

MOHAWK VALLEY WATER AUTHORITY

MONTHLY FINANCIAL REPORTING PACKAGE

Month 1: Month Ended April 30, 2008

Finance Committee Members

Terms Ending

December 31,

Bruce Brodsky, Committee Chairman	2008
Vincent Coyne	2008
Elis DeLia	2010
George Gaston, Board Chairman	2008
A. Eugene Snyder	2009
Frank Trevisani	2009

Report produced by Jim Korfonta, Comptroller

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VITAL SIGNS—(KEY PERFORMANCE INDICATORS)

Month 1 - April 30, 2008

PRODUCTION & CONSUMPTION

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	January, February, March 2008	December, January, February 2008	November, December, January 2008	Average Past 6 Months
Average Water Consumption	41,800,356	41,259,588	44,447,300	44,447,300
Average Water Production	74,727,525	74,954,782	79,658,116	79,658,116

CASH FLOW

Cash Flow-(See cash flow detail on page 4.)	Beginning Cash	Operating Cash In	Operating Cash Out	Net Change In Cash	Balance Remaining
April 2008		\$ 1,117,272	\$ 1,283,812	(\$ 166,540)	
Year-To-Date	\$ 4,165,197	\$ 1,117,272	\$ 1,283,812	(\$ 166,540)	\$ 3,998,657

CUSTOMER ACCOUNT MAINTENANCE

Customers in the Water System	Beginning Balance	New Accounts/ Moved into Area	Moved Out of Svs. Area	Ending Balance
April 2008		32	(11)	
Year-To Date (Fiscal 2009)	38,914	32	(11)	38,935
Fiscal 2008	38,877	497	(460)	38,914
Fiscal 2007	38,589	981	(693)	38,877
Fiscal 2006	38,449	573	(433)	38,589

Breakdown of Customer Movement:

- For fiscal 2008, 2,332 final bills were processed of which 2,070 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

VITAL SIGNS—(KEY PERFORMANCE INDICATORS)--continued

Month 1 - April 30, 2008

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 2008	293	7	16	5	1	0	322	23	4	16.1	4.0
Year-To-Date	293	7	16	5	1	0	322	23	4	16.1	4.0

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 2008	3,414	52	61	9	9	18	3,563	27	1	14	3.7
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, 2008

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	TOTALS
April, 2008	23	69	92	897	7	2	176	9	1,275

ACCOUNTS PAYABLE

	Total	0-10	10-20	20-30	30-50	50+	Capital Project Retention
March 2008	\$584,708	\$63,575	\$51,690	\$137,798	\$44,780	\$35,394	\$251,471

Useful Information To Know: (UPDATED for 2008-2009 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 \$83.00 or \$331.00 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.

Big Picture

Water Sales and Consumption:

For April, consumption is less by approximately 1 million cubic feet due primarily to the correction of estimated or leaking customer accounts over the year. Several large employers have been using less water over the previous year.

Revenue is down by \$100,000 compared to April of last year primarily because of the drop in consumption among larger businesses. (Midstate, Faxton Hospital and St. Elizabeth's)

COMPTROLLER’S MESSAGE

Month 1 - April 30, 2008

Big Picture-continued

Cash Flow: For the year, our cash ended very positive; however, there are several payments outstanding for which commitments have been made. These commitments are in the range of \$300,000 to 450,000. As part of the fiscal '09 budget, keep in mind that we have designated \$308,000 of the remaining cash.

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

	MONTHLY ACTIVITY	
	TARGET	APRIL 2008
Cash Inflow	\$ 1,500,000	\$ 1,117,000
Outflows--		
Transfer to Funds Reserves	\$ -	\$ -
Personnel Costs	326,000	319,000
PILOTS	132,000	132,000
Debt Service	399,000	399,000
Payments to Suppliers	500,000	434,000
	1,357,000	1,284,000
Cash Remaining	\$ 143,000	\$ (167,000)

LITIGATION EXPENSES—TO DATE

FISCAL YEAR	PURPOSE	AMOUNT
2005	WATER PERMIT REVIEW & DISCOVERY	\$ 44,180
2006	DISCOVERY & DECLARATORY JUDGMENT	\$ 142,845
2007	DECLARATORY JUDGMENT ACTIVITY	\$ 243,757
2008	CURRENT YEAR ACTIVITY (Through February)	\$ 375,947
TOTAL		\$ 806,728

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2008

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

CURRENT CUSTOMER SERVICE ACTIVITY

Ongoing Initiatives--

- We continue to execute a program to address properties that have either registered "0" consumption or estimated consumption for three or more quarters. Results will be displayed in future reports presented to the Finance Committee. This is to assist in our tampering efforts and to correct stopped meters.

