

MOHAWK VALLEY WATER AUTHORITY

MONTHLY FINANCIAL REPORTING PACKAGE

Month 5: Month Ended August 31, 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	2009

Report produced by Jim Korfonta, Comptroller

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VITAL SIGNS—(KEY PERFORMANCE INDICATORS)

Month 5 - August 31, 2007

PRODUCTION & CONSUMPTION

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	May, June, July	April, May, June	March, April, May	Average Past 6 Months
Average Water Consumption	43,790,933	43,499,558	43,702,233	43,533,003
Average Water Production	81,388,406	78,974,116	75,988,580	72,795,838

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
August 2007		\$ 1,547,810	\$ 1,536,817	\$ 10,993	
Year-To-Date	\$ 3,147,760	\$ 7,265,270	\$ 6,862,740	\$ 402,530	\$ 3,550,290

CUSTOMER ACCOUNT MAINTENANCE

Customers in the Water System	Beginning Balance	New Accounts/ Moved into Area	Moved Out of Svs. Area	Ending Balance
August 2007		29	(39)	
Year-To Date (Fiscal 2008)	38,757	78	(174)	38,661
Fiscal 2007	38,589	861	(693)	38,757
Fiscal 2006	38,449	573	(433)	38,589

Breakdown of Customer Movement:

- Month to date, 608 final bills were processed of which 500 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 5 - August 31, 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.
August 2007	290	5	6	0	2	0	303	20	9	13.1	3.3
July 2007	289	6	2	1	1	1	300	21	9	14.5	3.6
June 2007	330	2	6	0	1	1	340	22	8	16.2	4.1
May 2007	288	6	6	0	1	5	306	20	11	13.9	3.5
April 2007	217	2	4	1	0	1	225	15	6	11.3	2.8
Year-To-Date	1,414	21	24	2	5	8	1,474	22	6	14.0	3.5

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 5 - August 31, 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	TOTALS
April, 2007	13	96	31	947	8	2	28	10	1,135
May, 2007	16	177	41	1,078	9	10	35	15	1,381
June, 2007	30	78	22	1,329	1	5	35	5	1,505
July, 2007	18	179	30	1,202	7	2	35	7	1,480

ACCOUNTS PAYABLE

	Total	0-10	10-20	20-30	30-50	50+	Capital Project Retention
August 2007	\$328,312	\$49,303	\$39,496	\$43,860	\$0	\$71,732	\$123,921

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 \$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.

COMPTROLLER'S MESSAGE

Month 5 - August 31, 2007

Big Picture

Water Sales and Consumption: For August, consumption increased 6.6 million cubic feet compared to the prior month and 7.6 million cubic feet more compared to the last time this section was billed (May).

This increase was concentrated in the quarterly accounts. There were corrections/ replacement of meters for some accounts estimated; business and restaurants billed quarterly used more during the summer months; and more usage by customers with pools during this relatively dry summer period.

Monthly consumption was relatively consistent with the prior month. A slight increase resulted.

COMPTROLLER'S MESSAGE

Month 5 - August 31, 2007

Big Picture-continued

Cash Flow: Year-to-date, our cash position continues to be positive. However, we have not been billed for paving by the contractor-this bill is anticipated at \$300,000. In addition, we are scheduled to make our annual retirement payment in December--\$500,000. In the near term, we need to be cautious in our spending habits.

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>AUGUST 2007</u>	<u>TARGET</u>	<u>ACTUAL</u>
Cash Inflow	\$ 1,500,000	\$ 1,548,000	\$ 7,100,000	\$ 7,265,000
Outflows--				
Transfer to Funds Reserves	\$ -	\$ -	\$ -	\$ -
Personnel Costs	489,000	500,000	1,793,000	1,799,000
PILOTS	136,000	132,000	680,000	670,000
Debt Service	376,000	385,000	1,898,000	1,898,000
Paving	49,000	-	320,000	-
Payments to Suppliers	450,000	520,000	2,350,000	2,496,000
	<u>1,500,000</u>	<u>1,537,000</u>	<u>7,041,000</u>	<u>6,863,000</u>
Cash Remaining	\$ -	\$ 11,000	\$ 59,000	\$ 402,000

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 (April thru July)	\$ 83,108
TOTAL		\$ 513,890

COMPTROLLER'S MESSAGE

Month 5 - August 31, 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 reports presented to the Finance Committee. This is to assist in our tampering efforts and to correct stopped meters.

