

# MOHAWK VALLEY WATER AUTHORITY

## *MONTHLY FINANCIAL REPORTING PACKAGE*

### **Month 8: Month Ended December 31, 2008**

#### **Finance Committee Members**

#### **Terms Ending** December 31,

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

Report produced by Jim Korfonta, Comptroller

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

Month 9 - December 31, 2009

**PRODUCTION & CONSUMPTION**

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	<b>September, October, November 2008</b>	<b>August, September, October 2008</b>	<b>July, August, Sept. 2008</b>	<b>Average--Past 6 Months</b>
<b>Average Water Consumption</b>	45,135,460	45,486,461	44,107,059	41,457,533
<b>Average Water Production</b>	70,690,367	71,554,836	72,744,595	74,094,770

**CASH FLOW**

Cash Flow-(See cash flow detail on page 4.)	<b>Beginning Cash</b>	<b>Operating Cash In</b>	<b>Operating Cash Out</b>	<b>Net Change In Cash</b>	<b>Balance Remaining</b>
December, 2008		\$ 1,638,548	\$ 1,940,385	(\$ 301,837)	
Year-To-Date	\$ 4,165,197	\$14,072,679	\$ 13,231,368	841,311	\$ 5,006,508

Please Note: In accordance with our FY 2009 budget, the “balance remaining” includes \$41,667 per month (\$375,000 after 9 months) set-aside for debt service related to the new bonding scheduled for April, 2009.

**CUSTOMER ACCOUNT MAINTENANCE**

<b>Customers in the Water System</b>	<b>Beginning Balance</b>	<b>New Accounts/ Moved into Area</b>	<b>Moved Out of Service. Area</b>	<b>Ending Balance</b>
December, 2008		21	(9)	
Year-To Date (Fiscal 2009)	38,914	282	(195)	39,001
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%		

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

Month 9 - December 31, 2009

**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 2008	242	4	5	1	0	1	254	19	6	12.1	3.02
Nov. 2008	206	2	4	0	0	0	212	22	7	13.25	3.3
October 2008	290	1	4	0	2	2	299	19	7	13.5	3.4
September	232	2	3	1	0	0	238	23	5	11.3	2.8
August 2008	258	5	4	2	1	0	270	25	6	12.9	3.2
July 2008	324	5	7	0	1	1	338	22	8	14.7	3.7
June 2008	255	6	2	2	6	0	271	22	7	12.9	3.2
May 2008	187	2	7	0	2	0	198	16	5	9.4	2.4
April 2008	293	7	16	5	1	0	322	23	4	16.1	4.0
Year-To-Date	2,045	30	47	10	13	3	2,148	25	4	12.8	3.2

**Note:** Two meter reading staff (certain days more staff) continued to be deployed to execute shut-off of properties that have been "posted" for non-payment. This effort will allow troubleshooter staff additional time to fulfill other duties.

Prior Year Activity	Meters Replaced							Daily Activity			
	5/8"	3/4"	1"-1 1/2"	2"	3"-4"	6"-8"	Total	High	Low	Daily Avg.	Staff Avg.
Fiscal 2008	3,414	52	61	9	9	18	3,563	27	1	14	3.7
Fiscal 2007	2,344	34	30	9	23	17	2,457	20	1	8.4	2.4
Fiscal 2006	2,486	50	51	18	6	20	2,631	24	1	10.9	2.7
Fiscal 2005	2,964	54	51	24	0	3	3,096	27	1	12.6	3.2

**COMPTROLLER'S MESSAGE**

Month 9 - December 31, 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
April, 2008	23	69	92	897	7	2	176	9	1,275
May, 2008	15	210	44	879	10	3	26	4	1,191
June, 2008	17	82	36	761	7	4	31	16	954
July, 2008	32	110	53	1,024	4	1	2	12	1,238
August, 2008	24	68	22	869	3	6	87	9	1,088
September, 2008	16	114	33	877	7	5	63	9	1,124
October, 2008	17	167	50	941	9	2	4	10	1,200
November, 2008	12	62	124	698	4	1	3	6	910