For the month, 5.6% of the monthly accounts were estimated. This agrees with the previous month (down 2% from the two months ago); 6.7% of the quarterly accounts were estimated. This is down from 7.7% in January (The prior time this area was billed).

- The training of meter staff to change-out the "guts" or registers of larger size meters as part of a large meter maintenance program.

BILLING/COLLECTIONS:

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

Fiscal 2009	Beginning Balance	Sent to Collections	Amount Collected	Returned From Collections	Ending Balance
April 2008		\$ 0	\$ 0	\$ 0	
Year to Date	\$ 7,219	\$ 0	\$ 0	\$ 0	\$ 7,219

Prior Fiscal Years		Sent to Collections	Amount Collected	Returned From Collections	
Fiscal 2008		\$ 484,236	\$ 333,129	\$ 217,218	
Fiscal 2007		\$ 550,183	\$ 301,768	\$ 107,701	
Fiscal 2006		\$ 588,361	\$ 356,190	\$ 222,711	
Fiscal 2005		\$ 673,903	\$ 368,184	\$ 305,719	

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2008

BILLING/COLLECTIONS: (continued)

Shut-Offs

A change in the shut-off process was instituted following discussion with the Finance Committee and internal meetings. Two meter repair staff has been designated to exclusively shut-off properties for the approximate 800 back-logged accounts that were already posted for non-collection.

Starting the last week of April, the following has occurred as of May 9th (2 weeks):

- 304 of those accounts have been visited;
- 104 have been shut-off--17 subsequently paid;
- 42 others paid before any work order was executed;
- 42 others paid by credit card while at the premise;
- 116 require further wok including locating/digging the curb box in order to shut-off

The areas swept for shut-off include primarily the service areas outside the City of Utica. These include New Hartford, Clark Mills, Holland Patent, Whitesboro, Yorkville, etc.

TAMPERING ISSUES:

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

There are no outstanding issues or accounts as of April, 2008.

STATUS LEGEND:

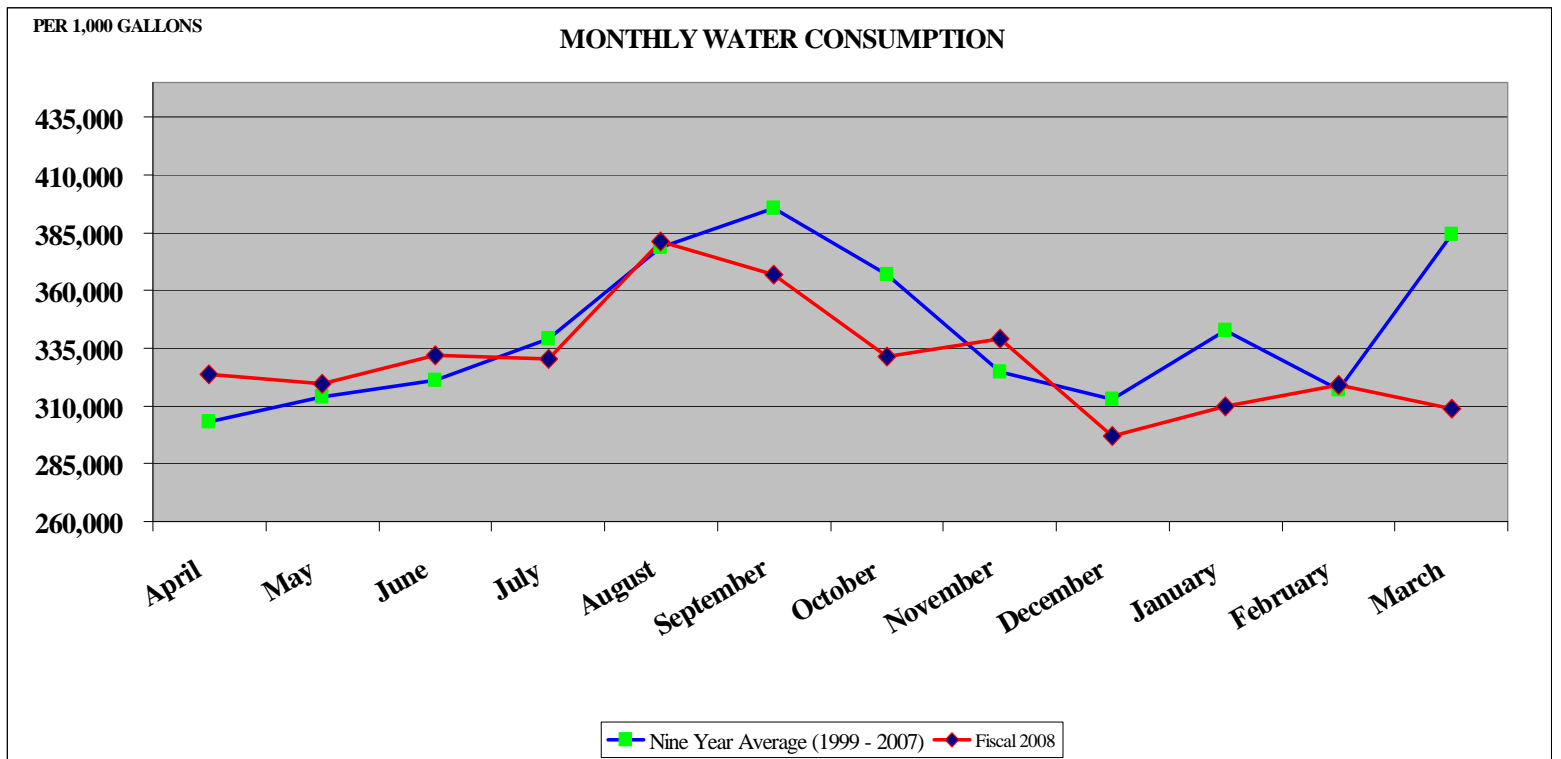
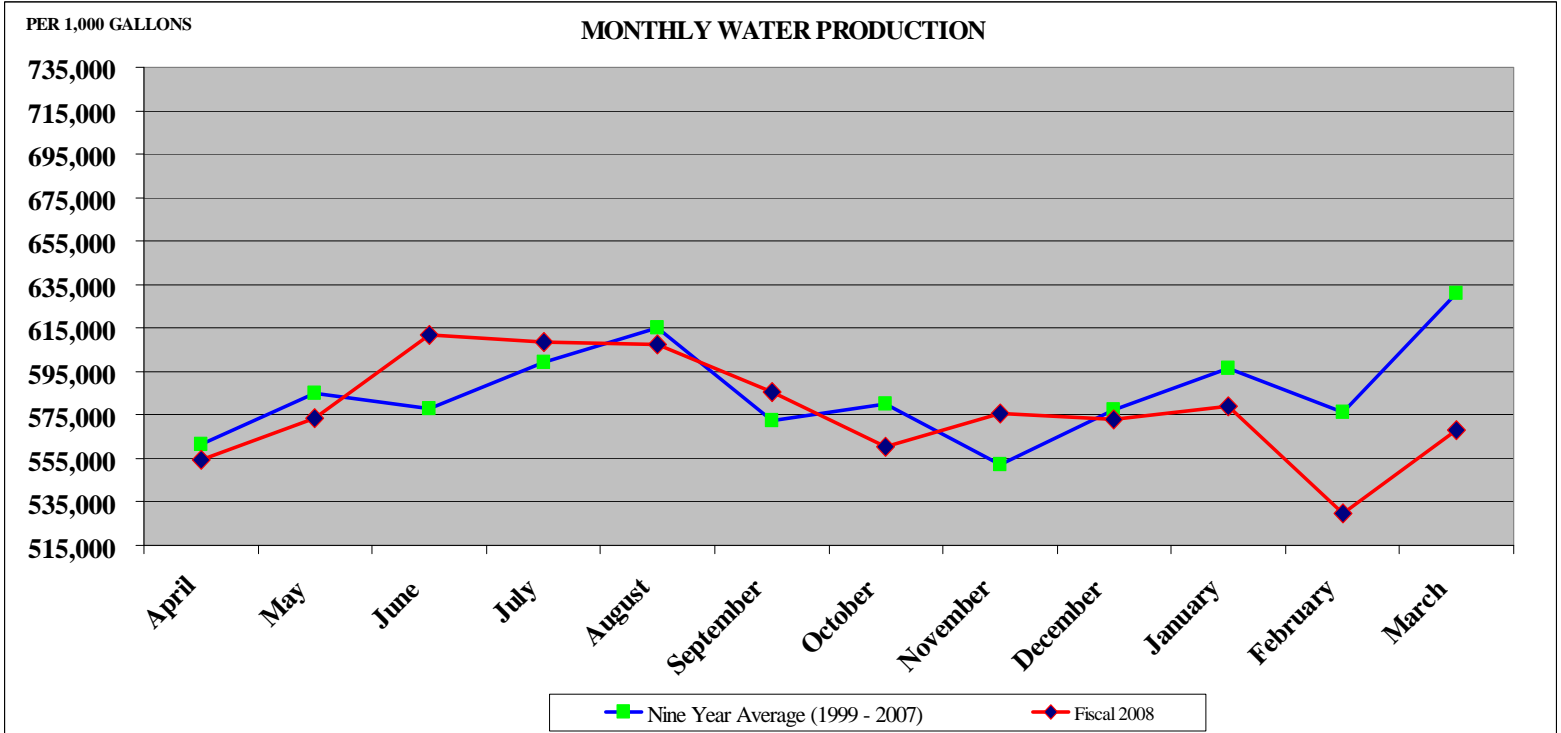
- 1—Fee assessed; no further activity.
- 2—Fee paid or currently paying, not forwarded to the DA; no further activity.
- 3—In negotiations for payment with offender's lawyer; Have forwarded to DA with no response.
- 4—No activity, property scheduled to be shut-off.
- 5—Police notified; no further activity.
- 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—Fine and/or misdemeanor assessed by Court. Case will be removed the following month.