For the month, 3% of the monthly accounts were estimated; 6% of the quarterly accounts were estimated.

Ongoing Initiatives--

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

BILLING/COLLECTIONS:

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

Fiscal 2008	Beginning Balance	Sent to Collections	Amount Collected	Returned From Collections	Ending Balance
August 2007		\$ 40,087	\$ 43,908	\$ 50,024	
July 2007		\$ 82,701	\$ 40,942	\$ 20,705	
June 2007		\$ 57,123	\$ 29,866	\$ 15,540	
May 2007		\$ 50,591	\$ 28,801	\$ 30,311	
April 2007		\$ 32,120	\$ 36,683	\$ 0	
Year to Date	\$ 150,174	\$ 262,622	\$ 180,200	\$ 116,580	\$ 116,016

Prior Fiscal Years	Beginning Balance	Sent to Collections	Amount Collected	Returned From Collections	Ending Balance
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 5 - August 31, 2007

BILLING/COLLECTIONS: (continued)

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

	Prior Month Balance	Customers Added/ Returned From Collections	Customers Paid	Shut-Off	Ending Balance
"Posted" Accounts	697	66	29	2	732

- Year to date, \$480,394 was posted; \$177,230 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.

Date	Last Name	Acct. #	Address	Fee Amt.	Fee Paid	Evidence	Letter Sent	Posted	Shut Off	Status
1/13/06	Marris	30A-74	16 Wind Pl	\$ 2,000	\$ 2,000	Pict/Admit	1/24/06			13
5/4/06	Muon	17A-28	677 Bleecker St	\$ 2,000	\$ 2,000	Pict/	5/24/06			13
5/24/06	Moun	12A-15	1428-30 Seymour	\$ 2,000	\$ 2,000	Pict	5/24/06			13
7/25/06	Helmes	14E-51	1134 Hilton Ave	\$ 2,000	\$ 2,000	Pict	7/25/06	8/8/06	2/01/07	13
8/9/06	Rivera	17E-171	715 Albany St	\$ 2,000	\$ 2,000	Pict	8/11/06			13
5/8/07	Gaumer	24C-17	7914 Seneca Tpke	\$ 2,000	\$ 2,000	Visual	05/10/07			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—Fine and/or misdemeanor assessed by Court. Case will be removed the following month.

MOHAWK VALLEY WATER AUTHORITY

FLASH REPORT

Month 5 - August 31, 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**.)