**ACCOUNTS PAYABLE**

	<u>Total</u>	<u>0-10</u>	<u>10-20</u>	<u>20-30</u>	<u>30-50</u>	<u>50+</u>	<u>Capital Project Retention</u>
December 2008	\$ 231,730	\$40,091	\$15,928	\$16,868	\$0	\$34,609	\$124,234

**Big Picture**

***Water Sales and Consumption:***

For December, consumption was lower by 3.5% compared to December of the previous year. However, accumulated year-to-date, consumption is below by 15.4 million cubic ft. This is 3.8% of the consumption budget.

Our current budgeted consumption has an allowance of 11 million cubic feet or 2.0% built in to the budget. This allows for variances in consumption without also incurring large dollar variances.

Consumption for quarterly billed accounts has somewhat stabilized compared to September, the last time these accounts were billed. Consumption for monthly billed accounts continues to declines.

Specifically, we were down 8.0% compared to the previous month. We continue to monitor some of our larger accounts to identify trends or anomalies. Decreases in monthly-billed accounts were experienced in large consumption accounts including Masonic Home, OC Sewer, FX Matt's Brewery, Con Med, Utica Psychiatric, St. Luke's Hospital, Marcy Correctional facility, Tect Utica, Tri-State industrial and Orion Bus.

**COMPTROLLER'S MESSAGE**

Month 9 - December 31, 2009

**Big Picture**-continued

**Cash Flow:** As anticipated, December has an unusually high payout month. The annual retirement payment is due as well as the remaining portions of our paving contract. The two expenses add an additional \$550,000 to expenses. For the year, we are ahead \$100,000 more than anticipated. We are cautiously optimistic that we will carry this through to year end.

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>DECEMBER, 2008</u>	<u>TARGET</u>	<u>ACTUAL</u>
<b>Cash Inflow</b>	\$ 1,425,000	\$ 1,639,000	\$ 13,567,000	\$ 14,073,000
<b>Outflows--</b>				
<b>Transfer to Funds Reserves</b>	\$ -	\$ -	\$ -	\$ 78,000
<b>Personnel Costs</b>	328,000	339,000	3,116,000	3,157,000
<b>PILOTS</b>	129,000	130,000	1,167,000	1,167,000
<b>Debt Service</b>	399,000	397,000	3,582,000	3,585,000
<b>Anticipated Bonding</b>	42,000	42,000	375,003	375,000
<b>Payments to Suppliers</b>	1,010,000	1,021,000	4,950,000	5,246,000
	<u>1,908,000</u>	<u>1,929,000</u>	<u>13,190,003</u>	<u>13,608,000</u>
<b>Cash Remaining</b>	\$ (483,000)	\$ (290,000)	\$ 376,997	\$ 465,000

**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	DECLARATORY JUDGMENT ACTIVITY	\$ 394,663
2009	DECLARATORY JUDGMENT ACTIVITY (Estimated to YE)	\$ 258,488
<b>TOTAL</b>		<b>\$ 825,445</b>

**COMPTROLLER'S MESSAGE**

Month 9 - December 31, 2009

**CONVERSION TO NEW BANKING SERVICES**

- The new bill stock has been received.
- We will be going live with the new bill and new lock box set-up in the next couple of weeks, following final review and technical review by our bank.
- We have finalized the web site customer access and customers can now pay via internet. Customers will now be able to pay by credit card over-the phone, access the internet to pay on-line, pay at a local Parkway Drugs or pay at one of the local HSBC branches.

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, 6.29% of the monthly accounts were estimated. This is compared to 3.98% from the previous month; This primarily due to the difficulty of accessing pits and confined spaces due to the snow accumulation.

2.67% of the quarterly accounts were estimated. This is comparable to the 3.17% recorded in September (The prior time this area was billed).

