

MOHAWK VALLEY WATER AUTHORITY

MONTHLY FINANCIAL REPORTING PACKAGE

Month 9: Month Ended December 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
Frank Trevisani	2009

Report produced by Jim Korfonta, Comptroller

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VITAL SIGNS—(KEY PERFORMANCE INDICATORS)

Month 9 - December 31, 2007

PRODUCTION & CONSUMPTION

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	September, October, November	August, September, October	July, August, September	Average Past 6 Months
Average Water Consumption	46,213,728	48,101,864	48,062,764	42,226,667
Average Water Production	76,723,824	78,118,560	80,279,731	76,853,049

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
December 2007		\$ 1,564,520	\$ 1,985,845	\$ (421,325)	
Year-To-Date	\$ 3,147,760	\$ 14,131,765	\$ 13,062,915	\$ 1,068,850	\$ 4,216,610

CUSTOMER ACCOUNT MAINTENANCE

Customers in the Water System	Beginning Balance	New Accounts/ Moved into Area	Moved Out of Svs. Area	Ending Balance
December 2007		16	(34)	
Year-To Date (Fiscal 2008)	38,877	368	(363)	38,882
Fiscal 2007	38,589	981	(693)	38,877
Fiscal 2006	38,449	573	(433)	38,589

Breakdown of Customer Movement:

- Month to date, 1,231 final bills were processed of which 1,024 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 9 - December 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.
December 2007	258	5	2	0	0	1	266	21	5	13.3	3.3
November 2007	231	2	3	0	1	4	241	20	3	13.4	3.8
October 2007	349	6	6	0	2	1	364	23	1	16.5	4.1
September 2007	310	2	7	1	1	2	323	27	7	17.0	4.3
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	2,562	36	42	3	9	16	2,668	27	1	14.0	3.7

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 9 - December 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
August, 2007	35	63	35	1,246	4	0	37	13	1,433
September, 2007	26	40	20	1,250	5	3	30	13	1,387
October, 2007	39	74	40	1,602	4	3	35	12	1,809
November, 2007	42	67	24	1,197	5	4	52	8	1,399

ACCOUNTS PAYABLE

	Total	0-10	10-20	20-30	30-50	50+	Capital Project Retention
December 2007	\$2,145,388	\$282,065	\$993,403	\$518,236	\$1,125	\$21,605	\$328,954

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.

Big Picture

Water Sales and Consumption:

Overall, consumption dropped 5 million cubic feet compared to the prior month. The largest declines were monthly accounts which decreased 3.4 million cubic feet. Quarterly consumption decreased 2 million cubic feet or 7% compared to September, the last time this section was billed.

Water sales also decreased \$130,000 overall. Quarterly accounts decreased \$77,000 compared to September, the last time these accounts were billed.

Monthly billing decreased \$53,500. This is due primarily to some larger accounts (Sitrin Home, Faxton Hospital) using less water.

COMPTROLLER'S MESSAGE

Month 9 - December 31, 2007

Big Picture-continued

Cash Flow: Year-to-date, our cash position remains positive following an anticipated decline of approximately \$430,000 due to the NYS Retirement payment of \$460,000. We received the much anticipated paving bill and are currently evaluating the detail for accuracy. Our cash balance is strong as we head into the last quarter of the fiscal year. However, some larger anticipated payments are on the horizon including paving and insurance.

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

	MONTHLY ACTIVITY		YEAR-TO-DATE ACTIVITY	
	TARGET	DECEMBER 2007	TARGET	ACTUAL
Cash Inflow	\$ 1,500,000	\$ 1,565,000	\$ 13,100,000	\$ 14,132,000
Outflows--				
Transfer to Funds Reserves	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000
Personnel Costs	326,000	364,000	3,097,000	3,162,000
PILOTS	136,000	133,000	1,197,000	1,200,000
Debt Service	398,000	399,000	3,461,000	3,467,000
Payments to Suppliers	450,000	718,000	4,795,000	4,862,000
	1,682,000	1,986,000	12,922,000	13,063,000
Cash Remaining	\$ (182,000)	\$ (421,000)	\$ 178,000	\$ 1,069,000

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 November)	\$ 251,219
TOTAL		\$ 682,000

MOHAWK VALLEY WATER AUTHORITY

COMPTROLLER'S MESSAGE

Month 9 - December 31, 2007

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

CURRENT CUSTOMER SERVICE ACTIVITY

New Initiatives—

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

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, 2.0% of the monthly accounts were estimated; 5.0% of the quarterly accounts were estimated.