	Critical Ratio %	August	July	June	May	April	March
ASSETS							
Cash		\$ 3,181,152	\$ 3,552,192	\$ 3,376,098	\$ 2,976,205	\$ 2,790,403	\$ 2,913,196
Water Sales Receivable, Net		\$ 1,477,582	\$ 1,688,381	\$ 1,839,898	\$ 1,711,616	\$ 1,506,697	\$ 1,491,460
Trust Fund Assets		\$ 22,651,299	\$ 23,511,486	\$ 24,438,522	\$ 24,960,479	\$ 25,363,438	\$ 25,594,333
Utility Long Term Assets, Net		\$ 54,201,017	\$ 52,711,707	\$ 51,893,924	\$ 51,292,283	\$ 50,245,840	\$ 50,192,859
Total Assets		\$ 83,270,763	\$ 83,140,975	\$ 82,863,536	\$ 82,000,698	\$ 81,704,437	\$ 81,904,948
LIABILITIES							
Accounts Payable		\$ 328,312	\$ 485,946	\$ 1,044,444	\$ 324,297	\$ 483,438	\$ 409,720
Long Term Debt, Principal		\$ 59,794,817	\$ 59,780,675	\$ 59,766,532	\$ 61,835,906	\$ 60,012,322	\$ 60,649,660
Total Liabilities		\$ 63,669,655	\$ 63,735,972	\$ 64,082,884	\$ 63,610,016	\$ 63,966,165	\$ 63,904,386
EQUITY							
Unrestricted Earnings		\$ 1,100,770	\$ 904,667	\$ 285,578	\$ (164,392)	\$ (580,932)	\$ (314,089)
Invested in Utility Plant, Net		\$ 16,131,408	\$ 16,131,408	\$ 16,131,408	\$ 16,131,408	\$ 16,124,408	\$ 16,124,408
Timber Sales Reserve		\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638	\$ 147,638
"3R" Reserve		\$ 593,986	\$ 593,986	\$ 592,231	\$ 592,231	\$ 590,306	\$ 588,788
Oper. and Maint. Reserve		\$ 429,783	\$ 429,783	\$ 428,029	\$ 428,029	\$ 426,104	\$ 424,586
Repair & Improvement		\$ 547,066	\$ 547,066	\$ 545,312	\$ 545,312	\$ 543,387	\$ 541,869
Bond Covenant Reserve		\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 487,362	\$ 487,362
Increase in Net Assets		\$ 196,103	\$ 624,352	\$ 449,970	\$ 592,409	\$ (262,289)	\$ 593,110
OPERATIONS - (Monthly Accumulation)							
	<i>Accum. Budget</i>	5th Month FY 2008	4th Month FY 2008	3rd Month FY 2008	2nd Month FY 2008	1st Month FY 2008	12th Month FY 2007
Water Sales	104%	\$ 6,618,739	\$ 5,069,799	\$ 3,869,906	\$ 2,564,162	\$ 1,307,382	\$ 14,284,962
Other Revenue	115%	\$ 1,149,003	\$ 967,459	\$ 554,020	\$ 386,404	\$ 135,799	\$ 2,570,662
Operating Expenses less PILOTS	91%	\$ 4,157,211	\$ 2,985,971	\$ 2,178,748	\$ 1,410,985	\$ 797,053	\$ 9,669,829
Debt Service, Interest only	100%	\$ 897,916	\$ 897,916	\$ 897,897	\$ 597,494	\$ 330,403	\$ 1,458,313
PILOT Payments	100%	\$ 669,567	\$ 537,287	\$ 415,559	\$ 298,349	\$ 135,486	\$ 1,458,788
Excess Revenue after Expenses		\$ 446,119	\$ 577,310	\$ 529,833	\$ 61,407	\$ (14,368)	

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 5 - August 31, 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.

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
Parks and Facilities-City of Utica	3 accounts	Parks / Recreations / etc.	311	-	-	311	-	-	-	
Lillian Cooper Apts.	IC 80	276 Genesee St. Utica	2,595	-	-	1,192	40	1,363	-	Collection
Sarkis Zeina	1D 141	513 Henry Street - Utica, 13502	1,065	-	5	361	16	207	476	Posted
Arthur Randazzo	1E 152	11 Noyes Street, Utica	1,905	-	8	690	21	410	776	Posted
Mattie Brown	3F 94	702 Kirkland Street, Utica	1,214	-	-	606	15	553	40	Posted
Beverly Blum	5C 54	920 Haak Avenue, Utica	2,154	-	7	868	26	532	721	Posted
James Spratt	5f87	607 Lennox Ave.	1,036	-	-	129	907	-	-	Posted
Thornberry's	8B 55	1011 King Street, Utica	1,250	-	8	167	28	240	807	Posted
Som Manf Porm	10D 6	1335 Oneida Street, Utica	1,306	-	4	441	41	391	429	Posted
Gloria Sylvia	12A 45	1566 - 68 Seymour Avenue, Utica	1,262	-	293	2	19	266	682	Posted
Rafael & Nereda Perez	13D 117	1409 Taylor Avenue, Utica	1,014	-	184	3	20	443	364	Posted
Rafael & Nereda Perez	13D 117A	1409 Taylor Avenue, Utica	1,197	-	276	1	18	659	243	Posted
Jessencia Gonzalez	14F 72	1153 Hoover Avenue, Utica	1,574	-	536	16	1	596	425	Posted
Coolidge Rutger, LLC	15A 101A	7 Rutger Park, Utica	1,577	-	518	15	513	40	491	Posted
Forrest Austin	18b 122	1506 Catherine St.	1,090	-	232	15	232	15	596	Posted
Heritage Acres	22G 66	Birchdale Rd. Utica	2,488	714	-	15	919	15	825	Posted
Valley Brook Motel	27P 69	8463 Seneca Tnpke.	1,284	512	40	-	667	40	25	Collections
Ray Liuzzi	32D 52EN	546 Bretts Way	2,000	-	-	2,000	-	-	-	
Brenda Conway	33D 74	9163 Jones Road, Marcy	1,315	15	8	8	256	6	1,022	Posted
Stephen Gardner	33G 267A	9096 Koronowski Rd. Marcy	1,115	15	8	8	164	7	913	Posted
Claudia Loy	37C 15AA	356 Windfall Road, Utica	1,274	-	199	8	30	207	830	Posted
Greater Utica Food Bank	52A 49	114-118 Bleeker St. Utica	1,205	15	189	229	407	190	175	Collection
Macartovin apts	52B 7	1954 Genesee Street	2,400	15	745	810	830	-	-	Pd. 9/4
Lloyd Barth	52B 81	1121 Sumitt Place	1,051	15	404	253	379	-	-	Posted
Blackburn Properties, LLC	52D 76	2007 Beechgrove Pl. NH	4,303	15	359	374	2,849	374	332	Posted
Soggs, Pine, Soggs	55C 26H	122 Business Pk. Dr. NH	3,485	15	394	461	631	1,701	283	Posted
Timothy Klotz (see also shut-offs)	29 accounts	Multiple accounts listed seperately	13,180	2,945	410	309	3,620	501	5,395	Posted/collect.

