

# MOHAWK VALLEY WATER AUTHORITY

## *MONTHLY FINANCIAL REPORTING PACKAGE*

### **Month 1: Month Ended April 30, 2007**

#### **Finance Committee Members**

#### **Terms Ending**

December 31,

Bruce Brodsky, Committee Chairman	2008
Vincent Coyne	2008
Elis DeLia	2007
George Gaston, Board Chairman	2008
Joseph Hobika, Jr.	2007
Frank Trevisani	2007

Report produced by Jim Korfonta, Comptroller

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**VITAL SIGNS—(KEY PERFORMANCE INDICATORS)**

Month 1 - April 30, 2007

**PRODUCTION & CONSUMPTION**

All amounts in <u>Cubic Feet</u>	<u>April</u>	<u>March</u>	<u>February</u>	<u>Average</u> <u>Past 6 Months</u>
<b>Water Consumption</b> 1/3 system billed for prior three month's activity	43,291,600	41,034,903	43,482,196	41,669,686
<b>Average Production</b> Avg. production for prior three months	76,162,365	73,007,500	72,945,116	72,769,103

**CASH FLOW**

Cash Flow-(See cash flow detail on page 4.)	<b>Beginning Cash</b>	<b>Operating Cash In</b>	<b>Operating Cash Out</b>	<b>Net Change In Cash</b>	<b>Balance Remaining</b>
April 2007		\$ 1,167,995	\$ 1,262,513	\$ (94,518)	
Year-To-Date	\$ 3,147,760	\$ 1,167,995	\$ 1,262,513	\$ (94,518)	\$ 3,053,242

**CUSTOMER ACCOUNT MAINTENANCE**

Customers in the Water System	<b>Beginning Balance</b>	<b>New Accounts</b>	<b>Moved Out of Svs. Area</b>	<b>Ending Balance</b>
April 2007		9	(21)	
Year-To Date (Fiscal 2008)	38,757	9	(21)	38,745
Fiscal 2007	38,589	861	(693)	38,757
Fiscal 2006	38,449	573	(433)	38,589

**Breakdown of Customer Movement:**

- Month to date, 131 final bills were processed of which 110 moved within the service area.
- For fiscal 2007, 1,815 final bills were processed of which 1,466 moved within the service area.
- For fiscal 2006, 1,976 final bills were processed of which 1,754 moved within our service area.

**MOHAWK VALLEY WATER AUTHORITY**

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**VITAL SIGNS—(KEY PERFORMANCE INDICATORS)--continued**

Month 1 - April 30, 2007

Below is an analysis, by percentage, of the area they are moving from and where they are relocating to:

**From Utica To:**

Utica	43%	Movement within service area outside Utica	29%
New Hartford	4%	Out of area	16%
Other	8%		

**WATER SYSTEM MAINTENANCE--METER ACTIVITY**

Current Fiscal Year	Meters Replaced							Daily Activity			
	5/8"	3/4"	1"- 1 1/2"	2"	3"-4"	6"-8"	Total	High	Low	Daily Avg.	Staff Avg.
April 2007	217	2	4	1	0	1	225	15	6	11.3	2.8
Year-To-Date	217	2	4	1	0	1	225	15	6	11.3	2.8

Prior Year Activity	Meters Replaced							Daily Activity			
	5/8"	3/4"	1"- 1 1/2"	2"	3"-4"	6"-8"	Total	High	Low	Daily Avg.	Staff Avg.
Fiscal 2007	2,344	34	30	9	23	17	2,457	20	1	8.4	2.4
Fiscal 2006	2,486	50	51	18	6	20	2,631	24	1	10.9	2.7
Fiscal 2005	2,964	54	51	24	0	3	3,096	27	1	12.6	3.2

**COMPTROLLER'S MESSAGE**

Month 1 - April 30, 2007

**WATER SYSTEM MAINTENANCE—PRODUCTION ACTIVITY**

Month	Water Main Breaks / Install, etc.	Curb Box	Leak Investigations	Meters-- Inspect./ Special Reads / Replaced	Hydrants	Valves	Pavement Cuts	Other	TOTAL
April 2007 (Fiscal 2008)	13	96	31	947	8	2	28	10	1,135
Fiscal 2007	325	868	400	10,785	113	68	516	140	13,215

**ACCOUNTS PAYABLE**

	<u>Total</u>	<u>0-10</u>	<u>10-20</u>	<u>20-30</u>	<u>30-50</u>	<u>50+</u>	<u>Capital Project Retention</u>
April 2007	\$415,395	\$14,954	\$34,557	\$74,927	\$0	\$52,789	\$7,182

Useful Information To Know: (UPDATED for 2007-2008 RATES)

- There are approximately 38,000 service connections in our service area.
- An average family of four uses approximately 2,940 cubic feet or 22,000 gallons per quarter. (This amount has been used in several newspaper articles in Syracuse, etc.) The average quarterly bill for a customer with this usage is \$89.00 or \$357.00 annually.
- An average individual uses approximately (220-260 cubic ft.) 1,650—1,950 gallons per month. The average quarterly bill is approximately \$44.00 or annually is \$176.00.

**COMPTROLLER'S MESSAGE**

Month 1 - April 30, 2007

**Big Picture**

***Monthly Water Sales:*** For the month, billed water sales are slightly above the monthly budget by \$59,000 due to consumption being up slightly for the month.

***Monthly Consumption:*** For the month, consumption is 1 million cubic feet above the prior year. However, monthly consumption is slightly below. We will monitor these accounts to determine if reduction continues into the next months.

This current consumption increase compared to the previous year, equates to approximately \$28,000 water revenue under our current rate structure of an average of \$27.86 per 1,000 cubic feet.

**COMPTROLLER'S MESSAGE**

Month 1 - April 30, 2007

**Big Picture**-continued

**Cash Flow:** At year end, we realized a positive cash flow of \$700,000 primarily to the annual drawdown of interest earned on trust funds in the amount of \$350,000. In addition, traditionally, April through June are high payment periods—anticipating operating payments to average \$100k to 200k more than other months. All reserves, debt service and PILOT payment were made as scheduled for the year.

We will also continue to monitor the impact of legal costs on overall cash into the new fiscal year.