- We are in the final stages on a layout for the web site for on-line viewing of customer's accounts.

We are currently out-to-bid for comprehensive banking services for a three-year period. Once a bank is hired (anticipated to start April 1), we will finalize the process of accepting on-line payments and requesting service work orders on-line.

BILLING/COLLECTIONS:

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

Fiscal 2008	Beginning Balance	Sent to Collections	Amount Collected	Returned From Collections	Ending Balance
December 2007		\$ 30,597	\$ 16,529	\$ 22,324	
November 2007		\$ 38,191	\$ 30,947	\$ 27,155	
October 2007		\$ 70,770	\$ 50,917	\$ 35,669	
September 2007		\$ 85,672	\$ 30,264	\$ 5,642	
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	\$ 487,852	\$ 308,857	\$ 207,370	\$ 121,799

Prior Fiscal Years		Sent to Collections	Amount Collected	Returned From Collections	
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 9 - December 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	794	126	60	19	841

- Year to date, \$939,259 was posted; \$375,939 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
5/8/07	Gaumer	24C-17	7914 Seneca Ter	\$2,000	\$2,000	Visual	5/10/07			11
7/3/07	Rios	7D-20	25-27 Kernan	\$2,000	\$800	Pictures	7/11/07	8/10/07		11
10/4/07	Tallman	27C-55	40 Jordon rd	\$2,000		Pictures	10/04/07			11
10/11/07	Bender	6C-68	1213 York St	\$2,000		Meter	10/24/07			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 9 - December 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 %	December	November	October	September	August	July
ASSETS							
Cash		\$ 4,226,374	\$ 4,766,262	\$ 4,958,825	\$ 3,318,441	\$ 3,181,152	\$ 3,552,192
Water Sales Receivable, Net		\$ 1,184,249	\$ 1,358,758	\$ 1,248,977	\$ 1,755,955	\$ 1,477,582	\$ 1,688,381
Trust Fund Assets		\$ 17,360,692	\$ 18,338,121	\$ 20,914,932	\$ 21,851,014	\$ 22,651,299	\$ 23,511,486
Utility Long Term Assets, Net		\$ 59,624,161	\$ 59,260,889	\$ 56,781,974	\$ 55,160,147	\$ 54,201,017	\$ 52,711,707
Total Assets		\$ 83,399,993	\$ 84,781,644	\$ 85,275,734	\$ 84,033,735	\$ 83,270,763	\$ 83,140,975
LIABILITIES							
Accounts Payable		\$ 1,249,971	\$ 2,476,949	\$ 2,249,656	\$ 466,325	\$ 328,312	\$ 485,946
Long Term Debt, Principal		\$ 58,439,820	\$ 58,517,246	\$ 59,743,103	\$ 59,728,961	\$ 59,794,817	\$ 59,780,675
Total Liabilities		\$ 62,745,931	\$ 64,230,492	\$ 65,278,887	\$ 63,964,706	\$ 63,669,655	\$ 63,735,972
EQUITY							
Unrestricted Earnings		\$ 1,741,718	\$ 2,152,647	\$ 1,458,381	\$ 1,584,596	\$ 1,100,770	\$ 904,667
Invested in Utility Plant, Net		\$ 16,131,408	\$ 16,131,408	\$ 16,131,408	\$ 16,131,408	\$ 16,131,408	\$ 16,131,408
Timber Sales Reserve		\$ 147,638	\$ 147,638	\$ 147,639	\$ 147,638	\$ 147,638	\$ 147,638
"3R" Reserve		\$ 860,758	\$ 606,722	\$ 606,695	\$ 539,991	\$ 593,986	\$ 593,986
Oper. and Maint. Reserve		\$ 561,556	\$ 442,520	\$ 442,493	\$ 429,789	\$ 429,783	\$ 429,783
Repair & Improvement		\$ 560,527	\$ 559,803	\$ 559,777	\$ 547,072	\$ 547,066	\$ 547,066
Bond Covenant Reserve		\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456
OPERATIONS - (Monthly Accumulation)							
	Accum. Budget	9th Month FY 2008	8th Month FY 2008	7th Month FY 2008	6th Month FY 2008	5th Month FY 2008	4th Month FY 2008
Water Sales	105%	\$ 11,944,896	\$ 10,710,109	\$ 9,376,789	\$ 8,019,666	\$ 6,615,051	\$ 5,175,340
Other Revenue	168%	\$ 3,088,147	\$ 2,874,127	\$ 1,773,883	\$ 1,389,546	\$ 1,213,956	\$ 994,467
Operating Expenses less PILOTS	93%	\$ 7,878,363	\$ 7,057,543	\$ 5,951,991	\$ 5,027,706	\$ 4,324,033	\$ 3,369,199
Debt Service, Interest only	100%	\$ 1,918,713	\$ 1,918,713	\$ 1,556,903	\$ 919,497	\$ 908,715	\$ 897,916
PILOT Payments	100%	\$ 1,199,688	\$ 1,066,407	\$ 934,127	\$ 801,847	\$ 669,567	\$ 537,287

