

OPERATING BUDGET

Schedule 1

Name		Address				
Applicant Fiscal Year		County		State (Including ZIP Code)		
From	To	20	20	20	20	First Full Year
		(1)	(2)	(3)	(4)	(5)
OPERATING INCOME						
1.						
2.						
3.						
4.						
5. Miscellaneous						
6. Less: Allowances and Deductions		()	()	()	()	()
7. Total Operating Income (Add Lines 1 through 6)						
OPERATING EXPENSES						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15. Interest (RD)						
16. Depreciation						
17. Total Operating Expense (Add Lines 8 through 16)						
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)						
NONOPERATING INCOME						
19.						
20.						
21. Total Nonoperating Income (Add Lines 19 and 20)						
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)						

Budget and Projected Cash Flow Approved by Governing Body

Attest: _____ Secretary _____ Date

_____ Appropriate Official _____ Date

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PROJECTED CASHFLOW

	20_____	20_____	20_____	20_____	First Full Year
A. Line 22 from Schedule 1 Income (<i>Loss</i>) Add					
B. Items in Operations not Requiring Cash:					
1. Depreciation (<i>Line 16, Schedule 1</i>)					
2. Others: _____					
C. Cash Provided from:					
1. Proceeds from RD loan/grant					
2. Proceeds from others					
3. Increase (<i>Decrease</i>) in Accounts Payable, Accruals and other Current Liabilities					
4. Decrease (<i>Increase</i>) in Accounts Receivable, Inventories and Other Current Assets (<i>Exclude Cash</i>)					
5. Other: _____					
6. _____					
D. Total all A, B, and C Items					
E. Less: Cash Expended for:					
1. All Construction, Equipment and New Capital Items (<i>Loan and grant funds</i>)					
2. Replacement and Additions to Existing Property, Plant and Equipment					
3. Principal Payment RD Loan					
4. Principal Payment Other Loans					
5. Other: _____					
6. Total E 1 through 5					
Add					
F. Beginning Cash Balances					
G. Ending Cash Balances (<i>Total of D minus E 6 plus F</i>)					
Item G Cash Balance Composed of:	\$	\$	\$	\$	\$
Construction Account					
Revenue Account					
Debt Payment Account	\$	\$	\$	\$	\$
O&M Account					
Reserve Account					
Funded Depreciation Account					
Others: _____					
_____ Total - Agrees with Item G	\$	\$	\$	\$	\$

Instructions - Operating Budget Schedule 1

This form is to be prepared by the Applicant and is to include data for each year, from loan closing through the first full year of operation. Example: If only two columns are required, use columns four(4) and five(5).

Income and Expense Items:

All data entered should be on the same basis as the Applicant's Accounting records, i.e., cash basis, accrual basis, etc.

Operating Income:

lines 1-5 List types of income as appropriate

line 6 — Allowances and Deductions

(Pertains generally to Health Care Institutions, and represents the difference between Gross Income and Amounts Received or to be Received from patients and third party payors)

Operating Expenses:

lines 8-14 List types of expenses as appropriate

line 15 — Interest RD

(Interest expense incurred on RD note(s))

line 16 — Depreciation

(Total depreciation expense for the year)

line 18 — Net Operating (Loss)

(This amount represents the net operating income or loss before adding income not related to operations below)

Non Operating Income:

lines 19-20 Indicate items of income derived from sources other than regular activities

(Example: interest earned)

line 22 — Net income (Loss)

(This amount is also transferred to item A, Schedule 2, Projected Cash Flow Statement)

Instructions - Projected Cash Flow, Schedule 2

This form is used to Project the flow of Cash by the Applicant for each year, from loan closing through the first full year of operation. Use the same number of columns as used on the Operating Budget, Schedule 1. These Cash Flow Projections are important in determining the adequacy of cash to cover operating expenses, transfers to debt payment, reserve accounts, etc.

Cash Basis Accounting

Applicants who maintain their records strictly on the cash basis of accounting and have no Accounts Receivable and Accounts Payable, may only need to complete the following line items: A, B-1, C-1, E-1 and E-3, F and G.

Line Item Instructions:

line A — Bring forward the income or loss as entered on line 22, Schedule 1.

line B — Add back any depreciation or other non cash items included on Schedule 1, Operating Budget.

line C — Complete items C-1 through C-6 as appropriate, for item changes which provide for increase in cash balances.

NOTE: Do not include changes in cash Accounts in Current Assets of item C4. Lines C-3 and C-4 will indicate the changes in Working Capital *(Current Assets and Current Liabilities, Exclusive of Cash.)*

line D — Enter the Net Total of all A, B and C items.

line E — complete items E-1 through E-6 as appropriate for items for which cash was expended.

line F — Enter the Beginning Cash Balance(s) for the period.

line G — The total of item D less E-6 plus F will be the Ending Cash Balance(s). The total will be reconciled by balances in the various accounts, i.e., construction, revenue, debt, etc.