MOHAWK VALLEY WATER AUTHORITY

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2008

PRODUCTION AND CONSUMPTION GRAPHS



MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 1 - April 30, 2008

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.

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
City of Utica	38 accounts	Parks / Recreations / etc.	11,146	3,736	135	94	1,392	217	5,572	
Joseph McHarris	1F 43	1637 Sunset Ave. NH	1,183	276	-	15	325	15	552	Posted
Chendra & Sammang Phou	3E 143	713 Tracy Street, Utica	2,427	1,773	-	19	110	17	508	Posted
George Basset	4C 133	720 Roberts Street, Utica	1,046	63	-	22	85	19	857	Posted
Marie Marshall	5D 74	1202 Oriskany Street, Utica	1,023	107	-	20	146	18	732	Posted
Mohamed Kewitta	5F 122	1230 Court Street, Utica	1,118	96	-	18	396	15	593	Posted
Mohammed Hashim	6A 105	1109 Court Street, Utica	1,211	280	-	20	211	17	683	Posted
William Almas	8C 26	1424 Oneida Street, Utica	1,717	735	-	15	967	-	-	Posted
Lawrence Spada, III	8E 68	125 Thomas Street, Utica	1,085	248	-	19	263	17	538	Posted
Lawrence Spada, III	17F 64	1003-5 Rutger Street, Utica	2,303	23	-	8	888	3	1,381	Posted
Sapi Dussi	10D 8	1309-13 Oneida Streetk, Utica	1,445	146	-	22	195	20	1,062	Posted
William Hawkins	11B 118	1210 Steuben St. Utica	2,163	47	15	-	101	2,000	-	Posted
Tim Darling	11C 114	1615 Steuben Street, Utica	1,080	53	15	6	228	18	760	Posted
Thach Buon Bopha Suno	11E 34	1502 Howard Avenue, Utica	1,208	51	15	4	567	18	553	Posted
Jim Spratt	11E 150	1507 Miller Street, Utica	1,410	50	15	3	245	17	1,080	Posted
Stanley Truax	11F 82	1640 Neilson Stret, Utica	1,309	73	15	4	407	18	792	Posted
M of M Inc.	11G 69	1318 Brinckerhoff Ave (1 Flr)	2,222	765	15	9	329	22	1,082	Posted
Donald Shaub	11G 97	1308 Dudley Avenue, Utica	1,555	257	15	2	234	17	1,030	Posted
Phoroth Chun Kim	12A 16A	311 Arthur Street, Utica	1,103	177	15	3	262	15	631	Posted
Freda Lewis	13B 10	228 Eagle Street, Utica	1,123	172	15	7	63	20	846	Posted
SueAnn Stevens	13C 102	1139 Seymour Avenue, Utica	1,190	9	15	9	138	22	997	Posted
Darlene Clark	13D 148	1546 Vincent Street, Utica	2,234	8	15	7	1,257	20	927	Posted
Virgilio & Ledi Suncar	13E 63	1131-33 Miller Street, Utica	1,147	8	15	8	167	21	928	Posted
Marco Gonzales	13F 61	1124 Dudley Ave. Utica	1,007	9	15	8	65	20	890	Posted
Caroline Hayes	14B 96	1120 Leeds Street, Utica	1,021	6	15	5	216	18	761	Posted
Booker Wilson	15F 138	705 John Street, Utica	1,776	15	-	-	1,761	-	-	Posted
Lloyd Barth	17D 23	612 Kossuth Avenue, Utica	1,673	16	-	1	766	1	889	Posted
Celestino Montoya	17F 63	1007 Rutger Street, Utica	1,049	21	-	6	265	4	753	Posted
Ron Dobrzanski	24C 28	7815 State Rte. 5, Clinton	1,080	20	-	214	19	2	825	Posted
Robert Abbe	24B 65	8 Taylor Ave. Clarksmill	1,178	23	-	186	28	6	935	Posted
Timothy Tallman	27C 55	40 Jordan Rd. New Hartford	1,912	264	-	-	-	-	1,648	Posted

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 1 - April 30, 2008

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.