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 9 - December 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
City of Utica	25 accounts	Parks / Recreations / etc.	4,295	165	850	1,459	1,351	470	4,087	
Sam Phou	1C 17	6 Cornelia Place, Utica	1,718	-	18	3	1,549	2	146	Collection
Howard Quick	5D 99	P.O. Box 65, Herkimer, NY	1,496	15	2	2	1,096	1	380	Posted
Unice Elliot	6C 81	1209 Gray Avenue, Utica	1,156	15	7	7	211	5	911	Posted
Angel Rios	7D 20	424 French Road, Utica	1,756	15	-	-	240	-	1,501	Posted
Utica Urban Renewal	8B 28BK	253 Genesee Street, Utica	1,059	15	9	9	74	8	944	Posted
Som Mang Porm	10D 6	1335 Oneida Street, Utica	1,749	15	9	8	410	4	1,303	Posted
Sapi Dussi	10D 8	1309-13 Oneida Street, Utica	1,082	15	5	5	359	-	698	Posted
M of M Inc.	11G 69	1318 Brinckerhoff Ave (1 Flr)	1,103	15	7	7	190	4	880	Posted
Donald Shaub	11G 97	1308 Dudley Avenue, Utica	1,046	15	2	1	815	1	212	Collection
Gloria Sylvia	12A 45	1566 - 68 Seymour Avenue, Utica	1,628	15	10	10	331	6	1,256	Posted
Theresa Ricci	12F 139	1613-15 Jane Avenue, Utica	1,031	15	7	122	21	6	860	Posted
SueAnn Stevens	13C 102	1139 Seymour Avenue, Utica	1,019	15	7	126	17	3	851	Posted
Rafael & Nereda Perez	13D 117	1409 Taylor Avenue, Utica	1,117	15	8	59	19	4	1,012	Posted
Rafael & Nereda Perez	13D 117A	1409 Taylor Avenue, Utica	1,298	15	9	60	17	2	1,195	Posted
Kimberly Wands	14E 124	1116 Webster Avenue, Utica	1,042	15	5	245	17	2	758	Posted
Colleen Carlo	14J 59	2223 Pinnacle Drive, Utica	1,037	-	9	59	19	62	888	Posted
Coolidge Rutger, LLC	15A 101A	7 Rutger Park, Utica	2,133	-	11	524	20	518	1,060	Posted
Mohamed Hashim	16E 94	1109 Court Stret, Utica	1,054	-	4	388	16	262	384	Posted
Stanley Williams	16E 114	513 Mohawk Street, Utica	1,362	-	7	494	20	188	653	Posted
Oscar Humberto Pineda	17A 127	822 Edward Street, Utica	1,043	-	9	60	23	56	895	Posted
Lloyd Barth	17D 23	612 Kossuth Avenue, Utica	1,189	-	1	727	40	273	148	Collection
Lawrence Spada, III	17F 64	1003-5 Rutger Street, Utica	1,385	-	3	631	17	370	364	Posted
Paul Kelly	24B 54	7 Hoyland Avenue, Utica	1,000	-	144	21	5	134	696	Collection
Timothy Tallman	27C 55	40 Jordan Rd. New Hartford	1,947	-	135	-	1,812	-	-	Collection
Tom Clynne	31B 28BK	1205 Utica Street, Oriskany	1,198	207	6	21	154	16	794	Collection
Tony's Sports Bar	28H 17	3921 Oneida Street, Utica	1,072	396	15	-	646	15	-	Posted
Carcuzzi Car Wash	28H 151A	9310 Chapman Rd. Utica	3,281	1,402	15	-	1,849	15	-	Collection
Brian Palmer	32S 120	6 Elm Street, Whitesboro	2,054	474	5	20	618	18	919	Posted