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 5 - August 31, 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.

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
<u>DELINQUENT ACCOUNTS SHUT-OFF</u>										
Jessee R. Buckley	1E 85	708 Chestnut St., Utica	2,885	687	16	1,992	15	175	-	Shut-Off
Christina Dole	5E 102	P.O.Box 37 Remsdn, 13438	1,346	44	3	18	896	17	368	Shut-Off
Gloria Velez	5F 121	1226 Court St. Utica	4,184	210	-	15	3,911	-	48	Shut-Off
Carlos Humberto Chavez	7C 115	129-31 Matthews Ave. Utica	2,938	44	-	15	2,879	-	-	Shut-Off
Lewis Reuther	8F 137	1919 Butterfield Avenue, Utica	1,055	107	15	-	571	40	322	Shut-Off
Kim Tuy	10E 112	134-36 Elmwood St. Utica	3,731	-	17	2	3,376	40	296	Shut-Off
Timothy Lee	11F 164	1411 Howard Avenue, Utica	1,203	44	22	6	161	18	952	Shut-Off
Juan Jimenez	12C 162	1501 Dudley Street, Utica	1,233	200	15	-	222	-	796	Shut-Off
Francis Zongrone	13A 13	1610 Gibson Road, Utica	3,557	44	18	3	3,095	17	380	Shut-Off
Ingrid Grimm	24B 136	37 Pratt Street, Clark Mills	3,089	15	29	29	121	76	2,819	Shut-Off
9882 River Road Realty	33A 117	9882 River road, NH	1,602	-	8	395	24	361	814	Shut-Off
Dorothey Mae Weir	37A 102	2017 State, Route 5, Utica	1,437	-	51	-	1,183	155	48	Shut-Off
Tartan Textile Serv.	55B 29	311-15 Whitesboro Street, Utica	7,675	15	980	986	1,954	949	2,791	Shut-Off
Timothy Klotz (also, see above)	7 accounts	Multiple accounts listed seperately	2,150	478	47	17	491	101	1,016	Shut-Off
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			19,378	-	-	-	-	-	19,378	
City of Utica Delinquents-FY '04			95,979	-	-	-	-	-	95,979	
City of Utica Delinquents-FY '03			137,869	-	-	-	-	-	137,869	
City of Utica Delinquents-FY '02			196,000	-	-	-	-	-	196,000	
Oneida County Delinquents - FY '07			4,618	-	-	-	-	-	4,618	
Oneida County Delinquents - PY			46,809	-	-	-	-	-	46,809	
Remaining Accounts			1,667,499	608,033	205,295	193,706	132,403	133,528	394,534	Change
August, 2007			<u>2,534,834</u>	<u>614,197</u>	<u>211,343</u>	<u>206,476</u>	<u>163,951</u>	<u>144,233</u>	<u>1,194,634</u>	5.80%