Below is a summary of “target” cash flow and actual amounts for the month and year:

	<u>MONTHLY ACTIVITY</u>		<u>YEAR-TO-DATE ACTIVITY</u>	
	<u>TARGET</u>	<u>APRIL 2007</u>	<u>TARGET</u>	<u>ACTUAL</u>
<b>Cash Inflow</b>	\$ 1,300,000	\$ 1,168,000	\$ 1,300,000	\$ 16,691,000
<b>Outflows--</b>				
<b>Transfer to Funds Reserves</b>	\$ -	\$ -	\$ -	\$ 372,000
<b>Personnel Costs</b>	326,000	322,000	326,000	4,224,000
<b>Reimb. Capital Labor</b>	-	-	-	(303,000)
<b>PILOTS</b>	136,000	136,000	136,000	1,460,000
<b>Debt Service</b>	376,000	376,000	376,000	4,190,000
<b>Payments to Suppliers</b>	450,000	429,000	450,000	6,046,000
	<u>1,288,000</u>	<u>1,263,000</u>	<u>1,288,000</u>	<u>15,989,000</u>
<b>Cash Remaining</b>	\$ 12,000	\$ (95,000)	\$ 12,000	\$ 702,000

**LITIGATION EXPENSES—TO DATE**

FISCAL YEAR	PURPOSE	AMOUNT
2005	WATER PERMIT REVIEW & DISCOVERY	\$ 44,180
	Legal Water Flow 1917 Agreement	\$ 5,416
	Review of Canal Law	\$ 18,409
2006	Declaratory Judgment - Canal Corp. DISCOVERY & DECLARATORY JUDGMENT	\$ 119,020
2007	DISCOVERY & DECLARATORY JUDGMENT	\$ 142,845
2007	DECLARATORY JUDGMENT--April 1, 2006 to March 31, 2007	\$ 243,757
2008	DECLARATORY JUDGMENT--April 1, 2007 to March 31, 2008	\$ -
	<b>TOTALS</b>	<b>\$ 430,782</b>

**COMPTROLLER'S MESSAGE**

Month 1 - April 30, 2007

The following information was provided by **Steve Gassner, Customer Service Manager:**

**CURRENT CUSTOMER SERVICE ACTIVITY**

**New Initiatives--**

- A draft proposal is under review to provide relief to residential customers with extraordinary water leakage.
- We proposed a program to the Finance Committee to address properties that have either registered "0" consumption or estimated reads consumption for three or more quarters. Results will be displayed in future report or presented to the Finance Committee. This is to assist in our tampering efforts and to correct stopped meters.

For the month, 18% of the monthly accounts were estimated; 9% of the quarterly accounts were estimated.

**Ongoing Initiatives--**

- We are working on a layout for the web site for on-line viewing of customer's accounts. We are also in the process of accepting on-line payments and requesting service work orders on-line.

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**MOHAWK VALLEY WATER AUTHORITY**

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**COMPTROLLER'S MESSAGE**

Month 1 - April 30, 2007

**BILLING/COLLECTIONS:**

The following reflects the results sine the beginning of the fiscal year:

<b>Fiscal 2008</b>	<b>Beginning Balance</b>	<b>Sent to Collections</b>	<b>Amount Collected</b>	<b>Amount Returned</b>	<b>Ending Balance</b>
April 2007		\$ 32,120	\$ 36,683	\$ 0	
Year to Date	\$ 150,174	\$ 32,120	\$ 36,683	\$ 0	\$ 145,611

<b>Prior Fiscal Years</b>	<b>Beginning Balance</b>	<b>Sent to Collections</b>	<b>Amount Collected</b>	<b>Amount Returned</b>	<b>Ending Balance</b>
Fiscal 2007		\$ 550,183	\$ 301,768	\$ 107,701	
Fiscal 2006		\$ 588,361	\$ 356,190	\$ 222,711	
Fiscal 2005		\$ 673,903	\$ 368,184	\$ 305,719	

**MOHAWK VALLEY WATER AUTHORITY**

**COMPTROLLER'S MESSAGE**

Month 1 - April 30, 2007

**BILLING/COLLECTIONS:** (continued)

Our efforts of posting properties with unpaid notices continue. The following is a summary of the efforts for the current month:

	<b>Prior Month Balance</b>	<b>Customers Added/ Returned From Collections</b>	<b>Customers Paid</b>	<b>Shut-Off</b>	<b>Ending Balance</b>
"Posted" Accounts	568	55	82	12	529

- For the month, \$177, 135 was posted; \$68,705 was collected from posted accounts.
- For fiscal 2007, \$682,817 was posted. Of the outstanding posted balances, \$444,012 was collected.
- For fiscal 2006, accounts totaling \$1,067,125 were "posted". Of this amount, \$781,518 was collected for the 2006 year.

**TAMPERING ISSUES:**

The following chart reflects the ongoing status of accounts found to be tampering with Authority property/ or unauthorized use of water service.

<b>Date</b>	<b>Last Name</b>	<b>Acct. #</b>	<b>Address</b>	<b>Fee Amt.</b>	<b>Fee Paid</b>	<b>Evidence</b>	<b>Letter Sent</b>	<b>Posted</b>	<b>Shut Off</b>	<b>Status</b>
6/20/05	Riggles	35A-75HL	10853 Coby Mnr	\$ 2,000	\$. 1,000	Admit	1/9/07			13
1/13/06	Marris	30A-74	16 Wind Pl	\$ 2,000	\$ 2,000	Pict/Admit	1/24/06			11
5/4/06	Muon	17A-28	677 Bleecker St	\$ 2,000	\$ 2,000	Pict/	5/24/06			11
5/24/06	Moun	12A-15	1428-30 Seymour	\$ 2,000	\$ 2,000	Pict	5/24/06			11
7/25/06	Helmes	14E-51	1134 Hilton Ave	\$ 2,000	\$ 1,000	Pict	7/25/06	8/8/06	2/01/07	11
8/9/06	Rivera	17E-171	715 Albany St	\$ 2,000	\$ 2,000	Pict	8/11/06			11

**STATUS LEGEND:**

- 1—Fee assessed; no further activity.
- 2—Fee paid or currently paying, not forwarded to the DA; no further activity.
- 3—In negotiations for payment with offender's lawyer; Have forwarded to DA with no response.
- 4—No activity, property scheduled to be shut-off.
- 5—Police notified; no further activity.
- 6—Customer sued MVWA in small claims-presently in arbitration.
- 7—Property shut-off. Agreed on payment plan w/ attorney; Customer is not making payments.
- 8—Police notified; DA negotiated misdemeanor for offender.
- 9—Police notified; forwarded to DA, DA does not think there is enough evidence.
- 10—With DA, currently prosecuting in criminal court.
- 11—Fee assessed, waiting for results from criminal court.
- 12—Fees assessed and remains unpaid; levied on appropriate City, County or Town taxes.
- 13—Payment negotiated; case closed

**MOHAWK VALLEY WATER AUTHORITY**

**FLASH REPORT**

Month 1 - April 30, 2007

The following is a “**snapshot**” of operating results for major account balances in our financial statements.