**MOHAWK VALLEY WATER AUTHORITY**

**COMPTROLLER'S MESSAGE**

Month 9 - December 31, 2009

**BILLING/COLLECTIONS:**

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

<b>Fiscal 2009</b>	<b>Beginning Balance</b>	<b>Sent to Collections</b>	<b>Amount Collected</b>	<b>Returned From Collections</b>	<b>Ending Balance</b>
December 2008		\$ 0	\$ 7,823	\$ 0	
November 2008		\$ 0	\$ 13,286	\$ 0	
October 2008		\$ 0	\$ 14,861	\$ 0	
September 2008		\$ 113,552	\$ 5,893	\$ 0	
August 2008		\$ 0	\$ 1,176	\$ 0	
July 2008		\$ 0	\$ 5,003	\$ 0	
June 2008		\$ 0	\$ 2,835	\$ 0	
May 2008		\$ 0	\$ 0	\$ 0	
April 2008		\$ 65,952	\$ 0	\$ 0	
Year to Date	\$ 7,219	\$ 179,504	\$ 50,877	\$ 0	\$ 135,846

Note: The \$65,952 in delinquent accounts sent to collections consists of all accounts that were previously shut-off. These are accounts that were held back from re-levy for various reasons. A detail list can be provided.

<b>Prior Fiscal Years</b>	<b>Sent to Collections</b>	<b>Amount Collected</b>	<b>Returned From Collections</b>
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 800 accounts "posted" for non-payment were addressed from a listing of back-logged work orders. 150 remain that need additional attention (curb box, replaced, special digging, etc.)

Update: Approximately 170 new accounts have been added in October -December. Including the 150 noted above, 31 accounts remain. Customers have either paid or been shut-off.

**TAMPERING ISSUES:**

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

<b>Date</b>	<b>Last Name</b>	<b>Acct. #</b>	<b>Address</b>	<b>Fee Amt.</b>	<b>Fee Paid</b>	<b>Evidence</b>	<b>Letter Sent</b>	<b>Posted</b>	<b>Shut Off</b>	<b>Status</b>
6/10/08	Grimmer	29A-87	2216 Sinclair Ave	\$2,000	\$2,000	Valve be turned	6/10/08			Fee Assessed