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 9 - December 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
Anthony Nassar	33A 77	9835 River Road, Utica	1,067	359	-	15	438	15	240	Collection
Sheila Bernier	33D 146D	7579 State Rte. 5, Clinton	1,104	521	15	-	568	-	-	Collection
Robert McMurray	33G 18	5934 Cavanaugh Rd. Marcy	1,164	296	15	2	437	414	-	Collection
Victor Rodriguez	33G 82	6373 Cavanaugh Rd. Marcy	1,123	227	15	-	356	15	510	Collection
Heritage Acres	37A 84	Mapleton Drive, Schuyler	2,607	1,321	15	-	1,271	-	-	
Heritage Acres	37A 95	Birchdale Rd. Schuyler	2,287	1,033	15	-	1,239	-	-	
Heritage Acres	37A 95A	1593 Herkimer Road, Utica	3,621	1,671	15	-	1,935	-	-	
Reward, Inc DBA / McGillis	37B 1B	2102 Rte. 5, Utica	1,679	555	15	-	1,109	-	-	Collection
Algonquin Corp	50D 5	1434 Genesee Street Utica	1,001	15	122	752	112	-	-	Posted
T. Klotz (also, see dhut-offs)	28 accounts	See separate attachment	16,343	358	327	1,136	3,213	1,066	10,243	Posted/collect.

DELINQUENT ACCOUNTS SHUT-OFF

Wojciek Teplicki	1D 108	637 Tracy Street, Utica	1,060	-	23	7	229	5	796	Shut-Off
Jesee Buckley	1E 85	261 Western Hills Drive	3,112	-	37	22	68	2	2,983	Shut-Off
Beverly Blum	5C 54	920 Haak Avenue, Utica	1,968	15	9	9	134	7	1,794	Shut-Off
Christina Dole	5E 102	P.O.Box 37 Remsden, 13438	1,516	15	13	13	119	4	1,352	Shut-Off
James Spratt	5F 87	607 Lenox Ave, Utica	1,280	15	-	-	230	-	1,035	Shut-Off
James Spratt	11E 150	1507 Miller Street, Utica	1,098	15	2	2	835	1	243	Shut-Off
l. Raner & S Sharp	6A 133	919 Lenox Avenue, Utica	1,232	15	6	6	334	4	867	Shut-Off
McDonald Bovee	6E 113	1327 Butternut Street, Utica	1,006	15	9	8	66	1	907	Shut-Off
Carlos Humberto Chavez	7C 115	129-31 Matthews Ave. Utica	3,132	15	29	29	116	-	2,943	Shut-Off
Lewis Reuther	8F 137	1919 Butterfield Avenue, Utica	1,174	15	9	9	69	3	1,069	Shut-Off