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
Anthony Nassar	33A 77	9835 River Road, Utica	1,216	7	253	3	20	413	520	Posted
Rte. 49 Plaza	33D 146D	9220 Rte, 49, Marcy	1,604	6	-	401	15	599	583	Posted
Robert McMurray	33G 18	5934 Cavanaugh Rd. Marcy	1,516	9	274	4	19	341	869	Posted
Victor Rodriguez	33G 82	6373 Cavanaugh Rd. Marcy	1,410	9	214	5	25	261	896	Posted
Stephen Gardner (bankrupt)	22G 267A	9096 Koronowski Road, Marcy	1,602	-	-	-	359	-	1,243	Posted
Robert Wenner	35G 128	649 Pauline Avenue, Utica	1,025	8	125	21	11	104	756	Posted
T. Klotz (also, see shut-offs)	29 accounts	See separate attachment	2,916	409	427	3,821	292	7,096	14,154	Posted

DELINQUENT ACCOUNTS SHUT-OFF

William Schram	3F 8	512 Henry Street, Utica	1,342	251	-	21	208	19	843	Shutoff
Angel Rios	7D 20	424 French Road, Utica	2,101	113	-	30	203	15	1,740	Shutoff
Clotario Saporetti	17D 93	830 Bleeker Street, Utica	1,030	23	-	8	79	5	915	Shutoff
Ingrid Grimm	24B 136	37 Pratt Street, Clark Mills	3,540	49	-	84	79	32	3,296	Shutoff
Lucille Halpin	30B 159	208 Main Street, Whitesboro	1,001	7	-	153	25	152	664	Shutoff
T. Klotz (also, see above)	7 accounts	See separate attachment	965	405	30	41	427	62	-	Shutoff
City of Utica Delinquents-FY '08			144,257	-	-	-	-	-	144,257	
City of Utica Delinquents-FY '07			108,057	-	-	-	-	-	108,057	
City of Utica Delinquents-FY '06			64,101	-	-	-	-	-	64,101	
City of Utica Delinquents - Prior Years			1,208,605	-	-	-	-	-	1,208,605	
Oneida County Delinquents - FY '08			593	-	-	-	-	-	593	
Oneida County Delinquents - Prior Years			51,426	-	-	-	-	-	51,426	
Village Delinquents - FY '08			11,447	-	-	-	-	-	11,447	
Village Delinquents - Prior Years			83,718	-	-	-	-	-	83,718	
Remaining Accounts			1,389,779	831,996	71,475	107,873	172,741	52,359	153,335	Change
April, 2008			<u>3,160,678</u>	<u>842,819</u>	<u>73,143</u>	<u>113,219</u>	<u>186,599</u>	<u>64,075</u>	<u>1,880,823</u>	8.59%
March, 2008			<u>2,910,761</u>	<u>538,526</u>	<u>118,355</u>	<u>139,933</u>	<u>167,476</u>	<u>45,127</u>	<u>1,901,344</u>	-5.46%
November, 2007			<u>3,141,035</u>	<u>577,225</u>	<u>225,313</u>	<u>222,736</u>	<u>172,859</u>	<u>118,509</u>	<u>1,824,393</u>	2.71%
July, 2007			<u>3,263,024</u>	<u>645,235</u>	<u>138,192</u>	<u>115,485</u>	<u>241,880</u>	<u>74,670</u>	<u>2,047,562</u>	-2.41%
April, 2007			<u>3,342,684</u>	<u>839,859</u>	<u>86,043</u>	<u>114,146</u>	<u>176,871</u>	<u>76,527</u>	<u>2,049,238</u>	6.05%

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 1 - April 30, 2008

CAPITAL PROJECTS - FY2003

CAPITAL PROJECT	LOCATION	PROJECT No.	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEARS EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Toby Road Tank	Marcy	02-26-A	105,164	0	0	33,914	33,914	71,250
Fiscal 2003 Budgeted Capital Projects			<u>105,164</u>	<u>0</u>	<u>0</u>	<u>33,914 0</u>	<u>33,914</u>	<u>71,250</u>