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 5 - August 31, 2007

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
August, 2007			<u>2,534,834</u>	<u>614,197</u>	<u>211,343</u>	<u>206,476</u>	<u>163,951</u>	<u>144,233</u>	<u>1,194,634</u>	5.80%
July, 2007			<u>2,394,470</u>	<u>645,235</u>	<u>138,192</u>	<u>115,485</u>	<u>241,880</u>	<u>74,670</u>	<u>1,179,008</u>	-3.26%
June, 2007			<u>2,475,096</u>	<u>630,032</u>	<u>131,711</u>	<u>179,584</u>	<u>218,065</u>	<u>62,100</u>	<u>1,253,604</u>	2.26%
May, 2007			<u>2,420,454</u>	<u>489,168</u>	<u>290,215</u>	<u>192,006</u>	<u>150,551</u>	<u>92,308</u>	<u>1,206,206</u>	-2.17%
April, 2007			<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>	8.35%
March, 2007			<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>		-7.91%
February, 2007			<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>		3.32%
January, 2007			<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>		3.24%
December, 2006			<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>		-4.37%
November, 2006			<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>		4.85%
October, 2006			<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>		1.14%
September, 2006			<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>		0.22%
August, 2006			<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>		-3.44%

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 5 - August 31, 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	REMAINING BALANCE	
Toby Road Tank-Land Purchase	Marcy	25,000	0	0	2,500	0	2,500	22,500	
Toby Road Tank	Marcy	80,164	0	0	30,164	50,000	80,164	0	
Safety & Security	Water Treatment Plant	30,000	0	0	24,067	2,898	26,965	3,035	
New Tank--Pre-Design	Airport Industrial Park	30,000	0	0	67,630	0	67,630	-37,630	
Pump Station & Treatment Facility	System Wide	43,000	0	0	10,610	32,390	43,000	0	
Fiscal 2003 Budgeted Capital Projects		<u>183,164</u>	<u>0</u>	<u>0</u>	<u>132,471</u>	<u>0</u>	<u>85,288</u>	<u>217,759</u>	<u>-34,595</u>

CAPITAL PROJECTS - FY2005

CAPITAL PROJECT	LOCATION	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	ADD'L. COMMITTED	EXPENSED AND/OR COMMITTED	REMAINING BALANCE
Verona/Airport Tank & Mains	Verona/OC Airport	3,450,000	7,903	18,757	66,926	3,372,220	3,457,903	-7,903
SCADA-Computer Hardware	System Wide	39,255	0	0	51,186	0	51,186	-11,931
Hydrolic Analysis & GIS Dev.	System Wide	80,000	0	0	60,516	19,484	80,000	0
Main Replacement	New Hartford	90,000	0	0	7,671	82,000	89,671	329
Emergency Generator	City Hall	135,000	0	1,638	1,125	132,237	135,000	0
Main Replacement	Park Ave., Holland Pat.	93,750	0	0	37,458	54,654	92,112	1,638
Storage Tank #2-Higby Rd	New Hartford	20,000	0	0	24,197	0	24,197	-4,197
Distribution Analysis-Chloramines	System Wide	165,000	0	0	154,037	10,000	164,037	963
Tank Safety Ladder	Valley View Tank	19,500	0	0	19,500	0	19,500	0
Install Water Mains	Chapman Road	44,000	0	0	35,751	0	35,751	8,249
SCADA	System Wide	43,000	0	1,142	33,919	7,939	43,000	0
Clearwell	WTP	4,174,500	447,491	1,196,064	145,515	2,832,921	4,174,500	0
Fiscal 2005 Budgeted Capital Projects		<u>8,354,005</u>	<u>455,394</u>	<u>1,217,601</u>	<u>637,801</u>	<u>6,511,455</u>	<u>8,366,857</u>	<u>-12,852</u>

