

MOHAWK VALLEY WATER AUTHORITY

MONTHLY FINANCIAL REPORTING PACKAGE

Month 1: Month Ended April 30, 2009

<u>Finance Committee Members</u>	<u>Terms Ending</u> 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, 2009

PRODUCTION & CONSUMPTION

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	January, February, March, 2009	December 08, January and February, 2009	November, December, January, 2009	Average-- Past 6 Months
Average Water	39,802,320	39,618,486	42,180,023	43,167,700
Average Water	76,122,261	76,322,782	74,068,034	72,350,236

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, 2009		\$ 1,358,571	\$ 1,502,740	\$ (144,169)	
Year-To-Date	\$ 3,904,959	\$ 1,358,571	\$ 1,502,740	\$ (144,169)	\$ 3,760,790

Did you Know.....

With the change in the FDIC (Federal Depository) rules, all non-interest bearing accounts and all NOW accounts with an interest rate of .50% or less will be fully covered by the FDIC through December 31, 2009. Then all NOW accounts earning over .50% interest along with all savings/money market and CD's will have FDIC coverage up to \$250,000.00. Collateral should cover any balances not covered by the FDIC coverage.

MVWA has one account that is non-interest bearing, one account that is interest bearing at .50% and a interest bearing account over .50% that is fully collateralized.

VITAL SIGNS—(KEY PERFORMANCE INDICATORS)--CONTINUED

Month 1 - April 30, 2009

CUSTOMER ACCOUNT MAINTENANCE

Customers in the Water System	Beginning Balance	New Accounts/ Moved into Area	Moved Out of Service. Area	Ending Balance
April 2009		55	(10)	
Current YTD (2010)	38,955	55	(10)	39,000
Fiscal 2009	38,914	293	(252)	38,955
Fiscal 2008	38,877	497	(460)	38,914
Fiscal 2007	38,589	981	(693)	38,877
Fiscal 2006	38,449	573	(433)	38,589

Below is an analysis, by percentage, of the area customers 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 2009	218	8	2	1	0	1	230	21	3	11.0	2.74
Fiscal 2010	218	8	2	1	0	1	230	21	3	11.0	2.74

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 2009	3,113	46	61	16	15	4	3,255	32	4	13.2	3.3
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, 2009

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
Total Fiscal 2009	303	1,234	578	10,622	74	33	422	114	13,380

Month	Water Main Breaks / Install, etc.	Curb Box	Leak Investigations	Meters-- Inspect./ Special Reads / Replaced	Hydrants	Valves	Pavement Cuts	Other	TOTALS
April 2009 (FY 2010)	27	116	57	637	2	1	57	11	908

ACCOUNTS PAYABLE

	<u>Total</u>	<u>0-10</u>	<u>10-20</u>	<u>20-30</u>	<u>30-45</u>	<u>45+</u>	<u>Capital Project Retention</u>
April, 2009	\$371,209	\$57,842	\$86,471	\$71,769	\$8,165	\$15,613	\$131,349

SOLE SOURCE PROCUREMENT CONTRACTS:

In accordance with MVWA's procurement policy, the following sole source contracts were awarded following review and approval by the Executive Director and the Purchasing Officer: (Explanations are on file in the administrative offices)

<u>Department/Function</u>	<u>Supplier</u>	<u>Amount</u>	<u>Type of Service</u>
Water Quality/ Laboratory	Millapore	\$1,321	Repair of Microscope
Engineering/ Maintenance	Ross Valve Company	\$10,224	Repair of Ross Regulator Valve

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2009

Big Picture

Water Sales and Consumption:

Consumption

For fiscal year 2009 ended March 31, consumption was down 21.4 million cubic feet or 4.1% compared to the previous fiscal year and 10.2 million cubic feet or 2.0% compared to the consumption budget. This decrease affected our overall projected revenue and the rates for the 2010 year.

For the 1st month of the new fiscal year, monthly accounts are up 14% from March; however, down 6.0% from April a year ago. The quarterly accounts are down 6.0% compared to January (the previous time this section's accounts were read) and down 5.0% from January a year ago.

Water Sales

For the 1st month, water sales are greater than the budget by \$100,000. We will continue to monitor the effects that continued and prolonged decreases in consumption will have on water sales.

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2009

Big Picture-continued

Cash Flow: For the first month of the new fiscal year, less revenue and larger payouts to suppliers has resulted in a \$100,000 deficit. Based on past experience, the next several months should erase this deficit.