CAPITAL PROJECTS - FY2005

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Verona/Airport Tank & Mains	Verona/OC Airport	05-02-A	3,450,000	0	0	177,137	177,137	3,272,863
Emergency Generator	City Hall	05-09-A	135,000	0	0	2,763	2,763	132,237
SCADA- All Phases	System Wide	05-21-A	132,255	512	512	63,655	64,167	68,088
Clearwell	WTP	05-22-A	<u>4,174,500</u>	<u>0</u>	<u>0</u>	<u>4,032,229</u>	<u>4,032,229</u>	<u>142,271</u>
Fiscal 2005 Budgeted Capital Projects			<u>7,891,755</u>	<u>512</u>	<u>512</u>	<u>4,275,784</u>	<u>4,276,296</u>	<u>3,615,459</u>

CAPITAL PROJECTS - FY2006

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Water Main	Holland Patent	06-03-A	90,000	0	0	58,308	58,308	31,692
Tank- 10m Gallon	Deerfield Tank	06-04-A	<u>5,500,000</u>	<u>0</u>	<u>0</u>	<u>5,158,566</u>	<u>5,158,566</u>	<u>341,434</u>
			<u>5,590,000</u>	<u>0</u>	<u>0</u>	<u>5,216,874 0</u>	<u>5,216,874</u>	<u>373,126</u>

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 1 - April 30, 2008

CAPITAL PROJECTS - FY2007

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Corrosion Compliance Study	System Wide	07-01-A	180,000	1,097	1,097	154,947	156,044	23,956
Main Replacement	York St., Utica	07-03-A	33,440	0	0	82,887	82,887	-49,447
Pump Station	Cascade Drive, NH	07-04-A	2,500	0	0	1,325	1,325	1,175
System Improve.-WQ and Turnc	System Wide	07-05-A	300,000	0	0	22,300	22,300	277,700
GIS & Hydraulic Modeling	System Wide	07-06-A	400,000	0	0	488,246	488,246	-88,246
Main Replacement/Crossings	Holland Patent	07-07-A	54,310	0	0	53,310	53,310	1,000
Ladder Safety/ Security	WTP-Backwash Tank	07-09-A	38,000	0	0	0	0	38,000
Water Tank	Smith Hill, Deerfield	07-10-A	600,000	0	0	975	975	599,025
Water Tank	Marcy Reservoir	07-12-A	3,600,000	0	0	12,029	12,029	3,587,971
Canal Crossing	Marcy	07-13-B	1,000,000	0	0	7,822	7,822	992,178
Activated Carbon PILOT	WTP	07-15-A	35,000	0	0	33,600	33,600	1,400
Main Extension	Mason Road	07-16-A	14,000	0	0	6,151	6,151	7,849
Safety/Security/Equipment	System Wide	07-17-A	12,000	0	0	0	0	12,000
Security Surveillance Projects	System Wide	07-18-A	20,000	0	0	0	0	20,000
Leak Detection-Phase IV-VI	System Wide	07-19-A	85,000	0	0	19,032	19,032	65,968
Emergency Intake Valve	WTP	07-20-A	124,000	0	0	124,000	124,000	0
3rd Raw Water Intake Line-Desi	WTP	07-21-A	20,000	0	0	7,500	7,500	12,500
In-Line Hydro Generation Study	WTP	07-22-B	11,000	0	0	3,013	3,013	7,987
Fiscal 2007 Budgeted Capital Projects			6,529,250	1,097	1,097	11,392,577	11,393,674	6,225,576

MOHAWK VALLEY WATER AUTHORITY

MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS

Month 1 - April 30, 2008

MONTHLY CONSUMPTION- (IN HUNDREDS OF CUBIC FEET)

	FISCAL 09	FISCAL 08	FISCAL 07	FISCAL 06	FISCAL 05
April	422,417	432,019	419,898	421,158	436,874
May	0	428,265	412,183	433,169	433,732
June	0	449,886	483,811	463,071	432,431
July	0	441,659	434,748	477,805	476,038
August	0	510,472	475,336	514,883	469,873
September	0	493,270	481,683	513,111	449,233
October	0	446,832	436,160	469,375	529,942
November	0	453,228	472,410	474,227	424,247
December	0	403,309	451,290	424,902	426,796
January	0	404,724	397,180	407,949	409,415
February	0	430,673	434,793	398,579	452,494
March	0	421,810	410,322	400,517	427,874
Total	<u>422,417</u>	<u>5,316,147</u>	<u>5,309,814</u>	<u>5,398,746</u>	<u>5,368,949</u>