The “**Critical Ratio Percentages**” are a comparison of our month-to-date **Budget** to the month-to-date **Actual**.)

	<b>Critical Ratio %</b>	<b>April</b>	<b>March</b>	<b>February</b>	<b>January</b>	<b>December</b>	<b>November</b>
<b>ASSETS</b>							
Cash		\$ 2,790,403	\$ 2,913,196	\$ 2,886,428	\$ 2,857,276	\$ 2,982,921	\$ 3,172,007
Water Sales Receivable, Net		\$ 1,506,697	\$ 1,491,460	\$ 1,698,972	\$ 1,609,047	\$ 1,549,176	\$ 1,682,544
Trust Fund Assets		\$ 25,363,438	\$ 25,594,333	\$ 25,775,896	\$ 25,377,240	\$ 25,045,669	\$ 25,195,331
Utility Long Term Assets, Net		\$ 50,245,840	\$ 50,192,859	\$ 49,944,944	\$ 49,982,989	\$ 50,004,195	\$ 49,896,378
<b>Total Assets</b>		<b>\$ 81,704,437</b>	<b>\$ 81,904,948</b>	<b>\$ 82,042,949</b>	<b>\$ 81,372,147</b>	<b>\$ 80,870,259</b>	<b>\$ 81,092,965</b>
<b>LIABILITIES</b>							
Accounts Payable		\$ 483,438	\$ 409,720	\$ 464,104	\$ 476,862	\$ 223,742	\$ 325,249
Long Term Debt, Principal		\$ 60,012,322	\$ 60,649,660	\$ 60,801,998	\$ 60,789,336	\$ 61,281,242	\$ 61,355,000
<b>Total Liabilities</b>		<b>\$ 63,966,165</b>	<b>\$ 63,904,386</b>	<b>\$ 64,635,496</b>	<b>\$ 64,416,455</b>	<b>\$ 64,789,631</b>	<b>\$ 64,536,694</b>
<b>EQUITY</b>							
Unrestricted Earnings		\$ (580,932)	\$ (314,089)	\$ (907,199)	\$ (979,033)	\$ (1,179,435)	\$ (701,090)
Invested in Utility Plant, Net		\$ 16,124,408	\$ 16,124,408	\$ 16,124,408	\$ 16,124,408	\$ 16,124,408	\$ 16,124,408
Timber Sales Reserve		\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638
"3R" Reserve		\$ 590,306	\$ 588,788	\$ 588,788	\$ 332,706	\$ 332,706	\$ 331,355
Oper. and Maint. Reserve		\$ 426,104	\$ 424,586	\$ 424,586	\$ 303,504	\$ 303,504	\$ 302,153
Repair & Improvement (legislative)		\$ 543,387	\$ 541,869	\$ 541,869	\$ 539,099	\$ 539,099	\$ 539,099
Bond Covenant Reserve		\$ 487,362	\$ 487,362	\$ 487,362	\$ 487,362	\$ 487,362	\$ 487,362
<b>OPERATIONS - (Monthly Accumulation)</b>							
	<b>% of Accum. Budget</b>	<b>1st Month FY 2008</b>	<b>12th Month FY 2007</b>	<b>11th Month FY 2007</b>	<b>10th Month FY 2007</b>	<b>9th Month FY 2007</b>	<b>8th Month FY 2007</b>
Water Sales	105%	\$ 1,307,382	\$ 14,284,962	\$ 13,133,158	\$ 11,899,557	\$ 10,768,823	\$ 9,641,309
Other Revenue	93%	\$ 135,799	\$ 2,570,662	\$ 2,193,780	\$ 2,086,534	\$ 1,682,000	\$ 1,682,000
Operating Expenses	85%	\$ 797,053	\$ 9,669,829	\$ 9,228,704	\$ 8,434,953	\$ 7,575,990	\$ 6,436,969
Debt Service, Interest only	100%	\$ 330,403	\$ 1,458,313	\$ 1,445,773	\$ 1,434,973	\$ 1,434,973	\$ 772,873
PILOT Payments	100%	\$ 135,486	\$ 1,458,788	\$ 1,323,303	\$ 1,200,317	\$ 1,076,353	\$ 957,950

**SIGNIFICANT DELINQUENT RECEIVABLE BALANCES**  
**WATER RECEIVABLES--COLLECTION HISTORY**  
 Month 1 - April 30, 2007

- **Collection of Delinquent Accounts:**

	<b>FY 2006</b>	<b>FY 2005</b>	<b>FY 2004</b>	<b>FY 2003</b>
→ Delinquent Receivables (Outstanding >60 Days)	628,000	\$727,000	\$750,000	\$770,000
→ Amounts sent to City of Utica Tax Levy	184,292	\$132,504	\$315,000	\$420,000

- **Collection Agency Activity/ Shut-off Activity:**

<b>Collection Agency</b>	<b>FY 2006</b>	<b>%</b>	<b>FY 2005</b>	<b>%</b>
→ Amount Sent	\$588,000		\$674,000	
→ Amount Collected	\$356,000	61%	\$368,000	55%
→ Of Remaining Balance, amount collected thru shut-off Procedures	\$ 145,000	63%	\$203,000	66%

- **Reduction of Collection Threshold of Delinquent Accounts Receivable—**

- Original threshold: send accounts >\$500/over 90 days;
- Current Threshold: send accounts >\$200/over 60 days—

- **Reduction of Estimated Readings/Billings—20% reduction**

**SIGNIFICANT DELINQUENT RECEIVABLE BALANCES**

Month 1 - April 30, 2007

**CURRENT WATER RECEIVABLES – AGING OF ACCOUNTS:**

**Note:** Accounts have been specifically identified if they are greater than \$1,000 with significant balances over 71 days old.