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

	MONTHLY ACTIVITY	
	TARGET	APRIL 2009
Cash Inflow	\$ 1,460,500	\$ 1,359,100
Outflows--		
Transfer to Fund Reserves	\$ -	\$ -
Personnel Costs	328,000	321,000
PILOTS	129,000	129,000
Debt Service	439,000	439,000
Payments to Suppliers	561,000	614,100
	1,457,000	1,503,100
 Cash Remaining	 \$ 3,500	 \$ (144,000)

LITIGATION EXPENSES RELATED TO LAWSUIT

FISCAL YEAR	PURPOSE	AMOUNT
2005	WATER PERMIT REVIEW & DISCOVERY	\$ 44,180
2006	DISCOVERY & DECLARATORY JUDGMENT	142,845
2007	DECLARATORY JUDGMENT ACTIVITY	243,757
2008	DECLARATORY JUDGMENT ACTIVITY	394,663
2009	DECLARATORY JUDGMENT ACTIVITY (Estimated to YE)	250,000
TOTAL		\$ 1,075,445

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2009

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, 4.2% of the monthly accounts were estimated. This is compared to 8.3% from the previous month.

--3.90% of the quarterly accounts were estimated. This is comparable to the 5.28% recorded in January (The prior time this area was billed).

MOHAWK VALLEY WATER AUTHORITY

COMPTROLLER'S MESSAGE

Month 1 - April 30, 2009

BILLING/COLLECTIONS:

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

Fiscal 2010	Beginning Balance	Sent to Collections	Amount Collected	Returned From Collections	Ending Balance
April 2009		0	0		
Fiscal 2010	\$ 1,419	\$ 0	\$ 0	\$ 0	\$ 1,419

Prior Fiscal Years		Sent to Collections	Amount Collected	Returned From Collections	
Fiscal 2009		\$ 179,504	\$ 66,227	\$ 119,077	
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	

Shut-Offs

Approximately 458 accounts "posted" for non-payment were addressed in March from a listing of back-logged work orders. An additional 354 were addressed in April. The majority paid and approximately 60 were shut-off. 332 remain from the overall account balance requiring additional attention (curb box, meter replaced, special digging, 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:

Date	Last Name	Acct. #	Address	Fee Amt.	Fee Paid	Evidence	Letter Sent	Posted	Shut Off	Status
10/27/08	Pideo	7D-26	1502 Whitesboro St	\$2,000		Meter	11/2/08		10/29/2008	11
1/16/09	Sanabria	16	Properties	\$64,000		Pictures/Meters				11

MOHAWK VALLEY WATER AUTHORITY

FLASH REPORT

Month 1 - April 30, 2009

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**.)

