**Valley Rural Utility Company**
**Consolidated Income Statement**
**8/31/2016**

| | AUG TOTAL | AUG BUDGET | YTD TOTAL | YTD BUDGET |
|---|---|---|---|---|
| INCOME AVAILABILITY | $ 9,046.00 | $ 7,282.00 | $ 58,186.00 | $ 58,256.00 |
| INCOME WATER | 44,387.23 | 42,695.00 | 333,360.46 | 341,560.00 |
| INCOME SEWER | 129,819.96 | 126,208.00 | 997,576.75 | 1,009,664.00 |
| **TOTAL INCOME** | **$183,253.19** | **$176,185.00** | **$1,389,123.21** | **$1,409,480.00** |

| | | | | | VARIANCE | % | Prediction for Year End |
|---|---|---|---|---|---|---|---|
| PAYROLL & TAXES | $ 24,980.68 | $ 24,008.00 | $ 203,880.32 | $ 204,068.00 | 187.68 | 0.09 | ON BUDGET |
| WATER PURCHASES | 14,469.14 | 11,700.00 | 117,781.15 | 113,600.00 | (4,181.15) | (3.68) | ON BUDGET |
| SEWER TREATMENT | 20,770.53 | 24,617.00 | 237,720.85 | 196,486.00 | (41,234.85) | (20.99) | OVER BUDGET |
| MAINT RELATED EXPENSE | 6,687.98 | 4,045.00 | 39,290.72 | 32,360.00 | (6,930.72) | (21.42) | ON BUDGET |
| CHEMICALS | 1,793.92 | 2,167.00 | 14,299.10 | 17,336.00 | 3,036.90 | 17.52 | ON BUDGET |
| CONTRACT SERVICES | 1,546.88 | 3,284.00 | 24,164.42 | 26,272.00 | 2,107.58 | 8.02 | UNDER BUDGET |
| OFFICE RELATED EXPENSE | 681.40 | 2,293.00 | 18,332.15 | 18,344.00 | 11.85 | 0.06 | ON BUDGET |
| UTILITIES | 8,653.92 | 9,224.00 | 78,071.25 | 73,792.00 | (4,279.25) | (5.80) | ON BUDGET |
| AUTO & EQUIPMENT EXPENSES | 2,267.98 | 2,730.00 | 21,568.80 | 21,840.00 | 271.20 | 1.24 | ON BUDGET |
| INSURANCE | 15,407.29 | 9,133.00 | 81,657.55 | 76,272.00 | (5,385.55) | (7.06) | ON BUDGET |
| DEPRECIATION EXPENSE | 34,620.00 | 34,203.00 | 276,543.00 | 273,624.00 | (2,919.00) | (1.07) | ON BUDGET |
| INTEREST EXPENSE (1) | 40,358.07 | 35,834.00 | 321,109.47 | 286,672.00 | (34,437.47) | (12.01) | OVER BUDGET |
| BAD DEBT EXPENSE | - | 314.00 | - | 2,512.00 | 2,512.00 | 100.00 | ON BUDGET |
| MISCELLANEOUS EXPENSES | 374.83 | 787.00 | 4,420.16 | 6,296.00 | 1,875.84 | 29.79 | ON BUDGET |
| (GAIN) LOSS ON DISPOSING OF ASSETS | - | 167.00 | - | 1,336.00 | 1,336.00 | 100.00 | ON BUDGET |
| **TOTAL EXPENSES** | **$172,612.62** | **$164,506.00** | **$1,438,838.94** | **$1,350,810.00** | (88,028.94) | (6.52) | |

| | | | | |
|---|---|---|---|---|
| **NET INCOME (LOSS)** | **$ 10,640.57** | **$ 11,679.00** | **$ (49,715.73)** | **$58,670.00** |

(1) Interest Expense will be over budget all year if current trends continue. (Actual payment towards this loan has not changed.)