

Pennichuck Corporation

2024 Operating Budget

As of January 26, 2024

Pennichuck Consolidated 2024 Budgeted Statement of Income

	Budget				Budget	Fcstd 2023	Change --	
	Q1	Q2	Q3	Q4	2024		Amount	Percent
Revenues:								
Water Utility Operations	\$ 11,530,227	\$ 13,155,354	\$ 15,929,146	\$ 12,130,624	\$ 52,745,351	\$ 50,458,999	\$ 2,286,352	4.5%
Water Management Services	539,768	520,428	549,083	510,205	2,119,484	2,168,931	\$ (49,447)	-2.3%
Total Water Revenues	12,069,995	13,675,782	16,478,229	12,640,829	54,864,835	52,627,930	\$ 2,236,905	4.3%
Real Estate Operations	-	-	-	-	0	0	\$ -	0.0%
Other	3,216	3,216	3,216	3,216	12,864	12,860	\$ 4	0.0%
Total Revenues	12,073,211	13,678,998	16,481,445	12,644,045	54,877,699	52,640,790	\$ 2,236,909	4.2%
Operating Expenses:								
Water Utility Operations	10,613,062	11,483,756	11,726,880	11,559,414	45,383,112	42,213,487	\$ 3,169,625	7.5%
Water Management Services	468,861	467,512	481,169	455,991	1,873,533	1,762,725	\$ 110,808	6.3%
Total Water Expenses	11,081,923	11,951,268	12,208,049	12,015,405	47,256,645	43,976,212	\$ 3,280,434	7.5%
Real Estate Operations	-	-	-	-	0	0	\$ -	0.0%
Other	20,810	20,476	20,476	20,475	82,237	99,651	\$ (17,414)	-17.5%
Total Expenses	11,102,733	11,971,744	12,228,525	12,035,880	47,338,882	44,075,863	\$ 3,263,020	7.4%
Operating Income	970,478	1,707,254	4,252,920	608,165	7,538,817	8,564,928	\$ (1,026,111)	-12.0%
Other Income, Net	-	-	-	16,000	16,000	585,421	\$ (569,421)	-97.3%
Interest Income	-	-	-	-	0	0	\$ -	0.0%
Interest Expense:								
Long Term Debt	(3,601,541)	(3,661,496)	(3,704,936)	(3,710,530)	(14,678,503)	(14,116,022)	\$ (562,481)	-4.0%
Intercompany Interest	-	-	-	-	0	(0)	\$ 0	100.0%
Line of Credit Expense	(79,601)	(46,087)	(65,055)	(155,013)	(345,756)	(380,553)	\$ 34,797	9.1%
Total Interest Expense	(3,681,142)	(3,707,583)	(3,769,991)	(3,865,543)	(15,024,259)	(14,496,575)	\$ (527,684)	-3.6%
Income Before Provision for Income Taxes	(2,710,664)	(2,000,329)	482,929	(3,241,378)	(7,469,442)	(5,346,226)	\$ (2,123,217)	-39.7%
Tax Provision								
Existing Operations	(499,308)	(366,788)	96,729	(598,361)	(1,367,728)	(374,011)	\$ 993,717	265.7%
Total Tax Provision	(499,308)	(366,788)	96,729	(598,361)	(1,367,728)	(374,011)	\$ 993,717	265.7%
Net Income (Loss)	\$ (2,211,356)	\$ (1,633,541)	\$ 386,200	\$ (2,643,017)	\$ (6,101,714)	\$ (4,972,215)	\$ (1,129,500)	-22.7%
EBITDA								
	\$ 3,310,809	\$ 4,065,241	\$ 6,584,890	\$ 2,965,753	\$ 16,926,693	\$ 18,421,903	\$ (1,495,210)	-8.1%
Add Back: Extraordinary Items	-	-	-	-	-	(567,921)	\$ 567,921	100.0%
Normalized EBITDA	\$ 3,310,809	\$ 4,065,241	\$ 6,584,890	\$ 2,965,753	\$ 16,926,693	\$ 17,853,982	\$ (927,289)	-5.2%
Less: P&I on External Debt								
	(4,001,186)	(996,980)	(4,485,989)	(926,603)	(10,410,758)	(10,995,282)		
Less: CBFRR payments to City	(2,191,200)	(2,191,200)	(2,191,200)	(2,191,200)	(8,764,799)	(8,764,799)		
Less: Special Dividend to City (ED Costs)	-	-	-	-	-	-		
Net Remainder	\$ (2,881,578)	\$ 877,062	\$ (92,299)	\$ (152,050)	\$ (2,248,864)	\$ (1,906,099)		