<b>Customer</b>	<b>Route &amp; Account</b>	<b>Address</b>	<b>Total</b>	<b>0-23</b>	<b>24-45</b>	<b>46-71</b>	<b>72-122</b>	<b>123-157</b>	<b>158 +</b>
City Owned Properties -Utica	Various	City Owned Properties -Utica	219,356	4,571	411	2,439	8,971	8,616	194,348
Arthur Randazzo	1E 152	11 Noyes Street, Utica	1,133	357	-	15	363	240	158
Beverly Blum	5C 54	920 Haak Avenue, Utica	1,184	464	-	18	115	17	570
Thornberry's	8B 55	1011 King Street, Utica	1,016	209	-	20	149	18	620
Jose Rodriguez	11A 68	1402 Steuben Street, Utica	1,538	207	40	-	1,180	15	96
Jessencia Gonzalez	14F 72	1153 Hoover Avenue, Utica	1,296	521	15	-	697	15	48
West Canada Properties	16D 95	735 Blandina Stret, Utica	1,174	15	25	-	115	954	65
J & J Properties	33A 108	9797 River Road, NH	1,357	267	1,090	-	-	-	-
Marcy Development Center	33D 2	9225 Sate Rte. 49 - N.H.	1,867	-	676	-	15	732	444
Brenda Conway	33D 74	9163 Jones Road, Marcy	1,027	6	227	4	23	214	553
Frank E. Debiase, Jr.	33E 99A	9315 Fishlane, Marcy	1,887	-	396	-	15	1,476	-
Dominick Mariotti	36A 50	2439 Broad Street, Utica	1,002	8	64	7	28	95	800
Heritage Acres	37A 95&95a	X Birchdale Rd. Utica	4,824	-	2,849	-	30	1,067	878
Claudia Loy	37C 15AA	356 Windfall Road, Utica	1,044	7	200	7	28	79	723
239 Genesee Holding-Landlord	52B 19	239 Genesee Street-Mayro Bldg.	1,472	431	-	355	686	-	-
Timothy Klotz (see also shut-offs)	28 accounts	Multiple accounts listed seperately	9,721	3,088	240	484	3,112	432	2,365

**MOHAWK VALLEY WATER AUTHORITY**

**SIGNIFICANT DELINQUENT RECEIVABLE BALANCES**

Month 1 - April 30, 2007

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +
<b><u>DELINQUENT ACCOUNTS SHUT-OFF</u></b>									
Hari Lukac/Renata Vujeva	8C 46BK	17 Clinton Place, Utica	4,234	153	-	-	165	-	3,916
Timothy Lee	11F 164	1411 Howard Avenue, Utica	1,112	142	15	3	311	17	624
Ingrid Grimm	24B 136	37 Pratt Street, Clark Mills	2,938	43	-	76	68	74	2,677
9882 River Road Realty	33A 117	9882 River road, NH	1,181	4	361	1	16	362	437
Tartan Textile Serv.	55B 29	311-15 Whitesboro Street, Utica	4,717	977	-	949	1,870	921	-
Timothy Klotz ( also, see above )	7 accounts	Multiple accounts listed seperately	1,670	470	30	90	919	113	48
City Of Utica Delinquents-FY '07			180,585	-	-	-	-	-	180,585
City of Utica Delinquents-FY '06			92,362	-	-	-	-	-	92,362
City of Utica Delinquents-FY '05			21,578	-	-	-	-	-	21,578
City of Utica Delinquents-FY '04			101,787	-	-	-	-	-	101,787
City of Utica Delinquents-FY '03			137,869	-	-	-	-	-	137,869
City of Utica Delinquents-FY '02			196,000	-	-	-	-	-	196,000
Oneida County Delinquents-FY '06			27,984	-	-	-	-	-	27,984
Oneida County Delinquents-FY '07			4,618	-	-	-	-	-	4,618
Remaining Accounts			1,444,597	827,919	79,404	109,678	157,995	61,070	208,531
<b>April, 2007</b>			<u>2,474,130</u>	<u>839,859</u>	<u>86,043</u>	<u>114,146</u>	<u>176,871</u>	<u>76,527</u>	<u>1,180,684</u>
<b>Prior Months Receivables:</b>									
<b>March, 2007</b>			<u>2,283,521</u>	<u>572,540</u>	<u>145,324</u>	<u>147,927</u>	<u>77,822</u>	<u>1,339,908</u>	
<b>February, 2007</b>			<u>2,479,613</u>	<u>715,231</u>	<u>234,073</u>	<u>96,440</u>	<u>98,433</u>	<u>1,335,436</u>	
<b>January, 2007</b>			<u>2,399,983</u>	<u>686,386</u>	<u>162,340</u>	<u>121,975</u>	<u>140,385</u>	<u>1,288,897</u>	
<b>December, 2006</b>			<u>2,324,650</u>	<u>543,985</u>	<u>224,756</u>	<u>192,756</u>	<u>92,200</u>	<u>1,270,953</u>	
<b>November, 2006</b>			<u>2,431,002</u>	<u>711,597</u>	<u>258,271</u>	<u>135,084</u>	<u>68,585</u>	<u>1,257,465</u>	
<b>October, 2006</b>			<u>2,318,544</u>	<u>719,644</u>	<u>194,147</u>	<u>87,351</u>	<u>128,356</u>	<u>1,189,046</u>	
<b>September, 2006</b>			<u>2,292,431</u>	<u>628,857</u>	<u>232,531</u>	<u>117,426</u>	<u>56,697</u>	<u>1,256,920</u>	
<b>August, 2006</b>			<u>2,287,325</u>	<u>612,805</u>	<u>249,745</u>	<u>114,533</u>	<u>60,521</u>	<u>1,249,721</u>	
<b>July, 2006</b>			<u>2,368,888</u>	<u>682,512</u>	<u>191,817</u>	<u>89,614</u>	<u>158,625</u>	<u>1,246,320</u>	
<b>June, 2006</b>			<u>2,407,580</u>	<u>661,601</u>	<u>201,844</u>	<u>200,139</u>	<u>47,516</u>	<u>1,296,480</u>	
<b>May, 2006</b>			<u>2,272,423</u>	<u>588,663</u>	<u>275,909</u>	<u>85,650</u>	<u>61,878</u>	<u>1,260,323</u>	
<b>April, 2006</b>			<u>2,363,426</u>	<u>835,711</u>	<u>133,146</u>	<u>82,487</u>	<u>100,208</u>	<u>1,211,874</u>	