**MOHAWK VALLEY WATER AUTHORITY**

**FLASH REPORT**

Month 9 - December 31, 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 %	December	November	October	September	August	July
<b>ASSETS</b>							
Cash		\$ 4,704,854	\$ 5,058,231	\$ 5,227,440	\$ 4,862,244	\$ 4,683,601	\$ 5,013,161
Water Sales Receivable, Net		\$ 1,387,148	\$ 1,566,366	\$ 1,356,917	\$ 1,336,612	\$ 1,432,079	\$ 1,233,847
Trust Fund Assets		\$ 26,875,002	\$ 14,941,111	\$ 16,740,299	\$ 16,531,274	\$ 16,436,011	\$ 16,147,047
Utility Long Term Assets, Net		\$ 61,741,069	\$ 61,628,752	\$ 61,570,445	\$ 61,492,388	\$ 60,950,221	\$ 60,820,356
<b>Total Assets</b>		\$ 95,810,049	\$ 84,558,317	\$ 87,042,321	\$ 86,088,704	\$ 85,194,108	\$ 84,766,151
<b>LIABILITIES</b>							
Accounts Payable		\$ 464,109	\$ 968,557	\$ 669,329	\$ 742,473	\$ 622,788	\$ 482,891
Long Term Debt, Principal		\$ 67,934,518	\$ 56,040,392	\$ 57,291,249	\$ 57,277,106	\$ 57,262,964	\$ 57,328,821
<b>Total Liabilities</b>		\$ 71,872,891	\$ 60,639,586	\$ 62,340,888	\$ 62,201,419	\$ 61,890,310	\$ 61,637,467
<b>EQUITY</b>							
Unrestricted Earnings		\$ 4,222,398	\$ 4,204,437	\$ 4,988,313	\$ 4,174,166	\$ 3,672,045	\$ 3,498,212
Invested in Utility Plant, Net		\$ 16,944,829	\$ 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		\$ 872,256	\$ 872,101	\$ 871,710	\$ 871,710	\$ 870,754	\$ 870,327
Oper. and Maint. Reserve		\$ 573,054	\$ 572,899	\$ 572,508	\$ 572,508	\$ 571,552	\$ 571,125
Repair & Improvement		\$ 526,526	\$ 526,370	\$ 525,979	\$ 525,979	\$ 446,524	\$ 446,096
Bond Covenant Reserve		\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456
<b>OPERATIONS - (Monthly Accumulation)</b>							
	<i>Accum. Budget</i>	<b>9th Month FY 2009</b>	<b>8th Month FY 2009</b>	<b>7th Month FY 2009</b>	<b>6th Month FY 2009</b>	<b>5th Month FY 2009</b>	<b>4th Month FY 2009</b>
Water Sales	101%	\$ 12,442,114	\$ 11,159,063	\$ 9,705,786	\$ 8,273,131	\$ 6,884,672	\$ 5,396,351
Other Revenue	85%	\$ 1,824,412	\$ 1,600,660	\$ 1,446,111	\$ 1,233,150	\$ 1,012,716	\$ 884,939
Operating Expenses less PILOTS	92%	\$ 7,940,103	\$ 6,992,630	\$ 5,722,623	\$ 5,040,634	\$ 4,173,669	\$ 2,912,744
Debt Service, Interest only	100%	\$ 2,387,543	\$ 1,997,120	\$ 1,026,083	\$ 1,026,083	\$ 1,017,118	\$ 986,540
PILOT Payments	100%	\$ 1,166,928	\$ 1,037,178	\$ 908,431	\$ 779,684	\$ 650,937	\$ 522,190

**SIGNIFICANT DELINQUENT RECEIVABLE BALANCES**

Month 9 - December 31, 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.

