

TABLE 1 - ANALYTICAL EXCEPTIONS BETWEEN LKM'S REVISED MODEL CASHFLOW (TABLE C-1) AND TESTIMONY SCHEDULE (LKM-1)

LKM Cash Flow TABLE C-1			LKM Testimony Schedule LKM-1					
#	LKM's Analysis	FY 2017 Amount	FY 2018 Amount	TABLE C-1 Line #	LKM's Analysis	FY 2017 Amount	FY 2018 Amount	LKM-1 Line #
1	Increased: Revenue Under Existing Rates a. Adjusted Usage & Billing Safety Factor	649,049	647,905	Line 3		649,049	647,905	Line 4
2	Retained: BV Proposed Revenue Increases	35,183	72,146	Line 10	Excluded Revenue Increases in the Summary Table			Sum of Lines 9 and 10
3	Increased: Other Revenues a. Primarily due to increase in Operating Fund Interest Income resulting from increased year end balance	23,397	7,163	Sum of Lines 12 thru 15	Inaccurately stated in LKM-1; The exclusion of the revenue increases should have reduced the interest income, and consequently the total amount of the "Other Revenues" should be lower in Schedule LKM-1, and not the same as Cashflow TABLE C-1.	23,397	7,163	Sum of Lines 14, 18, and 19
4	Reduced: O&M Costs a. Eliminated Additional Costs b. Reduced Rate Case costs c. Adjusted Escalation Factors; Spend Factors d. Adjusted Liquidated Encumbrance	(418,918)	(429,682)	Line 19		(418,918)	(429,682)	Line 24
5	Retained: BV proposed Transfer from RSF	19,300	39,000	Line 20		19,300	39,000	Line 25
6	Net Revenues after Operations	308,011	336,532	Line 21		272,827	264,387	Line 26
7	Retained: BV Proposed Debt Service	(207,715)	(222,986)	Line 28		(207,715)	(222,986)	Line 33
8	Retained: BV proposed Capital Account Deposit Transfer	(21,745)	(22,289)	Line 29		(21,745)	(22,289)	Line 34

LKM Cash Flow TABLE C-1

LKM Testimony Schedule LKM-1

#	LKM's Analysis	FY 2017 Amount	FY 2018 Amount	TABLE C-1 Line #	LKM's Analysis	FY 2017 Amount	FY 2018 Amount	LKM-1 Line #
9	<p>Increased: Beginning Residual Fund Balance</p> <p>a. Due to the cumulative effect in increasing revenues and decreasing expenditures</p>	42,004	90,393	Line 31	<p>Inaccurately stated in LKM-1; The exclusion of the revenue increases in FY 2017, in Schedule LKM-1, reduces the available ending balance in FY 2017; consequently, the <u>beginning balance in FY 2018</u> should be lower in Schedule LKM-1, and not the same as Cashflow TABLE C-1.</p>	42,004	90,393	Line 37
10	<p>Increased: Interest Income</p> <p>a. Effect of LKM reducing expenses and increasing revenues</p>	238	425	Line 32	<p>Inaccurately stated in LKM-1; The exclusion of the revenue increases in FY 2017, in Schedule LKM-1, reduces the available Year-End Revenue Fund Balance and consequently the interest income should be lower in Schedule LKM-1, and not the same as Cashflow TABLE C-1.</p>	238	425	Line 38
11	Year-End Revenue Fund Balance	78,551	91,257	Line 33	<p>Inaccurately stated in LKM-1; The <u>Cash Flow TABLE C-1 includes BV</u> proposed revenue increases, and consequently the Year-End Revenue Fund Balance will be higher; The <u>Schedule LKM-1 excludes</u> the BV proposed revenue increases, and hence the Year-End Revenue Fund Balance should be lower in Schedule LKM-1, and not the same as Cashflow TABLE C-1.</p>	78,551	91,257	Line 40
12	Retained: Deposits/Transfers to City & Construction Funds	(30,400)	(35,900)	Line 35	<p>Inaccurately stated in LKM-1; The <u>Cashflow TABLE C-1 includes</u> proposed revenue increases, and consequently the End of Year Balance will be higher; The <u>Schedule LKM-1 excludes</u> the BV proposed revenue increases, and hence the End of Year Balance should be lower in Schedule LKM-1, and not the same as Cashflow TABLE C-1.</p>	(30,400)	(35,900)	Line 43
13	End of Year Balance	90,393	146,175	Line 38	<p>Inaccurately stated in LKM-1; The <u>Cashflow TABLE C-1 includes</u> proposed revenue increases, and consequently the End of Year Balance will be higher; The <u>Schedule LKM-1 excludes</u> the BV proposed revenue increases, and hence the End of Year Balance should be lower in Schedule LKM-1, and not the same as Cashflow TABLE C-1.</p>	90,393	146,175	Line 46