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 5 - August 31, 2007

CAPITAL PROJECTS - FY2006

CAPITAL PROJECT	LOCATION	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	ADD'L. COMMITTED	EXPENSED AND/OR COMMITTED	REMAINING BALANCE
Chemical Feed	WTP	7,500	0	0	7,500	0	7,500	0
Security Protection	WTP	20,000	0	0	20,264	0	20,264	-264
Water Main	Holland Patent	90,000	0	0	21,206	68,794	90,000	0
Tank- 10m Gallon	Deerfield Tank	5,500,000	963,176	2,133,059	324,342	3,042,599	5,500,000	0
Main Replacement	Commercial Drive	30,000	0	0	21,287	0	21,287	8,713
Main Replacement	Leah St.	51,600	0	0	23,056	0	23,056	28,544
Main Replacement	Sherman Drive & Tilden Ave	14,000	0	0	4,447	7,273	11,720	2,280
		<u>5,713,100</u>	<u>963,176</u>	<u>2,133,059</u>	<u>422,102 0</u>	<u>3,118,666</u>	<u>5,673,827</u>	<u>39,273</u>

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	REMAINING BALANCE
Corrosion Compliance Study	System Wide	180,000	590	28,024	64,110	88,456	180,590	-590
Main Replacement	Church St.	22,000	0	0	45,668	0	45,668	-23,668
Main Replacement	York St.	33,440	13,064	16,164	17,271	0	33,435	5
Pump Station	Cascade Drive, NH	180,000	0	0	937	0	937	179,063
System Improve.-WQ and Turnover	Sytem Wide	300,000	0	0	1,959	298,041	300,000	0
GIS & Hydrolic Modeling	Sytem Wide	400,000	0	35,119	269,874	95,007	400,000	0
Main Replacemwnts	Holland Patent	54,310	29,000	29,000	0	0	29,000	25,310
Water Tank	Smith Hill, Deerfield	600,000	955	955	269,874	0	270,829	329,171
WTP GAC PILOT Testing	WTP	35,000	3,500	22,750	0	12,250	35,000	0
Fiscal 2007 Budgeted Capital Projects		<u>1,888,750</u>	<u>47,109</u>	<u>4,398,130</u>	<u>1,464,927</u>	<u>6,662,292</u>	<u>12,525,349</u>	<u>672,101</u>

MOHAWK VALLEY WATER AUTHORITY

MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS

Month 5 - August 31, 2007

MONTHLY CONSUMPTION- (IN HUNDREDS OF CUBIC FEET)

	FISCAL 08	FISCAL 07	FISCAL 06	FISCAL 05	FISCAL 04
April	432,019	419,898	421,158	436,874	438,082
May	428,265	412,183	433,169	433,732	437,133
June	449,886	483,811	463,071	432,431	430,936
July	441,659	434,748	477,805	476,038	443,310
August	510,472	<u>475,336</u>	<u>514,883</u>	<u>469,873</u>	<u>440,876</u>
		2,225,976	2,310,086	2,248,948	2,190,337
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>2,262,301</u>	<u>5,309,814</u>	<u>5,398,746</u>	<u>5,368,949</u>	<u>5,419,130</u>

MONTHLY WATER BILLINGS:

	FISCAL 2008			FISCAL 2007	
	Billings	Cash Receipts	Reading Areas	Billings	Cash Receipts
April	\$ 1,309,707	\$ 1,019,228	Area 1	\$ 1,167,491	\$ 774,267
May	1,261,871	1,487,995	Area 2	1,168,917	1,303,161
June	1,310,916	1,219,228	Area 3	1,205,518	1,077,589
July	1,310,354	1,370,609	Area 1	1,214,680	1,260,740
August	1,459,484	1,412,101	Area 2	<u>1,296,257</u>	<u>1,365,171</u>
				6,052,863	5,780,928
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>\$ 6,652,332</u>	<u>\$ 6,509,161</u>		<u>\$14,415,394</u>	<u>\$14,262,776</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 5 - August 31, 2007

REVENUE

- *Metered Water Sales:*
 - Quarterly and Monthly Billings – For the month, water sales is above by \$163,000 compared to the prior year.
 - Overall Sales vs. Prior Year – Water sales are up \$600,000 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* –Metered Line Charges, Line Tap Charges, Curb Box Charges, and miscellaneous income are below estimates.