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 9 - December 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
Kim Tuy	10E 112	134-36 Elmwood St. Utica	3,812	-	38	37	3	3	3,731	Shut-Off
Timothy Lee	11F 164	1411 Howard Avenue, Utica	1,334	15	12	12	75	10	1,210	Shut-Off
Juan Jimenez	12C 162	1501 Dudley Street, Utica	1,380	15	10	10	74	8	1,263	Shut-Off
Francis Zongrone	13A 13	1610 Gibson Road, Utica	3,846	15	35	211	19	4	3,562	Shut-Off
Ingrid Grimm	24B 136	37 Pratt Street, Clark Mills	3,327	-	82	46	30	80	3,089	Shut-Off
Seco Leasing Corp	50A 21	132-42 Hotel Street, Utica	1,225	15	82	96	184	93	755	Shut-Off
Coolidge Mem, LLC	52B 60	106 Memorial Parkway, Utica	3,275	15	459	469	939	469	924	Shut-Off
T. Klotz (also, see above)	7 accounts	See separate attachment	2,779	30	47	117	487	62	2,036	Shut-Off
Sandra Albert	3 accounts	See separate attachment	1,177	-	52	7	202	5	911	Shut-Off
Raymond DeCarr	3 accounts	See separate attachment	374	66	1	1	66	1	239	Shut-Off
City of Utica Delinquents-FY '07			125,220	-	-	-	-	-	125,220	
City of Utica Delinquents-FY '06			68,407	-	-	-	-	-	68,407	
City of Utica Delinquents-FY '05			15,690	-	-	-	-	-	15,690	
City of Utica Delinquents-FY '04			90,800	-	-	-	-	-	90,800	
City of Utica Delinquents-FY '03			137,869	-	-	-	-	-	137,869	
City of Utica Delinquents-FY '02			195,909	-	-	-	-	-	195,909	
Oneida County Delinquents - FY '07			4,618	-	-	-	-	-	4,618	
Oneida County Delinquents - PY			54,461	-	-	-	-	-	54,461	
Remaining Accounts			1,303,286	409,834	191,705	128,225	254,435	60,459	258,628	Change
December, 2007			<u>2,114,800</u>	<u>419,335</u>	<u>194,533</u>	<u>136,309</u>	<u>281,348</u>	<u>65,176</u>	<u>1,018,099</u>	-6.94%
November, 2007			<u>2,272,481</u>	<u>577,225</u>	<u>225,313</u>	<u>222,736</u>	<u>172,859</u>	<u>118,509</u>	<u>955,839</u>	3.79%
October, 2007			<u>2,189,574</u>	<u>649,217</u>	<u>172,373</u>	<u>87,196</u>	<u>220,631</u>	<u>48,758</u>	<u>1,011,399</u>	-13.57%
September, 2007			<u>2,533,231</u>	<u>870,462</u>	<u>146,119</u>	<u>170,314</u>	<u>239,366</u>	<u>61,339</u>	<u>1,045,631</u>	-0.06%
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>	5.86%
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%

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 9 - December 31, 2007

CAPITAL PROJECTS - FY2003

CAPITAL PROJECT	LOCATION	AMENDED 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	1,250	30,164	48,750	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 Facili	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>1,250</u>	<u>132,471</u>	<u>0</u>	<u>84,038</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	0	44,556	66,926	3,338,518	3,450,000	0
SCADA-Computer Hardware	System Wide	39,255	0	0	51,186	0	51,186	-11,931
Hydraulic 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
Storage Tank #2-Higby Rd	New Hartford	20,000	0	0	24,197	0	24,197	-4,197
Distribution Analysis-Chloramine	System Wide	165,000	0	0	154,037	10,000	164,037	963
SCADA	System Wide	43,000	327	7,954	33,919	1,127	43,000	0
Clearwell	WTP	4,174,500	322,070	3,192,619	145,515	836,366	4,174,500	0
Fiscal 2005 Budgeted Capital Projects		<u>8,196,755</u>	<u>322,397</u>	<u>3,246,767</u>	<u>545,092</u>	<u>4,419,732</u>	<u>8,211,591</u>	<u>-14,836</u>

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 9 - December 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	6,350	21,206	62,444	90,000	0		
Tank-10m Gallon	Deerfield Tank	5,500,000	147,440	4,072,351	324,342	1,103,307	5,500,000	0		
		<u>5,617,500</u>	<u>147,440</u>	<u>4,078,701</u>	<u>0</u>	<u>373,312</u>	<u>0</u>	<u>1,165,751</u>	<u>5,617,764</u>	<u>-264</u>