**MOHAWK VALLEY WATER AUTHORITY**

**WORK IN PROCESS—CAPITAL PROJECTS**

Month 1 - April 30, 2007

**CAPITAL PROJECTS - FY2003**

CAPITAL PROJECT	LOCATION	ORIGINAL BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEARS EXPENSE	ADD'L. COMMITTED	EXPENSED AND/OR COMMITTED
Toby Road Tank-Land Purchase	Marcy	25,000	0	0	2,500	0	2,500
Toby Road Tank	Marcy	80,164	0	0	30,164	50,000	80,164
Safety & Security	Water Treatment Plant	30,000	0	0	24,067	2,898	26,965
New Tank--Pre-Design	Airport Industrial Park	30,000	0	0	67,630	0	67,630
Pump Station & Treatment Facility	System Wide	43,000	0	0	10,610	32,390	43,000
Fiscal 2003 Budgeted Capital Projects		<u>183,164</u>	<u>0</u>	<u>0</u>	<u>132,471</u>	<u>85,288</u>	<u>217,759</u>

**CAPITAL PROJECTS - FY2005**

CAPITAL PROJECT	LOCATION	BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	ADD'L. COMMITTED	EXPENSED AND/OR COMMITTED
Verona/Airport Tank & Mains	Verona/OC Airport	3,450,000	0	0	66,926	3,383,074	3,450,000
SCADA-Computer Hardware	System Wide	39,255	0	0	51,186	0	51,186
Hydrolic Analysis & GIS Dev.	System Wide	80,000	0	0	60,516	19,484	80,000
Main Replacement	New Hartford	90,000	0	0	7,671	82,000	89,671
Emergency Generator	City Hall	135,000	0	0	1,125	133,875	135,000
Main Replacement	Park Ave., Holland Pat.	93,750	0	0	37,458	56,292	93,750
Storage Tank #2-Higby Rd	New Hartford	20,000	0	0	24,197	0	24,197
Distribution Analysis-Chloramines	System Wide	165,000	0	0	154,037	10,000	164,037
Tank Safety Ladder	Valley View Tank	19,500	0	0	19,500	0	19,500
Install Water Mains	Chapman Road	44,000	0	0	35,751	0	35,751
SCADA	System Wide	43,000	409	409	33,919	8,672	43,000
Clearwell	WTP	3,174,500	0	0	145,515	11,175	156,690
Fiscal 2005 Budgeted Capital Projects		<u>7,354,005</u>	<u>409</u>	<u>409</u>	<u>637,801</u>	<u>3,704,572</u>	<u>4,342,782</u>

**MOHAWK VALLEY WATER AUTHORITY**

**WORK IN PROCESS—CAPITAL PROJECTS**

Month 1 - April 30, 2007

**CAPITAL PROJECTS - FY2006**

CAPITAL PROJECT	LOCATION	BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	ADD'L. COMMITTED	EXPENSED AND/OR COMMITTED
Chemical Feed	WTP	7,500	0	0	7,500	0	7,500
Security Protection	WTP	20,000	0	0	20,264	0	20,264
Water Main	Holland Patent	90,000	0	0	21,206	68,794	90,000
Disinfection BY-Product	Deerfield Tank	6,500,000	0	0	324,342	6,175,658	6,500,000
Main Replacement	Commercial Drive	30,000	0	0	21,287	0	21,287
Main Replacement	Leah St.	51,600	0	0	23,056	0	23,056
Main Replacement	Sherman Drive & Tilden Ave	14,000	0	0	4,447	7,273	11,720
		6,713,100	0	0	422,102 0	6,251,725	6,673,827

**CAPITAL PROJECTS - FY2007**

CAPITAL PROJECT	LOCATION	ORIGINAL BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	ADD'L. COMMITTED	EXPENSED AND/OR COMMITTED
Corrosion Compliance Study	System Wide	180,000	1,336	1,336	64,110	115,000	180,446
Main Replacement	Church St.	22,000	0	0	45,668	0	45,668
Main Replacement	York St.	33,440	0	0	17,271	0	17,271
Pump Station	Cascade Drive, NH	180,000	0	0	937	0	937
System Improve.-WQ and Turnover	Sytem Wide	300,000	0	0	1,959	0	1,959
GIS & Hydrolic Modeling	Sytem Wide	400,000	0	0	269,874	0	269,874
Fiscal 2007 Budgeted Capital Projects		1,199,440	1,336	1,336	1,195,053	12,549,656	13,746,045

**MOHAWK VALLEY WATER AUTHORITY**

**MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS**

Month 1 - April 30, 2007

**MONTHLY CONSUMPTION- (IN HUNDREDS OF CUBIC FEET)**

	<b>FISCAL 08</b>	<b>FISCAL 07</b>	<b>FISCAL 06</b>	<b>FISCAL 05</b>	<b>FISCAL 04</b>
April	432,019	419,898	421,158	436,874	438,082
May	0	412,183	433,169	433,732	437,133
June	0	483,811	463,071	432,431	430,936
July	0	434,748	477,805	476,038	443,310
August	0	475,336	514,883	469,873	440,876
September	0	481,683	513,111	449,233	546,365
October	0	436,160	469,375	529,942	477,584
November	0	472,410	474,227	424,247	458,962
December	0	451,290	424,902	426,796	416,941
January	0	397,180	407,949	409,415	463,977
February	0	434,793	398,579	452,494	428,836
March	<u>0</u>	<u>410,322</u>	<u>400,517</u>	<u>427,874</u>	<u>436,128</u>
Total	<u>432,019</u>	<u>5,309,814</u>	<u>5,398,746</u>	<u>5,368,949</u>	<u>5,419,130</u>