MAJOR EXPENSE ACCOUNT ANALYSIS

Month 5 - August 31, 2007

	<u>Month-To-Date</u>		Percent of Current Budget	Favorable (Unfavorable) Variance	<u>Explanation of Variance</u>
	Budget (Cash-Basis)	Actual-August 31, 2007 (Accrual-Basis)			
Administration					
Salaries	127,198	123,518	97.11%	3,680	Comptroller Contract outstanding
Contracted Services.-Legal Fees	104,250	83,108	79.72%	21,142	Have not been billed for August
Finance & Accounting					
Salaries	180,202	178,434	99.02%	1,768	Minimal variance-Internal auditor's annual review
Contracted Services	122,269	111,778	91.42%	10,491	Budgeted but not spent to date: Post Retirement Benefits valuation = \$15K favorable; Revaluation of fixed assets = \$7.5K favorable. Unfavorable variances year-to-date charges are: Lock-Box = \$10K; Credit cards = \$7K; Collection Agency = \$9K.
Training & Education	1,200	2,714	0.00%	(1,514)	Timing of training meter readers on hand held units.
Engineering					
Salaries	216,630	218,748	100.98%	(2,118)	Two employees cashed-in one week's vacation, per contract.
Travel	5,244	1,642	31.31%	3,602	NASTT (Trenching Conference) attendance has been postponed till summer/fall.
Training	5,970	1,000	16.75%	4,970	MWH Soft training/ EMA AC Drive Troubleshooting training scheduled but not attended to date
Contractor Services	27,764	73,414	264.42%	(45,650)	Tap card field management system = \$52 k not budgeted, This amt. is partially offset by state grant funds. Timing of engineering report budgeted in July = \$4K.

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 5 - August 31, 2007

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-August 31, 2007 (Accrual-Basis)			
Information Technology					
Operating Supplies	9,450	5,818	61.57%	3,632	Timing of purchases (ie. paper and toner).
Contracted Services	83,169	43,110	51.83%	40,059	Timing of pending charges : software licenses= \$10.5k; maintenance agreements = \$15.3k; IT contract support = \$9k; web page development over by \$6.0k.
Training and Education	4,585	1,600	34.90%	2,985	Staff training (word/excel) for certain staff. GIS and SCADA training not attended to date.
Water Quality					
Salaries	164,787	162,336	98.51%	2,451	Minimal favorable variance
Wages	12,827	12,727	99.22%	100	Employee hired as provincial plant operator. Minimal Variance
Operating Supplies	58,100	42,447	73.06%	15,653	Timing of supply purchases=\$10k. Other purchases of microbiological supplies unfavorable \$13k.
Contracted Services	9,400	3,457	36.78%	5,943	The following budgeted work has not been performed to date: a) maintenance service of lab equipment = \$.9K; b) regulated monitoring = \$3K; c) waste disposal = \$1K; summer interns-\$2.5K
Repairs	3,000	0	0.00%	3,000	No repair work performed to date.
Training and Education	2,250	6,472	287.64%	(4,222)	Training on new lab equipment not covered by federal grant--\$4.8k.
Treatment Plant					
Salaries	144,738	134,980	93.26%	9,758	Fav. variance due to timing of new hire after employee retirement.
Wages	5,076	8,685	171.10%	(3,609)	Unfavorable variance caused by a part-time employee working full-time hours.
Travel			-	0	
Small Equipment	10,800	2,370	21.94%	8,430	Timing of purchases: a) Chlorine Analyzer = \$3.8K; b) Radiator for generator = \$3.5K
Operating Supplies	311,020	269,613	86.69%	41,407	Timing of chemicals purchases
Contractor Services	16,775	9,931	59.20%	6,844	Sludge removal-budget 13K-actual 6.5K
Plant Repairs	10,000	9,609	96.09%	391	Repairs to maintain the WTP

