,867</u>  | <u>\$ 709,705</u>  |

# BALANCE SHEET

| <b>Assets</b>   | <b>2015</b>           | <b>2014</b>           |
|---|-----------------------|-----------------------|
| Utility plant in service, cost  | \$ 137,070,922        | \$ 133,128,561        |
| Less: Accumulated depreciation  | <u>(31,788,145)</u>   | <u>(29,024,355)</u>   |
| UTILITY PLANT IN SERVICE, NET   | <u>105,282,777</u>    | <u>104,104,206</u>    |
| INVESTMENTS   | <u>20,894,026</u>     | <u>20,051,434</u>     |
| DEFERRED CHARGES, less current portion  | <u>1,492,287</u>      | <u>1,741,001</u>      |
| <b>CURRENT ASSETS</b>   |                       |                       |
| Cash and cash equivalents   | 650,867               | 709,705               |
| Accounts receivable, consumer, less allowance for doubtful<br>accounts of \$220,853 for 2015 and \$322,580 for 2014 | 9,989,137             | 10,843,066            |
| Materials and supplies  | 1,482,816             | 1,357,187             |
| Prepaid expenses  | 129,438               | 128,651               |
| Current portion of deferred charges   | <u>248,714</u>        | <u>248,714</u>        |
| TOTAL CURRENT ASSETS  | <u>12,500,972</u>     | <u>13,287,323</u>     |
| TOTAL ASSETS  | <u>\$ 140,170,062</u> | <u>\$ 139,183,964</u> |
| <b>Equities &amp; Liabilities</b>   |                       |                       |
| LONG-TERM DEBT, less current portion  | \$ <u>35,574,537</u>  | \$ <u>37,326,991</u>  |
| ACCUMULATED PROVISION FOR MEDICAL LEAVE   | <u>535,058</u>        | <u>606,295</u>        |
| CUSTOMER ADVANCES   | <u>670,910</u>        | <u>816,279</u>        |
| MEMBERS' EQUITY   | <u>91,155,163</u>     | <u>84,966,043</u>     |
| <b>CURRENT LIABILITIES</b>  |                       |                       |
| Accounts payable  | 5,496,565             | 5,945,140             |
| Line of credit  | 1,400,000             | 4,600,000             |
| Accrued taxes   | 1,099,367             | 1,113,680             |
| Member deposits   | 458,693               | 449,267               |
| Accrued expenses and other liabilities  | 1,299,738             | 1,003,139             |
| Current portion of long-term debt   | 1,642,901             | 1,498,379             |
| Patronage capital payable   | <u>837,130</u>        | <u>858,751</u>        |
| TOTAL CURRENT LIABILITIES   | <u>12,234,394</u>     | <u>15,468,356</u>     |
| TOTAL EQUITIES AND LIABILITIES  | <u>\$ 140,170,062</u> | <u>\$ 139,183,964</u> |