MONTHLY WATER BILLINGS:

	FISCAL 2009			FISCAL 2008	
	Billings	Cash Receipts	Reading Areas	Billings	Cash Receipts
April	\$ 1,199,556	\$ 1,000,257	Area 1	\$ 1,309,707	\$ 1,019,228
May	0	0		1,261,871	1,456,458
June	0	0		1,310,916	1,180,125
July	0	0		1,310,354	1,337,397
August	0	0		1,459,484	1,375,328
September	0	0		1,396,332	1,188,049
October	0	0		1,363,214	1,896,068
November	0	0		1,339,290	1,221,617
December	0	0		1,208,607	1,414,089
January	0	0		1,260,075	1,261,182
February	0	0		1,281,830	1,249,834
March	0	0		1,247,605	1,417,892
Total	<u>\$ 1,199,556</u>	<u>\$ 1,000,257</u>		<u>\$15,749,285</u>	<u>\$16,017,267</u>

Area 1--West downtown to South Utica line thru West Utica to Yorkville line. East downtown to South Utica line East to Armory Drive.

Area 2--East Utica, North Utica, New Hartford, Kirkland, Clark Mills.

Area 3--Yorkville, Whitestown, Deerfield, Marcy, Schuyler, Stittville, Barneveld, Washington Mills.

MAJOR REVENUE ACCOUNT ANALYSIS

Month 1 - April 30, 2008

REVENUE

- *Metered Water Sales:*

- Monthly Billing--Quarterly and Monthly Accounts – For April, water sales (\$\$) is below the prior year by \$110,000 due primarily from the usage drop from several large monthly customers (see Page 3).

- *System Charge*” – For April, both quarterly billed and monthly billed system charges are relatively consistent with budget.

- *Quarterly and Monthly Penalties and Unpaid Bill Fees* –For the first month, penalties are slightly below budget estimates. Unpaid bill fees are on track with budget estimates. Cash collection of these fees has historically been in the range of 85% to 90%.

- Interest Income from operating funds is also below budget due primarily to the changes in the financial markets and a change in the investment products offered by our current bank (M&T). Interest from trust funds is slightly below budget for amount invested in variable rate. Several trust funds are invested in longer fixed rate investments minimizing the impact of the current market.

We will be calculating arbitrage (excess interest earned) in the next months on bonded funds to determine if rebates are due on some serial bonds.

- Lab fees are up due to the timing and billing of completed work.

MAJOR EXPENSE ACCOUNT ANALYSIS

Month 1 - April 30, 2008

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Apr 30, 2008 (Accrual-Basis)			
Administration					
Salaries	23,938	23,438	97.91%	500	Minimal variance
Contracted Services	3,473	928	26.72%	2,545	Marketing Consultant has not billed for April activity.
Contracted Services.-Legal Fees	19,800	0	0.00%	19,800	Not billed for reoccurring legal charges and litigation
Finance & Accounting					
Salaries	36,534	34,327	93.96%	2,207	One 1 budgeted position is currently open
Contracted Services	22,350	13,112	58.67%	9,238	We have not been invoiced for the maintenance contr: Readers/Guns software = \$4.6K, and the City of Utica \$4.5 K.
Engineering					
Salaries	41,084	34,898	84.94%	6,186	Position presently unfilled
Travel	2,620	342	13.05%	2,278	Conference attended in April, 2008 have not been in v Texas, and the NYAWWA in Saratoga and Liverpool

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 1 - April 30, 2008

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Apr 30, 2008 (Accrual-Basis)			
Information Technology					
Salaries	19,386	19,216	99.12%	170	Minimal variance
Office Equipment	5,000	0	0.00%	5,000	The purchases of replacement personal computers and have not been made.
Operating Supplies	5,400	460	8.52%	4,940	Timing of several purchases such as: computer paper printing and cartridges = \$.3K; back-up tapes = \$1.1K
Contracted Services	47,111	2,948	6.26%	44,163	Timing of several purchases such as: software license support = \$9K; maintenance agreements = \$6.5K and paperless reporting = \$3K.
Water Quality					
Salaries	30,996	30,270	97.66%	726	Minimal variance
Operating Supplies	12,600	8,739	69.36%	3,861	Timing of chemicals and monitoring purchases (i.e. 1 kit = \$6.8K favorable)
Contracted Services	4,000	0	0.00%	4,000	No expenditures incurred to date for regulated monitoring servicing of lab equipment = \$2.5K.
Repairs	5,000	0	0.00%	5,000	No repairs incurred to date.
Treatment Plant					
Salaries	26,674	25,434	95.35%	1,240	Reasonable variance based upon holiday premium
Small Equipment	3,250	0	0.00%	3,250	Timing of chlorine equipment parts and scale purchases
Operating Supplies	64,333	37,255	57.91%	27,078	Timing of chemicals purchases (i.e. aluminum sulphate \$4.67K; hydrofluoric acid = \$5.8K; chlorine = \$5