	Critical Ratio %	April	March	February	January	December	November
ASSETS							
Cash		\$ 4,326,293	\$ 4,350,337	\$ 3,942,873	\$ 4,204,040	\$ 4,704,854	\$ 5,058,231
Water Sales Receivable, Net		\$ 1,678,118	\$ 1,372,574	\$ 1,585,023	\$ 1,472,068	\$ 1,387,148	\$ 1,566,366
Trust Fund Assets		\$ 26,328,339	\$ 27,655,380	\$ 27,781,745	\$ 27,351,666	\$ 26,875,002	\$ 14,941,111
Utility Long Term Assets, Net		\$ 63,128,568	\$ 62,674,609	\$ 62,051,125	\$ 61,996,180	\$ 61,741,069	\$ 61,628,752
Total Assets		\$ 96,607,591	\$ 98,108,677	\$ 97,233,116	\$ 96,713,764	\$ 95,810,049	\$ 84,558,317
LIABILITIES							
Accounts Payable		\$ 429,254	\$ 461,729	\$ 553,538	\$ 767,533	\$ 464,109	\$ 968,557
Long Term Debt, Principal		\$ 66,858,950	\$ 67,811,947	\$ 67,962,804	\$ 67,948,661	\$ 67,934,518	\$ 56,040,392
Total Liabilities		\$ 71,542,210	\$ 72,486,691	\$ 72,619,681	\$ 72,607,629	\$ 71,872,891	\$ 60,639,586
EQUITY							
Unrestricted Earnings		\$ 3,454,139	\$ 4,301,529	\$ 4,898,653	\$ 4,391,354	\$ 4,222,398	\$ 4,204,437
Invested in Utility Plant, Net		\$ 18,178,331	\$ 16,944,829	\$ 16,944,829	\$ 16,944,829	\$ 16,944,829	\$ 16,944,829
Timber Sales Reserve		\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638
"3R" Reserve		\$ 873,635	\$ 872,264	\$ 872,264	\$ 872,264	\$ 872,256	\$ 872,101
Oper. and Maint. Reserve		\$ 574,433	\$ 872,264	\$ 573,062	\$ 573,054	\$ 573,054	\$ 572,899
Repair & Improvement		\$ 599,404	\$ 526,533	\$ 526,533	\$ 526,533	\$ 526,526	\$ 526,370
Bond Covenant Reserve		\$ 710,807	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456
Capital Maintenance Reserve		\$ 526,995	\$ 597,124	\$ -	\$ -	\$ -	\$ -
OPERATIONS - (Monthly Accumulation)							
	<i>Accum. Budget</i>	1st Month FY 2010	12th Month FY 2009	11th Month FY 2009	10th Month FY 2009	9th Month FY 2009	8th Month FY 2009
Water Sales	111%	\$ 1,391,302	\$ 16,353,628	\$ 15,081,700	\$ 13,774,673	\$ 12,442,114	\$ 11,159,063
Other Revenue	98%	\$ 174,823	\$ 2,288,196	\$ 2,111,659	\$ 1,976,634	\$ 1,824,412	\$ 1,600,660
Operating Expenses less PILOTS	75%	\$ 716,567	\$ 10,626,866	\$ 9,884,482	\$ 9,111,781	\$ 7,940,103	\$ 6,992,630
Debt Service, Interest only	100%	\$ 831,436	\$ 2,403,986	\$ 2,394,765	\$ 2,387,543	\$ 2,387,543	\$ 1,997,120
PILOT Payments	100%	\$ 128,746	\$ 1,553,163	\$ 1,424,418	\$ 1,295,673	\$ 1,166,928	\$ 1,037,178

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 1 - April 30, 2009

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	14 accounts	Parks / Recr. / Public Safety etc.	12,186	4,912	174	21	54	15	7,010	
City of Utica	16 accounts	All Other	6,612	972	40	70	460	108	4,962	
Ashford Clinton Corp.	2F 52BK	244 Roosevelt Dr. Utica	1,681	71	-	-	123	-	1,487	Posted
GID Properties	4A 132B	808 Wager Street	2,749	311	20	26	1,084	15	1,293	Posted
Andrew Randt	5F 133BK	1203-1205 Whitesboro Str. Utica	1,194	371	-	15	808	-	-	Posted
Chenda Phou	11G 153	1421 Brinckerhoff Avenue, Utica	1,054	51	27	8	62	22	884	Investigation
Gospel Light Baptist Church	12E 36A	1605 Agnes Ave. Utica	1,230	584	15	-	616	15	-	Investigation
Christina Joseph	13D 21	602 Eagle Street, Utica	1,316	74	31	11	76	15	1,109	Investigation
Joel Grimaldi	13D 25	1211 Conkling Ave. Utica	2,259	216	15	-	2,013	15	-	Posted
Stateside Properties	15B 152A	611 South Street, Utica	1,095	15	-	-	1,080	-	-	Posted
Milquiades Burdier	16E 122	664-66 Bleeker Street, Utica	1,070	15	11	7	157	6	874	Posted
Melvin Fargas	17F 42A	1107 Rutgers Street (2nd Fl)	1,814	-	-	300	1,512	2	-	Posted
Fabbio Jimenez	18A 104	528 St. Anthony Street, Utica	1,639	15	2	1	1,384	-	237	Posted
Daniel Emery	32R 95	11 Gilbert road, Whitesboro	1,008	-	147	6	21	125	709	Posted
Cybersports, Inc	34A 52A	8020 Ste. Route 12, NH	1,791	-	239	-	92	204	1,256	Investigation
Joseph Stanley	37B 58	2440 State Route 5, Utica	1,543	-	54	-	-	1,489	-	Posted
T. Klotz (also, see shut-offs)	22 accounts	See separate attachment	4,816	1,747	145	101	1,324	64	1,435	Posted

