

Lakes Region Water				
Quick Summary: How Did This Company Get Into Its Current Financial Crisis				
The following summary was generated from the detailed analysis prepared by Norm Roberge				
Analysis is from 2001 to 2010	2001 to 2010	2011	11 Year Totals	
Net Water Utility Income	521,437	184,854	706,291	
Other Income Expense	20,212	4,715	24,927	
Depreciation	920,299	137,580	1,057,879	
Conversion of Income to "Spendable Cash"	1,461,948	327,149	1,789,097	
Gross additions to utility plant	(3,014,190)	(117,495)	(3,131,685)	
Less: CIAC contribution	620,797	-	620,797	
Net additions to utility plant	(2,393,393)	(117,495)	(2,510,888)	
Positive (Negative) Cash Flow due to Capital Additions	(931,445)	209,654	(721,791)	
Monies Borrowed to Fund Net Capital Additions	1,327,522	35,209	1,362,731	
What We Had to Pay back on the Borrowed Funds				
Principal	(906,551)	(130,613)	(1,037,164)	
Interest	(545,835)	(84,107)	(629,942)	
Total	(1,452,386)	(214,720)	(1,667,106)	
Net Cash Flow from 2001 to 2011	(1,056,309)	30,143	(1,026,166)	
Major "Other Sources" to Fund Negative Cash Flow				
Stockholder Investments (Pension Treated as Return of Capital)	860,956	1,552	862,508	
Less: Interest and Debt Repayment to Stockholders	(95,511)	-	(95,511)	
Net Equity Infusion	765,445	1,552	766,997	
Accumulation of Accounts Payable (Vendor Funding)	454,347	81,428	535,775	
Other Net Asset Erosion	(53,033)	(95,411)	(148,444)	
Excess from Equity Infusion	110,450	17,712	128,162	

Adjusted for Pension
\$119,675

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LRW # 7A
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