**MONTHLY WATER BILLINGS:**

	<b>FISCAL 2008</b>			<b>FISCAL 2007</b>	
	<b>Billings</b>	<b>Cash Receipts</b>	<b>Customer Routes Read</b>	<b>Billings</b>	<b>Cash Receipts</b>
April	\$ 1,318,493	\$ 1,019,228	1-23; 75-77	\$ 1,167,491	\$ 774,267
May	0	0		1,168,917	1,303,161
June	0	0		1,205,518	1,077,589
July	0	0		1,214,680	1,260,740
August	0	0		1,296,257	1,365,171
September	0	0		1,265,491	1,124,613
October	0	0		1,247,789	1,394,845
November	0	0		1,224,796	1,133,510
December	0	0		1,132,871	1,283,037
January	0	0		1,134,424	1,062,568
February	0	0		1,200,168	1,118,333
March	<u>0</u>	<u>0</u>		<u>1,156,992</u>	<u>1,364,942</u>
Total	<u>\$ 1,318,493</u>	<u>\$14,262,776</u>		<u>\$14,415,394</u>	<u>\$14,262,776</u>

**MAJOR REVENUE ACCOUNT ANALYSIS**

Month 1 - April 30, 2007

REVENUE

- *Metered Water Sales:*
  - Quarterly and Monthly Billings – For the month, water sales is above by \$151,000 compared to the prior year.
  - Overall Sales vs. Prior Year – Water sales are up \$151,000 for the year compared to the prior year.
- “*System Charge*” – Both quarterly billed and monthly billed system charges are above estimates.
- *Quarterly and Monthly Penalties and Unpaid Bill Fees* –Overall, penalties are above budget estimates. Cash collection of these assessments is in the range of 85% to 90%, on target with budgeted amounts.
- *Other Delinquent Charges*— Revenue from shut-off fees and metered line charges continue to be below estimates.
- *Other Charges* –Termination of services, miscellaneous income and inspection of new mains are below estimates.

**MAJOR EXPENSE ACCOUNT ANALYSIS**

Month 1 - April 30, 2007

	<b>Year-To-Date</b>		<b>Percent of Current Budget</b>	<b>Favorable (Unfavorable) Variance</b>	<b>Explanation of Variance</b>
	<b>Budget (Cash-Basis)</b>	<b>Actual-March 31, 2007 (Accrual-Basis)</b>			
<b>Administration</b>					
Salaries	290,672	301,600	103.76%	(10,928)	Unbudgetd position paid until May.
Unemployment	4,000	7,047	176.18%	(3,047)	Actual cost for reduction of marketing position.
Contracted Services	49,570	62,176	125.43%	(12,606)	Marketing firm expenses exceeded budget by \$22K.
Training & Education	4,250	1,128	26.54%	3,122	Reduction to training and seminar attendance.
Contracted Services.-Legal Fees	241,600	252,214	104.39%	(10,614)	Cost overrun caused by on going litigation.
<b>Finance &amp; Accounting</b>					
Salaries	411,234	411,500	100.06%	(266)	Reasonable variance for the year.
Contracted Services	172,300	211,967	123.02%	(39,667)	M&T banking charges unfavorable by \$21K. In process of RFP for banking services. Credit card charges unfavorable by \$13K as more customers are using our credit card payment system.
Training & Education	1,500	0	0.00%	1,500	No training attended during the year.
<b>Customer Service</b>					
Salaries	211,477	210,400	99.49%	1,077	Position recently filled.
Travel	1,880	1,486	79.04%	394	AWWA Customer Service seminar cost attended by Customer Service Manager was under budget.
<b>Engineering</b>					
Salaries	492,356	501,300	101.82%	(8,944)	As part of employ. contract, 2 staff sold a week's vacation; in addition 'ee paid for opting out of medical plan.
Wages	71,804	64,560	89.91%	7,244	On track with budget.
Travel	1,336	3,608	270.06%	(2,272)	Travel to AWWA conference not budgeted.
Operating Supplies	17,335	10,335	59.62%	7,000	Purchase of parts for pressure regulator has not occurred = \$6K.
Contractor Services	37,148	23,790	64.04%	13,358	The following has not been performed to date: annual inspect. of Hydro generators.\$5k; flushing kits = \$3K; calibration of equipment = \$2K; interns for data entry = \$2K; appraisal services = \$1K.
Training and Education	4,700	1,358	28.89%	3,342	Hydraulic Modeling training budgeted for 2 employees ( \$2,000 ) did not occur as planned.

**MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED**

Month 1 - April 30, 2007

	Year-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	
	Budget (Cash-Basis)	Actual-March 31, 2007 (Accrual-Basis)			
<b>Information Technology</b>					
Salaries	237,287	241,000	101.56%	(3,713)	As part of employ. contract, 2 staff sold a week's vacation.
Office Equipment	23,200	27,159	117.06%	(3,959)	Replacement of mapper server for \$4.5K was not budgeted. Old server broke and had to be replaced.
Travel & Vehicle Usage	2,200	18	0.82%	2,182	No training attended during the year.
Operating Supplies	15,300	8,268	54.04%	7,032	Purchases of toner and paper was less than budgeted.
Contracted Services	110,929	99,824	89.99%	11,105	Items not spent as scheduled: Softwae consultant00\$10k;Lease on server w/ UNYSIS-\$3K; Web Page development-\$6K ( work anticipated to be performed in FY 2008 ).
Training and Education	8,000	2,670	33.38%	5,330	The following budgeted training programs did not take place: Arc IMS Administrator = \$1.4K; SCADA Training = \$1.8K; GIS training = \$1.2K.
Repairs	2,751	139	5.05%	2,612	Minimal computer repairs incurred during the year
<b>Water Quality</b>					
Salaries	376,907	375,700	99.68%	1,207	Reasonable variance for the year.
Wages	29,445	27,231	92.48%	2,214	Variance based upon hours worked.
Office Equipment	13,500	801	5.93%	12,699	The following lab equipment were not purchased: = Watershed Lab equipment = \$3K; convection oven = \$3K; On-Line Monitoring Chips = \$2K; all other (i.e., automatic pipetors) = \$5K.
Operating Supplies	144,791	118,399	81.77%	26,392	Currently, manufacturing some in house reagents as opposed to purchasing them from suppliers. PCR kits = favorable \$5.6K.
Contracted Services	25,500	9,321	36.55%	16,179	Regulated Monitoring performed = \$9K favorable; Maintenance of microscopes not performed = \$1.5K favorable. Charges for summer intern unbudgeted = (\$1.5K).
Repairs	6,000	1,490	24.83%	4,510	Minimal computer repairs incurred during the year
Shipping Charges	7,800	1,003	12.86%	6,797	Less shipping than anticipated for outside analysis of samples.
Travel	8,600	12,252	142.47%	(3,652)	Add'l cost for national conference not budgeted.
<b>Treatment Plant</b>					
Salaries	332,224	334,104	100.57%	(1,880)	Reasonable variance for the year.
Wages	11,289	28,100	100.00%	(16,811)	Part-time WQ position working more than budgeted.
Operating Supplies	670,940	741,432	110.51%	(70,492)	Polymer purchases - \$28K unfavorable. Aluminum sulphate purchases = \$27K unfavorable.
Travel	1,900	3,954	208.11%	(2,054)	Add'l member attended national conference.
Training and Education	4,000	1,472	36.80%	2,528	Operator training not performed.