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 1 - April 30, 2009

DELINQUENT ACCOUNTS - SHUT-OFFS

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
Ocwen Loan Service	3A 49	1857-59 Merriline Ave. Utica	1,753	187	17	22	425	15	1,087	Shut-off
LaSonja Pulluaim	4C 32	904 Warren Street, Utica	1,173	381	3	16	547	15	211	Shut-off
Lawrence Raynor	6A 133	919 Lenox Ave. Utica	3,909	2,146	9	21	1,095	19	619	Shut-off
William Almas	8C 26	1424 Oneida St. Utica	2,378	422	12	23	613	15	1,293	Shut-off
Hari Lukac	8C 46BK	17 Clinton Pl. Utica	1,286	177	-	-	189	-	920	Shut-off
Hidalgo Diaz	10F 86	1506 Steuben Street, Utica	1,529	51	35	13	67	27	1,336	Shut-off
Magnus Ogunsanwo	11B 87A	1109-11 Linwood Place	1,116	380	16	-	290	15	415	Shut-off
Mark Brito	11C 55	214 James Street, Utica	1,052	51	28	8	62	22	881	Shut-off
Joseph Smoot	12B 68	1622 Dudley Ave (2nd Fl)	1,436	276	18	2	863	16	261	Shut-off
Margaret Natale	12B 89	339 Pleasant Street, Utica	3,876	51	69	36	90	40	3,590	Shut-off
Manuel Marte	13E 104	1131 West Street, Utica	1,084	51	22	5	180	17	809	Shut-off
Chanty Srey	16B 16	516 Lansing Street (1 Fl), Utica	1,422	15	18	12	81	4	1,292	Shut-off
Samnang Phou	16E 56	705 Elizabeth Street, Utica	1,249	-	18	12	12	12	1,195	Shut-off
Stanley Williams	16E 114	516 Mohawk Street, Utica	1,159	15	10	6	186	5	937	Shut-off
James Mazzatti	17B 25	923 Elizabeth Street, Utica	1,509	15	-	1	1,492	1	-	Shut-off
Alan Pflanz	30C 62	389 Oriskny Blvd. Utica	2,915	-	876	1,968	16	55	-	Shut-off
Michael Knapp	37B 14	2260 Route 5	3,954	-	864	39	24	68	2,959	Shut-off
Seco Leasing Corp.	50A 21	132-42 Hotel Street	1,730	15	103	106	200	103	1,203	Shut-off
Coolidge Mem. LLC	52B 60	106 Memorial Pkwy	8,793	15	605	550	1,044	534	6,045	Shut-off
Charles Property Mgmt.	55B 29	311-15 Whitesboro Street	4,644	15	221	199	362	173	3,674	Shut-off
Sandra Albert	3 accounts	See separate attachment	1,308	153	13	51	168	51	872	Shut-off
T. Klotz (also, see posted)	3 accounts	See separate attachment	3,539	351	119	65	699	142	2,163	Shut-off
City of Utica Delinquents-FY '09			189,684	-	-	-	-	-	189,684	
City of Utica Delinquents-FY '08			78,088	-	-	-	-	-	78,088	
City of Utica Delinquents-FY '07			71,218	-	-	-	-	-	71,218	
City of Utica Delinquents-FY '06			46,296	-	-	-	-	-	46,296	
City of Utica Delinquents - Prior Years			1,116,023	-	-	-	-	-	1,116,023	
Oneida County Delinquents			53,421	-	-	-	-	-	53,421	
Village Delinquents - FY '09			14,183	-	-	-	-	-	14,183	
Village Delinquents - Prior Years			90,113	-	-	-	-	-	90,113	
Remaining Accounts			1,521,912	981,920	116,307	119,405	142,816	47,593	113,871	Change
April, 2009			<u>3,278,809</u>	<u>996,041</u>	<u>120,303</u>	<u>123,126</u>	<u>162,387</u>	<u>51,037</u>	<u>1,825,915</u>	4.32%
March, 2009			<u>3,143,047</u>	<u>761,459</u>	<u>185,514</u>	<u>126,207</u>	<u>166,134</u>	<u>52,014</u>	<u>1,851,719</u>	-6.10%