Pennichuck Corporation and Subsidiaries - Consolidated

Quarterly Budgeted Balance Sheet

For the year ended December 31, 2024

ASSETS	Estimated <u>Dec-23</u>	BUD <u>Q1 24</u>	BUD <u>Q2 24</u>	BUD <u>Q3 24</u>	BUD <u>Q4 24</u>
Land	5,763,487	5,763,487	5,763,487	5,763,487	5,763,487
Buildings	74,347,251	74,367,251	74,587,251	74,782,251	74,782,251
Equipment & software	265,021,519	265,612,733	271,815,004	278,253,223	280,712,050
	<u>345,132,257</u>	<u>345,743,471</u>	<u>352,165,742</u>	<u>358,798,961</u>	<u>361,257,788</u>
Accumulated depreciation	<u>(98,835,467)</u>	<u>(100,869,377)</u>	<u>(102,914,282)</u>	<u>(104,932,002)</u>	<u>(106,959,413)</u>
	246,296,790	244,874,094	249,251,460	253,866,959	254,298,375
Work in process	<u>6,008,873</u>	<u>6,008,873</u>	<u>4,435,641</u>	<u>5,771,054</u>	<u>6,647,894</u>
Net Plant and Equipment	252,305,663	250,882,967	253,687,101	259,638,013	260,946,269
 CURRENT ASSETS					
Cash	84,009	1,135,885	110,859	435,633	110,851
Restricted cash	10,777,556	8,642,366	9,520,433	6,908,505	7,856,892
Accounts receivable-billed, net	5,489,795	3,919,120	4,337,290	5,314,466	4,294,730
Accounts receivable-unbilled, net	3,045,319	3,287,413	4,095,062	4,531,341	4,037,962
Inventory	1,368,157	1,322,907	1,299,682	1,260,734	1,241,604
Prepaid expenses	892,312	1,554,560	1,086,865	583,559	115,873
Prepaid property taxes	903,606	1,934	1,944,544	1,934	1,540,116
Prepaid income taxes	<u>172,728</u>	<u>172,728</u>	<u>247,728</u>	<u>285,228</u>	<u>322,728</u>
	22,733,481	20,036,913	22,642,463	19,321,400	19,520,756
 OTHER ASSETS					
Debt issuance expenses	5,406	2,703	-	-	-
Regulated Asset - Acquisition Premium	60,646,186	60,002,783	59,352,378	58,701,973	58,051,568
Other Regulated Assets	<u>8,975,932</u>	<u>8,990,998</u>	<u>9,046,064</u>	<u>9,073,178</u>	<u>9,125,804</u>
	69,627,524	68,996,484	68,398,442	67,775,151	67,177,372
 TOTAL ASSETS	 <u>344,666,668</u>	 <u>339,916,364</u>	 <u>344,728,005</u>	 <u>346,734,564</u>	 <u>347,644,396</u>

Pennichuck Corporation and Subsidiaries - Consolidated
Quarterly Budgeted Balance Sheet
For the year ended December 31, 2024

EQUITY AND LIABILITIES	Estimated Dec-23	BUD Q1 24	BUD Q2 24	BUD Q3 24	BUD Q4 24
Common stock	10	10	10	10	10
Paid in capital	30,561,126	30,492,770	30,424,414	30,356,058	30,287,702
Accumulated other comprehensive income	513,465	513,465	513,465	513,465	513,465
Retained earnings	(41,326,684)	(43,574,041)	(45,242,801)	(44,892,112)	(47,570,866)
Treasury stock and other	-	-	-	-	-
	<u>(10,252,083)</u>	<u>(12,567,796)</u>	<u>(14,304,912)</u>	<u>(14,022,579)</u>	<u>(16,769,689)</u>
LONG TERM DEBT					
Bonds, notes and mortgages	236,837,193	234,568,977	241,199,765	238,514,299	239,090,228
CURRENT LIABILITIES					
Line of credit	-	-	1,368,824	-	2,088,815
Fixed asset lines of credit	8,203,514	9,987,475	7,537,671	13,308,137	13,523,615
Current portion of long term debt	7,285,066	7,390,066	7,456,891	7,556,806	7,642,598
Accounts payable	2,786,129	2,187,611	2,487,504	2,497,778	2,354,267
Accrued property taxes	45,573	385,809	1,594	365,248	11,158
Accrued interest payable	1,474,307	354,351	1,448,956	358,319	1,589,226
Other accrued expenses	1,199,633	685,321	607,143	658,340	626,313
Income taxes payable	(22,228)	(22,228)	(22,228)	(22,228)	(22,228)
Customer deposits & other	824,542	818,940	818,940	818,940	818,940
	<u>21,796,536</u>	<u>21,787,345</u>	<u>21,705,294</u>	<u>25,541,340</u>	<u>28,632,704</u>
OTHER LIABILITIES AND DEFERRED CREDITS					
Deferred income taxes	15,321,692	15,266,631	15,494,483	16,297,634	16,517,686
Accrued liability pension	5,887,457	5,910,763	5,809,069	5,707,375	5,605,681
Unamortized ITC	305,418	297,159	288,900	280,641	272,382
Regulatory Liability	9,016,062	9,011,073	9,006,084	9,001,095	8,996,106
Customer Advances	84,000	84,000	84,000	84,000	84,000
CIAC, net	57,058,725	56,970,779	56,882,818	56,793,532	56,703,350
Accrued Post Retirement Benefits	3,585,024	3,585,024	3,585,024	3,585,024	3,585,024
Other liability: derivative instrument	27,061	27,061	27,061	27,061	27,061
Other long-term liabilities	4,999,583	4,975,349	4,950,419	4,925,141	4,899,863
	<u>96,285,022</u>	<u>96,127,838</u>	<u>96,127,858</u>	<u>96,701,503</u>	<u>96,691,153</u>
TOTAL LIABILITIES AND EQUITY	<u>344,666,668</u>	<u>339,916,364</u>	<u>344,728,005</u>	<u>346,734,564</u>	<u>347,644,396</u>