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 1 - April 30, 2007

	Year-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	
	Budget (Cash-Basis)	Actual-March 31, 2007 (Accrual-Basis)			
<b>Maintenance</b>					
Salaries	568,049	527,700	92.90%	40,349	Unfilled meter shop supervisor position recently filled
Wages	932,331	775,808	83.21%	156,523	Positions being filled by part-timers in anticipation for full-time.
Street Repair Materials	613,700	594,473	96.87%	19,227	YTD favorabilities: concrete purchases = \$30K. Offset by unfavorable purchases ( i.e., cold patch ).
Office Equipment	6,150	1,062	17.27%	5,088	Limited purchase of office furniture to date.
Small Equipment	38,250	2,515	6.58%	35,735	Several budgeted items have not been purchased. Pipe thawers = \$4K; leak surveying equipment = \$8K; gears for Horz Rensselear = \$6K; diaphragm pump = \$5K; weed eaters = \$3K; air drill = \$3K; all other = \$4K.
Operating Supplies	441,660	416,155	94.23%	25,505	Favorable expenses YTD: General supplies = \$30.6K; Hydrant purchases = \$21.9K. Unfavorable purchases of valves and parts = \$25K.
Contracted Services	25,800	16,797	65.10%	9,003	Unbudgeted railroad flagman = \$6K.
Training & Education	22,820	2,147	9.41%	20,673	Various safety training programs were not performed or are running under budget (i.e.. Pesh, Haz Communication).
Clothing Allowance	16,900	13,797	81.64%	3,103	Savings due to less clothing purchases
Vehicle & Equip. Repairs	179,500	137,500	76.60%	42,000	Favorable year to date. This account is projected to be favorable at year end.
<b>General Services</b>					
Printing	40,340	24,856	61.62%	15,484	Quarterly newsletter not performed = \$6K. Printing of water bills and other business ocuments = \$9K.
Heat	79,480	45,834	57.67%	33,646	Annual favorable variance due to budget estimates based on anticipated higher fuel costs and milder winter.
Electricity and Gas	492,000	425,934	86.57%	66,066	Annual favorable variance due to budget estimates based on anticipated higher utility rates.
Gas & Oil	109,025	119,403	109.52%	(10,378)	Gasoline purchases for vehicles were unfavorabl by \$16K.
<b>Overtime</b>					
Finance & Accounting	1,000	3,812	0.00%	(2,812)	Project for upgrading data related to tap cards and other engineering data bases.
Engineering	21,350	25,537	119.61%	(4,187)	Variance occurred in March due to project work and issues during off-hour
Info. Technology	12,000	14,276	118.97%	(2,276)	Services for City of Utica not performed to date.
Treatment Plant	49,704	61,062	122.85%	(11,358)	
Maintenance	180,000	209,151	116.20%	(29,151)	Variance of \$17k in Ot occurred in March
Total Overtime	265,034	314,349	118.61%	(46,641)	

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**MOHAWK VALLEY WATER AUTHORITY**

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**FINANCIAL RATIOS**

Month 1 - April 30, 2007

**LIQUIDITY** – The Authority’s ability to pay its most immediate obligations.

**A. *CURRENT RATIO***

**What does it measure?** The ratio measures the extent to which the Authority’s has current assets in excess of current liabilities. This measures our ability to pay bills when they become due.

(Current assets / Current liabilities)

**Best Practice:** Current Ratio of 2.0

<u>April '07</u>	<u>March '07</u>	<u>Feb. '07</u>	<u>Jan. '07</u>	<u>Dec. '06</u>	<u>Nov. '06</u>	<u>Avg.-Past Six months</u>
1.68	1.85	1.79	1.81	1.81	2.05	1.93

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**B. *WORKING CAPITAL***

**What does it measure?** The Authority’s ability to meet short-term obligations using current, liquid assets.

(Current assets - Current liabilities)

**Best Practice:** Any amount in excess of current liabilities.

<u>April '07</u>	<u>March '07</u>	<u>Feb '07</u>	<u>Jan '07</u>	<u>Dec '06</u>	<u>Nov. '06</u>	<u>Avg.-Past Six months</u>
\$2,426,486	\$2,769,913	\$2,739,490	\$2,635,678	\$2,562,885	\$2,970,444	\$2,719,897

**FINANCIAL RATIOS**

Month 1 - April 30, 2007

**SOLVENCY** – The Authority’s ability to pay its long-term obligations.

**A. DEBT TO ASSETS LEVERAGE RATIO**

**What does it measure?** – The degree to which the Authority’s assets are financed through borrowings and other long-term obligations.

(Total liabilities / Total assets)

Example: 0.50 would indicate half the assets are financed with outstanding debt.

**Best Practice:** Lower, the better. However, 40% -50% depending on an organization’s future ability to pay.

<u>April '07</u>	<u>March '07</u>	<u>Feb '07</u>	<u>Jan '07</u>	<u>Dec '06</u>	<u>Nov '06</u>	<u>Avg.-Past Six months</u>
78%	78%	78%	79%	75%	74%	78%

Note: Excluding the original debt financing of approx. \$25 million to buy the regional water system, the debt to assets leverage ratio would be 47%.

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**B. COVERAGE RATIO**

**What does it measure?** – Measures cash flow generated by operations compared to debt service and PILOT payments (non-discretionary costs).

(Total Cash Received / Total Debt Service (principal & interest) + PILOT payments)

Example: 1.25 indicates the Authority generated 25% more than the cash needed to pay monthly/annual debt service.

**Best Practice:** Over 1.00 indicates an organization can at least pay these non-discretionary costs. However, higher the better.