CAPITAL PROJECTS - FY2007

CAPITAL PROJECT	LOCATION	AMENDED 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	2,934	58,864	64,110	57,026	180,000	0
Main Replacement	York St., Utica	33,440	0	18,070	17,271	0	35,341	-1,901
Pump Station	Cascade Drive, NH	180,000	0	0	937	0	937	179,063
System Improve.-WQ and Turnc	System Wide	300,000	0	0	1,959	298,041	300,000	0
GIS & Hydraulic Modeling	System Wide	400,000	0	106,627	269,874	23,499	400,000	0
Main Replacement/Crossings	Holland Patent	54,310	0	53,310	0	0	53,310	1,000
Ladder Safety/ Security	WTP-Backwash Tank	38,000	0	0	0	0	0	38,000
Water Tank	Smith Hill, Deerfield	600,000	0	975	0	0	975	599,025
Water Tank	Marcy Reservoir	3,100,000	0	0	0	0	0	3,100,000
Canal Crossing	Marcy	1,000,000	0	6,161	0	0	6,161	993,839
Activated Carbon PILOT	WTP	35,000	1,225	28,700	0	6,300	35,000	0
Main Extension	Mason Road	14,000	6,151	6,151	0	0	6,151	7,849
Safety/Security/Equipment	System Wide	12,000	0	0	0	0	0	12,000
Security Surveillance Projects	System Wide	20,000	0	0	0	0	0	20,000
Leak Detection-Phase IV-VI	System Wide	25,000	0	0	0	0	0	25,000
Fiscal 2007 Budgeted Capital Projects		<u>6,075,750</u>	<u>10,310</u>	<u>8,429,910</u>	<u>1,051,805</u>	<u>2,653,924</u>	<u>12,135,639</u>	<u>5,057,611</u>

MOHAWK VALLEY WATER AUTHORITY

MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS

Month 9 - December 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	475,336	514,883	469,873	440,876
September	493,270	481,683	513,111	449,233	546,365
October	446,832	436,160	469,375	529,942	477,584
November	453,228	472,410	474,227	424,247	458,962
December	403,309	451,290	424,902	426,796	416,941
		4,067,519	4,191,701	4,079,166	4,090,189
January	0	397,180	407,949	409,415	463,977
February	0	434,793	398,579	452,494	428,836
March	0	410,322	400,517	427,874	436,128
Total	<u>4,058,940</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	1,456,458	Area 2	1,168,917	1,303,161
June	1,310,916	1,180,125	Area 3	1,205,518	1,077,589
July	1,310,354	1,337,397	Area 1	1,214,680	1,260,740
August	1,459,484	1,375,328	Area 2	1,296,257	1,365,171
September	1,396,332	1,188,049	Area 3	1,265,491	1,124,613
October	1,363,214	1,896,068	Area 1	1,247,789	1,394,845
November	1,339,290	1,221,617	Area 2	1,224,796	1,133,510
December	1,208,607	1,414,089	Area 3	1,132,871	1,283,037
				10,923,810	10,716,933
January	0	0		1,134,424	1,062,568
February	0	0		1,200,168	1,118,333
March	0	0		1,156,992	1,364,942
Total	<u>\$11,959,775</u>	<u>\$12,088,359</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 9 - December 31, 2007

REVENUE

- *Metered Water Sales:*

- Quarterly and Monthly Billings – For the month, water sales is above by \$76,000 compared to the prior year.

- Overall Sales vs. Prior Year – Water sales is up \$1,037,000 for the year compared to the prior year.

- “*System Charge*” – Both quarterly billed and monthly billed system charges are consistent with budget.
- *Quarterly and Monthly Penalties and Unpaid Bill Fees* –Overall, penalties are above budget estimates. Penalties are above budget by \$110,000 and unpaid bill fee are above by \$30,000. Cash collection of these assessments is in the range of 85% to 90%, on target with budgeted amounts.
- Interest Income from operating funds is above by \$59,000 or 48% of the budget. Interest from trust funds is above by \$200,000 or 50% of the budget. We must calculate arbitrage in the next months on bonded funds to determine if rebates are due on some serial bonds.

REVENUE ITEMS FALLING BELOW BUDGET

- *Other Delinquent Charges*— Revenue from shut-off fees and metered line charges continue to be below estimates.
- *Lab Fees*-Revenue is below budget due to the timing of EPA’s LT2 standard. This has recently gone into affect which will result in additional lab testing revenue from outside samples.
- *Other Charges*--Metered Line Charges, installation fees, Line Tap Charges, Curb Box Charges, and miscellaneous income are below estimates.

