

Exhibit C

Marshall County, Tennessee
Statement of Cash Flows
Marshall County Board of Public Utilities
For the Year Ended June 30, 2004

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Customers and Users	\$ 1,201,693
Other Receipts (Payments)	5,004
Payments to Suppliers	(439,527)
Payments to Employees	<u>(281,417)</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 485,753</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>	
Grants Received	\$ 80,603
Adequate Facilities/Development Tax	288,965
Note Proceeds	<u>849,000</u>
Net Cash Provided By (Used In) NonCapital Financing Activities	<u>\$ 1,218,568</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>	
Purchases of Capital Assets	\$ (1,254,682)
Capital Contributions	81,292
Principal Payments on Other Long-term Debt	(68,021)
Interest Payments on Other Long-term Debt	<u>(41,452)</u>
Net Cash Provided By (Used For) Capital And Related Financing Activities	<u>\$ (1,282,863)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Investment Income	<u>\$ 43,075</u>
Net Cash Provided By (Used In) Investing Activities	<u>\$ 43,075</u>
Increase (Decrease) In Cash And Cash Equivalents	\$ 464,533
Cash And Cash Equivalents, July 1, 2003	<u>2,430,592</u>
Cash And Cash Equivalents, June 30, 2004	<u><u>\$ 2,895,125</u></u>

(Continued)

Exhibit C

Marshall County, Tennessee
Statement of Cash Flows
Marshall County Board of Public Utilities (Cont.)

RECONCILIATION OF CASH

Equity in Pooled Cash and Investments	\$ 2,776,384
Cash	362
Restricted Customer Deposits	44,201
Restricted Revenue Bond Future Debt Service Account	<u>74,178</u>
Cash and Cash Equivalents per the Statement of Cash Flows	<u>\$ 2,895,125</u>
Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:	
Operating Income	\$ 30,574
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used) Operating Activities:	
Depreciation Expense	207,076
(Increase) Decrease in Accounts Receivable	(3,680)
(Increase) Decrease in Accrued Interest Receivable	824
(Increase) Decrease in Due From Other Governments	(74,965)
(Increase) Decrease in Inventories	3,251
Increase (Decrease) in Accounts Payable	39,813
Increase (Decrease) in Accrued Interest Payable	8,729
Increase (Decrease) in Contracts Payable	248,569
Increase (Decrease) in Due to Other Taxing Units	403
Increase (Decrease) in Customer Deposits	(400)
Increase (Decrease) in Other Payables from Restricted Assets	22,279
Increase (Decrease) in Accrued Leave	<u>3,280</u>
Net Cash Provided By Operating Activities	<u>\$ 485,753</u>

The notes to the financial statements are an integral part of this statement.