<u>April '07</u>	<u>March '07</u>	<u>Feb. '07</u>	<u>Jan. '07</u>	<u>Dec. '06</u>	<u>Nov. '06</u>	<u>Avg.-Past Six months</u>
2.28	3.86	2.70	2.50	2.89	4.59	3.46

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**FINANCIAL RATIOS**

Month 1 - April 30, 2007

**CAPACITY RATIOS** – Comparison of financial and economic indicators to measure changes in financial capacity over time. Capacity ratios can compare financial to other financial or financial to non-financial.

**A. UNACCOUNTED FOR WATER RATIO**

**What does it measure?** – The Authority’s loss of treated water from the filtration plant to its customers.

Example: 25% indicates the Authority has lost one quarter of its treated water due to unaccounted-for factors including fire fighting, evaporation, and leakage.

**Best Practice** (Industry Standard): Water systems with 20% - 30% loss are in the medium range for standard losses.

**Please Note:** In a memo dated March 28, 2003 from the Principal Engineer, as part of the NYSDEC water supply permit, a water supply audit was performed for the calendar year ending December 31, 2002 submitted to NYSDEC. The water supply audit calculated the following percentages related to unmetered usage:

• Firefighting	2.50%	<u>Comment:</u> In the annual water supply audit, an additional item was noted-- “water leaks that have since been repaired” which accounted for 14% of the unaccounted for water usage. Per review of Jan. ’03 to December ’03, no significant reduction of water produced has occurred.
• Construction	.01%	
• Street Cleaning	.02%	
• Flushing	.001%	
• Main Breaks	1.50%	
• Meter Under-Registration	5.64%	
TOTAL	9.67%	

(1 –(((3-Month Average Billed Consumption)/(3-Month Average Water Production))) + un-metered usage noted above)

<u>April ‘07</u>	<u>March ‘07</u>	<u>Feb. ‘07</u>	<u>Jan. ‘07</u>	<u>Dec ‘06</u>	<u>Nov ‘06</u>	<u>Oct ‘06</u>	<u>Avg.-Past Six months</u>
34.31%	32.40%	32.40%	27.91%	27.68%	27.20%	25.99%	30.48%

**Caution:** There is no standardized method of calculating this ratio. Factors such as fire fighting, leakage, evaporation and amounts used for system backwash may impact the percentage of water loss.

**FINANCIAL RATIOS**

Month 1 - April 30, 2007

**B. DEBT & PILOT PAYMENT BURDEN RATIO**

**What does it measure?**– The portion of an average customer’s quarterly bill attributed to non-discretionary costs (debt service and PILOT payments).

(Monthly Debt Service + PILOTs) / # of Customers Billed per Month)

Example: The average quarterly bill for a family of four (4) using approximately 21,000 gallons is \$87.00. A burden of \$25.00 indicates that this portion of an average customer’s bill goes toward paying monthly debt service and PILOT payments.

<u>April '07</u>	<u>March '07</u>	<u>Feb. '07</u>	<u>Jan. '07</u>	<u>Dec. 06</u>	<u>Nov. 06</u>	<u>Avg.-Past Six months</u>
\$34.31	\$37.11	\$35.93	\$37.84	\$38.11	\$32.53	\$33.25

**GLOSSARY OF TERMS**

Month 1 - April 30, 2007

**1) Three Traditional Financial Statements:**

- I. **Balance Sheet** – Indicates “where we are now”. Includes accounts like cash, receivables, long term assets, accounts payable and debt.
- II. **Statement of Income** – Shows “how we are doing” at a point in time-usually a month or year. The statement identifies the revenue earned and expenses incurred at that specific point in time. The difference between revenues and expenses is an organization’s net income or deficit.
- III. **Statement of Cash Flows** – Shows “where the cash came from and where it went”. Drawback: Does not indicate assets used to generate cash nor any commitments or liabilities for which cash will be needed in the short term or long term.

**2) Strategic Plan** - Defines the Authority’s mission, value and strategy. It also defines how the Authority’s mission, value and strategy will be carried out. The Plan is a dynamic process that is flexible enough to allow modification of plans in order to respond to changing circumstances.

**3) Business Plan/Operating Plan** – This is the implementation of the strategic plan through the use of identifying specific results to be achieved within a given period, usually one year. The plan also identifies the actions and resources to achieve those results.

**4) Profits and Net Income** – **Profits** are usually stated in dollars, and **Net Income** is the positive difference between revenues and expenses.

**5) Viability** – The ability of a business to continue to survive and succeed into the future.

**6) Accounting** – The art of recording, classifying and summarizing, in a significant manner and in terms of money, transactions and events which are in part at least, of a financial character, and interpreting the results thereof.

**7) GAAP** – (Generally Accepted Accounting Principals) Accounting principals developed and approved by the Financial Accounting Standards Board (FASB), an independent body created by the SEC, to provide guidelines as to how financial accounting should be performed.

**8) Cash Basis** - Sales (Revenues) and Expenses (Costs) are accounted for on a “cash received” and “cash paid” basis. There are no Accounts Receivable and Accounts Payable with the Cash Basis of Accounting.

**9) Accrual Basis** – the practice by which revenues are recorded when “earned” and expenses are recorded when “incurred” even if the cash has not yet been received or paid out. Expenses incurred to produce the Sales are properly “matched” against each other within the same accounting period.

**GLOSSARY OF TERMS**

Month 1 - April 30, 2007

- 10) **Matching Principle** – As stated above, expenses incurred to produce Sales must be matched together within the same period. Otherwise, there is a distortion of Net Income for certain accounting periods.
- 11) **Capitalization** – The practice of recording purchases where the usefulness will be recognized over time to generate revenue. (The “usefulness” is what we call depreciation.)
- 12) **Net Realizable Value** – The value of a transaction or series of transactions after allowances or discounts have been taken against the transaction(s).

Example - Accounts Receivable: Gross receivables less an allowance for bad debts = Net Realizable Value of Accounts Receivable.

- 13) **Meter Route/ Meter Cycle** – A **meter route** is a Meter Reader’s walking/driving direction used to read meters at residence and businesses. A route usually encompasses approximately 175 meter readings. A **meter cycle** is a group of meter routes that are within the same demographic area. A meter cycle usually includes 4-5 meter routes or approximately 700 meter readings.