MAJOR EXPENSE ACCOUNT ANALYSIS

Month 9 - December 31, 2007

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Dec-31, 2007 (Accrual-Basis)			
Administration					
Salaries	219,706	218,732	99.56%	974	Minimal variance
Contracted Services	51,250	40,228	78.49%	11,022	Feasibility study for marketing bottled water has not occurred. This represents \$15K favorability year to date.
Contracted Services.-Legal Fees	187,650	268,450	143.06%	(80,800)	The annual budget has been exceeded. However, proceedings may be winding down.
Finance & Accounting					
Salaries	311,258	309,655	99.48%	1,603	Minimal variance
Office Materials	1,355	3,484	257.12%	(2,129)	Overrun attributed to the printing of financial reports.
Contracted Services	176,453	189,389	107.33%	(12,936)	Budget overruns in banking services as well as collection agency charges- these will carry to y/e.
Training & Education	1,500	2,909	0.00%	(1,409)	Meter Readers' training of hand held devices exceeded budgeted amount.
Engineering					
Salaries	374,178	377,168	100.80%	(2,990)	Two employees cashed-in one week's vacation, per contract.
Travel	8,529	2,341	27.45%	6,188	Did not attend the scheduled training events--NASTT Conference = \$1.8K; AWWA Symposium = \$1.8K; and EMA seminar = \$.8K.
Contractor Services	53,080	75,745	142.70%	(22,665)	Tap card field management system= \$52 K not budgeted, This amt. is partially offset by state grant funds.
Training and Education	9,620	1,647	17.12%	7,973	Several seminars and conferences were not attended i.e., (a) NASTT, (b) ARC GIS, (c) EMA AC Drive. It is unclear if and when these seminars will be attended to during the current fiscal year.
Clothing Allowance	4,260	425	9.98%	3,835	Minimal purchases to date.

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 9 - December 31, 2007

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Dec-31, 2007 (Accrual-Basis)			
Information Technology					
Salaries	179,417	182,244	101.58%	(2,827)	Two employees cashed-in one week's vacation, per contract.
Office Equipment	12,000	14,493	120.78%	(2,493)	Purchase of equipment for new phone system=\$3.1K not budgeted.
Operating Supplies	16,200	10,193	62.92%	6,007	Timing of purchases (i.e., paper and toner)
Contracted Services	103,933	58,695	56.47%	45,238	Timing of pending charges : software licenses= \$14.9k; maintenance agreements = \$9.0K; IT contract support = \$23.3k (note: web page development over by \$6.0k).
Training and Education	7,535	1,600	21.23%	5,935	GIS training not attended as scheduled. SCADA training attended but not billed; Other training seminars have not been attended--\$2.3K not used.
Water Quality					
Salaries	284,631	281,901	99.04%	2,730	Minimal favorable variance
Operating Supplies	104,230	87,194	83.66%	17,036	Timing of purchases (i.e. glassware and plastic supplies = \$11K).
Contracted Services	15,240	6,742	44.24%	8,498	Charges for required water system monitoring running below budget-\$5K; summer interns not used--\$1.5K.
Training and Education	4,600	9,351	203.28%	(4,751)	Training on new lab equipment not covered by federal grant--\$4.8k.
Treatment Plant					
Salaries	250,002	235,770	94.31%	14,232	Favorable variance due to timing of new hire after employee retirement.
Wages	8,768	17,324	197.58%	(8,556)	Unfavorable variance caused by a part-time employee working full-time hours.
Small Equipment	14,800	2,386	16.12%	12,414	Timing of purchases: a) Chlorine Analyzer = \$2.8K; b) Radiator for generator = \$3.5K; PH analyzer and sensors = \$4.0K.
Operating Supplies	554,716	566,316	102.09%	(11,600)	Chlorine purchases unfavorable year to date by \$21.6K
Contractor Services	18,765	12,294	65.52%	6,471	Sludge removal-budget 13K-actual 6.5K-will carry to y/e.