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 1 - April 30, 2009

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	7,978,750	0	0	137,090	137,090	7,841,660
Fiscal 2003 Budgeted Capital Projects			<u>7,978,750</u>	<u>0</u>	<u>0</u>	<u>137,090</u>	<u>137,090</u>	<u>7,841,660</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	185,321	185,321	3,264,679
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	0	0	98,636	98,636	33,619
Clearwell	WTP	05-22-A	4,697,000	1,658	1,658	4,477,982	4,479,640	217,360
Fiscal 2005 Budgeted Capital Projects			<u>8,414,255</u>	<u>1,658</u>	<u>1,658</u>	<u>4,764,702</u>	<u>4,766,360</u>	<u>3,647,895</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	81,067	81,067	8,933
Tank-10m Gallon	Deerfield Tank	06-04-A	5,939,705	0	0	5,832,646	5,832,646	107,059
Fiscal 2006 Budgeted Capital Projects			<u>6,029,705</u>	<u>0</u>	<u>0</u>	<u>5,913,713</u>	<u>5,913,713</u>	<u>115,992</u>

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 1 - April 30, 2009

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	0	0	163,783	163,783	16,217
Main Replacement	York St., Utica	07-03-A	84,600	0	0	82,887	82,887	1,713
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	550,000	4,077	4,077	538,301	542,378	7,622
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	26,800	26,800	11,200
Water Tank	Smith Hill, Deerfield	07-10-A	600,000	0	0	2,331	2,331	597,669
Water Tank	Marcy Reservoir	07-12-A	4,454,500	0	0	143,134	143,134	4,311,366
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	56,670	56,670	-21,670
Main Extension	Mason Road	07-16-A	14,000	0	0	11,065	11,065	2,935
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	80,000	0	0	46,702	46,702	33,298
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	21,295	21,295	-1,295
In-Line Hydro Generation Study	WTP	07-22-B	11,000	0	0	3,013	3,013	7,987
Fiscal 2007 Budgeted Capital Projects			<u>7,579,910</u>	<u>4,077</u>	<u>4,077</u>	<u>1,304,738</u>	<u>1,308,815</u>	<u>6,271,095</u>

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 1 - April 30, 2009

CAPITAL PROJECTS - FY2009

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Main Replacement	Walnut St., Utica	09-01-A	65,000	0	0	28,547	28,547	36,453
Main Replacement	Colonial Dr. Utica	09-03-A	10,305	0	0	6,880	6,880	3,425
Main Replacement	Parkside Court	09-04-A	6,120	0	0	5,311	5,311	809
Main Replacement	Scott St, Utica	09-05-A	1,950	0	0	1,950	1,950	0
Butterfly Valve	Deerfield Reservoir	09-06-A	79,785	0	0	79,785	79,785	0
Sludge Removal	WTP	09-07-A	79,785	0	0	48,990	48,990	30,795
WQ Monitoring Station	Yorkville	09-08-A	0	0	0	13,180	13,180	-13,180
Water Main	Evergreen Dr-	09-09-A	0	0	0	453	453	-453
Powell Rd. Crossover - HP	Holland Patent	09-10-A	8,000	0	0	7,226	7,226	774
Asbestos Remediation	Kemble Street	09-11-B	10,000	0	0	5,895	5,895	4,105
Fiscal 2009 Budgeted Capital Projects			250,945	0	0	122,473	185,096	57,849

MOHAWK VALLEY WATER AUTHORITY

MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS

Month 1 - April 30, 2009

MONTHLY CONSUMPTION- (IN HUNDREDS OF CUBIC FEET)

	FISCAL 10	FISCAL 09	FISCAL 08	FISCAL 07	FISCAL 06
April	395,288	378,976	432,916	419,898	421,158
May	0	457,738	426,915	412,183	433,169
June	0	430,138	443,804	483,811	463,071
July	0	403,899	441,659	434,748	477,805
August	0	476,222	509,872	475,336	514,883
September	0	443,089	490,350	481,683	513,111
October	0	445,281	442,832	436,160	469,375
November	0	465,692	453,228	472,410	474,227
December	0	382,666	396,729	451,290	424,902
January	0	417,041	414,074	397,180	407,949
February	0	388,846	426,833	434,793	398,579
March	0	388,181	413,102	410,322	400,517
Total	<u>395,288</u>	<u>5,077,769</u>	<u>5,292,314</u>	<u>5,309,814</u>	<u>5,398,746</u>

MONTHLY WATER BILLINGS:

	FISCAL 2010			FISCAL 2009	
	Billings	Cash Receipts	Reading Areas	Billings	Cash Receipts
April	\$ 1,391,302	\$ 1,254,434	Area 1	\$ 1,199,556	\$ 1,000,257
May	0	0	Area 2	1,483,419	1,606,528
June	0	0	Area 3	1,367,807	1,564,270
July	0	0	Area 1	1,369,271	1,505,133
August	0	0	Area 2	1,498,222	1,300,309
September	0	0	Area 3	1,388,459	1,532,306
October	0	0	Area 1	1,399,083	1,375,866
November	0	0	Area 2	1,453,277	1,273,817
December	0	0	Area 3	1,283,018	1,532,110
January	0	0	Area 1	1,332,559	1,262,924
February	0	0	Area 2	1,307,028	1,205,149
March	0	0	Area 3	1,271,928	1,573,678
Total	<u>\$ 1,391,302</u>	<u>\$ 1,254,434</u>		<u>\$16,353,627</u>	<u>\$16,732,347</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, 2009

REVENUE

- *Metered Water Sales*: See page 4.
- *System Charge* – Both quarterly billed and monthly billed system charges are above budgeted estimates for the month.
- *Quarterly and Monthly Penalties and Unpaid Bill Fees* – Penalties are above budgeted estimate; however, the unpaid bill fee revenue is below. This may reflect our aggressive delinquent account program. Accounts are being paid or the use of water is being terminated.

MAJOR EXPENSE ACCOUNT ANALYSIS

Month 1 - April 30, 2009

	<u>April 2009</u>				
	Current Budget (Cash-Basis)	Actual (Accrual-Basis)	Percent of Current Budget	Favorable (Unfavorable) Variance	Monthly Variance Explanation
Finance & Accounting					
Contracted Services	8,115	9,086	111.97%	(971)	The number of credit card transactions are running higher than anticipated. Will monitor.
Information Technology					
Equipment	17,600	986	5.60%	16,614	Timing of purchases-Server 10k; PC replacement-\$5k
Contracted Services	22,011	8,492	38.58%	13,519	Timing of Services--Cool Ice Maint-\$7,500; software develop.--\$5k
Maintenance					
Vehicle & Equip. Repairs	10,160	12,365	121.70%	(2,205)	Vehicle repairs Higher than budgeted YTD. Will monitor.

MOHAWK VALLEY WATER AUTHORITY

FINANCIAL RATIOS

Month 1 - April 30, 2009

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 '09</u>	<u>Mar. '09</u>	<u>Feb. '09</u>	<u>Jan. '09</u>	<u>Dec. '08</u>	<u>Nov. '08</u>	<u>Avg.-Past Six months</u>
1.91	1.81	1.89	1.88	1.99	1.87	1.84

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 '09</u>	<u>Mar. '09</u>	<u>Feb. '09</u>	<u>Jan. '09</u>	<u>Dec. '08</u>	<u>Nov. '08</u>	<u>Avg.-Past Six months</u>
\$3,415,347	\$3,469,365	\$3,483,791	\$3,447,373	\$3,579,360	\$3,713,013	\$3,547,652

FINANCIAL RATIOS

Month 1 - April 30, 2009

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.

$$\text{(Total liabilities / Total assets)}$$

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 '09</u>	<u>Mar. '09</u>	<u>Feb. '09</u>	<u>Jan. '09</u>	<u>Dec '08</u>	<u>Nov '08</u>	<u>Avg.-Past Six months</u>
74%	74%	75%	75%	75%	73%	73%

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).

$$\text{(Total Cash Received / Total Debt Service (principal & interest) + PILOT payments)}$$

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 '09</u>	<u>Mar. '09</u>	<u>Feb. '09</u>	<u>Jan. '09</u>	<u>Dec '08</u>	<u>Nov '08</u>	<u>Avg.-Past Six months</u>
2.38	3.18	2.33	2.45	2.88	2.41	2.95

FINANCIAL RATIOS

Month 1 - April 30, 2009

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 09</u>	<u>Dec., Jan. Feb.09</u>	<u>Nov. Dec., Jan.09</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	52.29%	51.91%	56.95%	61.24%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	70.05%	69.67%	74.71%	79.00%
Remaining “Unaccounted-For Leakage”	29.95%	30.33%	25.29%	21.00%

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, 2009

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 \$89.00. 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 '09</u>	<u>Mar. '09</u>	<u>Feb. '09</u>	<u>Jan. '09</u>	<u>Dec '08</u>	<u>Nov '08</u>	<u>Avg.-Past Six months</u>
\$43.94	\$43.66	\$43.68	\$43.68	\$40.68	\$43.68	\$43.28

GLOSSARY OF TERMS

Month 1 - April 30, 2009

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, 2009

- 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.