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 1 - April 30, 2008

	<u>Month-To-Date</u>		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Apr 30, 2008 (Accrual-Basis)			
Maintenance					
Salaries	46,311	46,113	99.57%	198	Minimal variance
Wages	75,851	65,766	86.70%	10,085	3 budgeted positions are currently open
Street Repair Materials	9,786	3,314	33.86%	6,472	Timing of paving materials purchases (cold patch and
Small Equipment	17,220	-	0.00%	17,220	Timing in the purchase of hand held radios = \$10K.
Training & Education	6,120	-	0.00%	6,120	Safety training of chains, slings and hoists has been de
Vehicle & Equip. Repairs	14,000	1,783	12.74%	12,217	Minimal repairs to date.
Cash-Financed Construction					
Meters	52,695	1,478	2.80%	51,217	Timing in the purchase of meters. An order for 750 (process- (\$42k)
Hydrants	33,910	-	0.00%	33,910	Entire amount of hydrant allotment currently being pu savings.
General Services					
Telephone	7,578	5,626	74.24%	1,952	Timing of telephone usage invoice from Telcove = \$1
Electricity and Gas	43,000	46,578	108.32%	(3,578)	Reasonable variance caused by higher commodity price consumption remained consistent with the previous ye
Gasoline & Oil	13,800	11,901	86.24%	1,899	Purchases of propane and diesel fuel were not made ir
Overtime					
Treatment Plant	3,231	4,001	123.83%	(770)	
Maintenance	14,308	6,173	43.14%	8,135	

FINANCIAL RATIOS

Month 1 - April 30, 2008

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 '08</u>	<u>March '08</u>	<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Avg.-Past Six months</u>
2.01	1.74	1.68	1.56	1.62	1.43	1.74

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 '08</u>	<u>March '08</u>	<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Avg.-Past Six months</u>
\$3,543,366	\$3,004,840	\$2,486,824	\$2,354,405	\$2,451,120	\$1,854,991	\$2,641,425

FINANCIAL RATIOS

Month 1 - April 30, 2008

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 '08</u>	<u>March '08</u>	<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Avg.-Past Six months</u>
74%	75%	75%	75%	75%	76%	77%

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

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 '08</u>	<u>March '08</u>	<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Avg.-Past Six months</u>
2.10	3.86	2.59	2.68	2.95	3.55	3.08

FINANCIAL RATIOS

Month 1 - April 30, 2008

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 leakage and evaporation.

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

Calculation: $(1 - ((3\text{-Month Average Billed Consumption}) / (3\text{-Month Average Water Production})) + \text{Other Unmetered Uses}$

Please Note: On June 18, 2007 the Principal Engineer presented to the Board of Director’s an updated annual water supply audit based upon calendar 2006 production and consumption data as well as updated “other unmetered uses” of water within the system. The water supply audit presented includes the following other unmetered uses:

- | | |
|--|---------|
| • Firefighting | 2.50% |
| • Construction | .01% |
| • Street Cleaning | .02% |
| • Flushing | .003% |
| • Main Breaks | 5.23% |
| • Water Leaks Subsequently Repaired | 13.8% |
| • New Leaks Discovered thru Leak Detection Efforts | (13.8%) |
| • Meter Under-Registration | 10.00% |
| Total Other Unmetered Uses | 17.76% |

	<u>Jan., Feb., March '08</u>	<u>Dec., Jan., Feb. '08</u>	<u>Nov., Dec., Jan '08</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	55.94%	55.05%	54.72%	55.77%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	73.70%	72.81%	72.48%	73.53%
Remaining “Unaccounted-For Leakage”	26.30%	27.19%	27.52%	26.47%

Caution: There is no standardized method of calculating this ratio. Estimates for the other unmetered uses may impact the percentage of unaccounted for water.

FINANCIAL RATIOS

Month 1 - April 30, 2008

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 '08</u>	<u>March '08</u>	<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Avg.-Past Six months</u>
\$40.85	\$36.91	\$40.84	\$40.84	\$40.92	\$40.20	\$39.86

GLOSSARY OF TERMS

Month 1 - April 30, 2008

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, 2008

- 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.