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 5 - August 31, 2007

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-August 31, 2007 (Accrual-Basis)			
Maintenance					
Salaries	227,942	224,762	98.60%	3,180	Meter serviceman out on workman's compensation during April-fav. Variance will carry to y/e.
Wages	393,686	375,057	95.27%	18,629	Vacant positions presently filled-saving will carry to y/e.
Street Repair Materials	61,750	42,258	68.43%	19,492	Timing of material purchases including stone, cold patch, and rebar. Billing for paving estimated at \$300,000+--will be billed in coming
Small Equipment	8,500	3,464	40.75%	5,036	Gears for special valves have not been purchased to date= \$5.7K.
Operating Supplies	51,426	64,551	125.52%	(13,125)	Valve replacements =(\$16.8K) unfavorable, and general supplies (i.e., clamps, couplings, main supplies.etc.) are (\$4.5K) unfavorable.
Contracted Services	17,325	9,669	55.81%	7,656	Tank Cleaning-\$10k-in process of being conducted.
Training & Education	7,825	440	5.62%	7,385	Minimal safety training to date.
Vehicle & Equip. Repairs	63,100	40,034	63.45%	23,066	Repairs to hydro generators not required to date = \$6K. Repairs to vehicles and trucks are \$8.2K favorable.
Cash-Financed Construction					
Meters	106,200	102,506	96.52%	3,694	Favorability due to more favorable prices obtained from new a vendor.
Hydrants	14,000	29,513	210.81%	(15,513)	Full allotment of hydrants needed immediately.
General Services					
Electricity and Gas	170,153	150,658	88.54%	19,495	Timing of utility billing--Trend has shown increased consumption in following areas: a) 4 electric space heaters added to Pleasant St. location; b) increased number of customers being serviced by the Higby Rd. Pump Station (ie. Sitrin Nursing Home).
Heating Oil	12,480	23,057	184.75%	(10,577)	Timing of fuel oil purchases for the Treatment Plant.
Gas & Oil	63,345	52,209	82.42%	11,136	Year to date favorability due to the July gasoline purchases not invoiced. To assure uninterrupted operation, paid \$10K reserve.
Overtime					
Info. Technology	4,000	2,859	71.48%	1,141	
Water Quality	125	493	0.00%	(368)	
Treatment Plant	21,405	25,977	121.36%	(4,572)	
Maintenance	80,000	69,793	87.24%	10,207	

FINANCIAL RATIOS

Month 5 - August 31, 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>August '07</u>	<u>July '07</u>	<u>June '07</u>	<u>May '07</u>	<u>April '07</u>	<u>March '07</u>	<u>Avg.-Past Six months</u>
1.80	1.88	1.64	1.60	1.68	1.85	1.81

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>August '07</u>	<u>July '07</u>	<u>June '07</u>	<u>May '07</u>	<u>April '07</u>	<u>March '07</u>	<u>Avg.-Past Six months</u>
\$2,784,272	\$3,158,342	\$2,499,907	\$2,058,130	\$2,426,486	\$2,769,913	\$2,752,443

FINANCIAL RATIOS

Month 5 - August 31, 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>August '07</u>	<u>July '07</u>	<u>June '07</u>	<u>May '07</u>	<u>April '07</u>	<u>March '07</u>	<u>Avg.-Past Six months</u>
77%	77%	77%	78%	78%	78%	81%

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>August '07</u>	<u>July '07</u>	<u>June '07</u>	<u>May '07</u>	<u>April '07</u>	<u>March '07</u>	<u>Avg.-Past Six months</u>
2.99	2.95	2.61	3.30	2.28	3.86	3.24

FINANCIAL RATIOS

Month 5 - August 31, 2007

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 | <u>10.00%</u> |
| Total Other Unmetered Uses | 17.76% |

	<u>August '07</u>	<u>July '07</u>	<u>June '07</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	53.80%	55.08%	59.77%	60.39%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	71.56%	72.84%	77.53%	78.15%
Remaining “Unaccounted-For Leakage”	28.44%	27.16%	22.47%	21.85%

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 5 - August 31, 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>August '07</u>	<u>July '07</u>	<u>June '07</u>	<u>May '07</u>	<u>April '07</u>	<u>March '07</u>	<u>Avg.-Past Six months</u>
\$39.76	\$40.22	\$39.13	\$39.67	\$34.31	\$37.11	\$34.32

GLOSSARY OF TERMS

Month 5 - August 31, 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 5 - August 31, 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.