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 9 - December 31, 2007

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Dec-31, 2007 (Accrual-Basis)			
Maintenance					
Salaries	393,718	392,710	99.74%	1,008	Minimal variance
Wages	680,002	613,533	90.23%	66,469	Vacant positions presently filled-savings will carry to y/e.
Street Repair Materials	105,375	78,531	74.53%	26,844	Item# 4 purchases to date are \$12.8K favorable. Concrete purchases are favorable by \$15.4-will extend to y/e.
Small Equipment	27,000	10,293	38.12%	16,707	Many of the items budgeted have not been procured--gears for valves-\$5.7K; pipe thawers-\$4.1K; leak survey equipment-\$7k.
Operating Supplies	92,521	139,687	150.98%	(47,166)	Valve repairs =(\$18.5K) unfavorable, and general supplies (i.e., clamps, couplings, main supplies.etc.) are (\$23.7K) unfavorable.
Contracted Services	23,075	45,980	199.26%	(22,905)	Underwater diving @ Hinckley Reservoir = \$17K
Training & Education	9,825	4,390	44.68%	5,435	Minimal safety training to date.
Vehicle & Equip. Repairs	110,000	115,070	104.61%	(5,070)	Unanticipated repairs during December have resulted in negative variance (i.e. emergency generator repairs = \$5.0K).
Cash-Financed Construction					
Meters	219,100	140,923	64.32%	78,177	Timing of purchases-several purchase orders outstanding.
Hydrants	21,000	27,959	133.14%	(6,959)	Reorder threshold has been reached (7 remaining); no new purchases to date.
Paving	435,000	470,000	108.05%	(35,000)	Variance due to several larger sized road cuts not anticipated.
Vehicles & Machinery	226,500	164,044	72.43%	62,456	Several purchase orders still outstanding. We are projecting actuals to approximate budget by year end.
General Services					
Printing	31,855	21,625	67.89%	10,230	Favorability caused by the timing of envelope purchases = \$5.2K and printing of the newsletter = \$3.3K.
Telephone	86,082	89,550	104.03%	(3,468)	Cell phone charges are unfavorable by \$3.7K year to date. These expenditures are being closely monitored on a monthly basis.
Electricity and Gas	309,208	313,358	101.34%	(4,150)	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 (i.e.. Sitrin Nursing Home)
Postage	73,318	62,894	85.78%	10,424	Timing of postage replenishment for bill remittance.
Gas & Oil	108,520	116,139	107.02%	(7,619)	To assure uninterrupted operation, paid \$10K reserve.
Overtime					
Treatment Plant	38,529	45,056	116.94%	(6,527)	
Maintenance	149,000	151,948	101.98%	(2,948)	

FINANCIAL RATIOS

Month 9 - December 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>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>August '07</u>	<u>July '07</u>	<u>Avg.-Past Six months</u>
1.62	1.43	1.63	1.78	1.80	1.88	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>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>August '07</u>	<u>July '07</u>	<u>Avg.-Past Six months</u>
\$2,451,120	\$1,854,991	\$2,235,426	\$2,992,098	\$2,784,272	\$3,158,342	\$2,530,665

FINANCIAL RATIOS

Month 9 - December 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>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>August '07</u>	<u>July '07</u>	<u>Avg.-Past Six months</u>
75%	76%	76%	76%	77%	77%	78%

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>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>August '07</u>	<u>July '07</u>	<u>Avg.-Past Six months</u>
2.95	3.55	4.03	2.57	2.99	2.95	2.88

FINANCIAL RATIOS

Month 9 - December 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 | 10.00% |
| Total Other Unmetered Uses | 17.76% |

	<u>Sept., Oct., Nov. '07</u>	<u>Aug., Sept., Oct. '07</u>	<u>July, Aug., Sept. '07</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	60.23%	55.14%	59.87%	54.94%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	77.99%	72.90%	77.63%	72.70%
Remaining “Unaccounted-For Leakage”	22.01%	27.10%	22.37%	27.30%

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 9 - December 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>Nov. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>August '07</u>	<u>July '07</u>	<u>Avg.-Past Six months</u>
\$40.92	\$40.20	\$40.18	\$40.17	\$39.76	\$40.22	\$37.33

GLOSSARY OF TERMS

Month 9 - December 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

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- 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.