<b>Customer</b>	<b>Route &amp; Account</b>	<b>Address</b>	<b>Total</b>	<b>0-23</b>	<b>24-45</b>	<b>46-71</b>	<b>72-122</b>	<b>123-157</b>	<b>158 +</b>	<b>Acct. Status</b>
City of Utica	15 accounts	Parks / Recreations / etc.	12,827	75	270	396	7,459	184	4,443	
Way Way Under Construction	1D 128	511 Plant Street, Utica	2,298	-	32	-	994	15	1,257	Shut-off/Coll
Ashford Clinton Corp.	2F 52BK	244 Roosevelt Dr. Utica	1,487	-	-	-	54	-	1,433	Posted
Ashford Clinton Corp.	2G 140A	244 Roosevelt Dr. Utica	1,200	-	16	1	1,016	15	152	Posted
CNY Properties, Inc.	3A 49	1857-59 Merriline Ave. Utica	1,102	-	15	-	437	15	635	Posted
Utica Metal Products	3E 50A	1530 Lincoln Avenue, Utica	3,606	-	15	-	3,591	-	-	Posted
Bagiche Singh	4A 113	900 Noyes Ave. Utica	1,659	-	15	-	407	1,237	-	Posted
GID Properties	4A 132B	808 Wager Street	4,447	-	15	-	3,387	15	1,030	Posted
Vogels Int Bakery	6B 72	1219-21 Lennox Avenue, Utica	1,051	15	9	9	86	8	924	Posted
William Almas	8C 26	1424 Oneida St. Utica	1,308	15	-	-	553	-	740	Posted
Milquade Burdier	10D 123	109 Hobart Str. Utica	1,135	15	7	7	188	2	916	Posted
Joann Buchanon	12E 156	1641 Agnes Avenue, Utica	1,002	15	-	208	15	-	764	Investigation
Christina Joseph	13D 21	602 Eagle Street, Utica	1,124	15	-	55	16	1	1,037	Investigation
Franco Emiliano	15B 65	1034 Morris Street, Utica	1,048	-	2	111	15	733	187	Posted
Stateside Properties	15B 152A	611 South Street, Utica	1,563	-	-	827	736	-	-	Posted
Chanty Srey	16B 16	516 Lansing Street ( 1 fl ) Utica	1,296	-	4	109	17	712	454	Posted
Samnang Phou	16E 56	705 Elizabeth Street, Utica	1,207	-	12	10	19	9	1,157	Posted
NYMA Properties	18A 59	409 Milgate Street, Utica	1,015	-	-	439	15	561	-	Posted
Tony's Pizzeria	28H 77	3921 Oneida Street, Utica	1,145	402	-	15	713	15	-	Posted
Kathi Wojtowycz	29F 67	33 WhitesboroStr. Yorkville	1,185	-	327	17	378	16	447	Posted
Marc Cittadino	32R 73	10 Norris Street, Whitesboro	1,011	128	6	21	119	19	718	Investigation
Cybersports, Inc	34A 52A	8020 Ste. Route 12, NH	1,433	177	-	-	329	-	927	Investigation
Simpson Manors	37A 1C	705 Rte. 5 Herkimer Road	2,288	994	-	15	1,279	-	-	Posted
Heritage Acres	37A 84	217 Colonial Circle, Utica	1,612	1,178	-	15	419	-	-	Posted
Heritage Acres	37A 95	Birchdale Road, Utica	2,932	1,214	-	15	1,703	-	-	Posted
Heritage Acres	37A 95A	1593 Herkimer Road, Utica	3,873	1,763	-	15	2,095	-	-	Posted
Michael Knapp	37B 14	2260 Route 5, Utica	3,020	47	14	28	593	16	2,322	Posted
Lilac Group	50A 80	315-17 Court Street, Utica	1,070	-	217	217	232	404	-	Investigation
Genesee Holding LLC	52B 19	239 Genesee Street, Utica	3,175	-	615	484	456	1,081	539	Investigation
Charles Property Mgmt.	55B 29	311-15 Whitesboro Street, Utica	3,847	-	173	173	896	1,747	858	Posted
Brodock Press, Inc.	55B 49	502 Court Street, Utica	1,381	-	240	300	506	335	-	Investigation
Waterbridge Group	55B 77	1506 Whitesboro Street, Utica	2,323	-	738	716	869	-	-	Investigation
T. Klotz ( also, see shut-offs)	29 accounts	See separate attachment	11,261	389	2,966	668	811	1,427	5,000	Posted

**SIGNIFICANT DELINQUENT RECEIVABLE BALANCES**

Month 9 - December 31, 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.

<b>Customer</b>	<b>Route &amp; Account</b>	<b>Address</b>	<b>Total</b>	<b>0-23</b>	<b>24-45</b>	<b>46-71</b>	<b>72-122</b>	<b>123-157</b>	<b>158 +</b>	<b>Acct. Status</b>
<b><u>DELINQUENT ACCOUNTS SHUT-OFF</u></b>										
Peter Lim	1D 41	613 Henry Street, Utica	1,915	-	25	10	105	15	1,760	Shut-off/Coll
Agueda Calle	3F 66	1247 Lincoln Ave. Utica	1,167	-	7	7	13	7	1,133	Shut-off/Coll
George Bassett	4C 133	720 Roberts Street, Utica	1,314	-	27	11	75	25	1,176	Shut-off/Coll
James Spratt	5E 93	1207 Erie Street, Utica	1,231	-	24	9	145	7	1,046	Shut-off/Coll
James Spratt	5F 84	617 Lennox Avenue, Utica	1,309	-	25	10	112	7	1,155	Shut-off
James Spratt	11E 150	1507 Miller Street, Utica	1,725	15	15	69	43	14	1,569	Shut-off/Coll
Sophal Hang	5E 153	6 Cornelia Pl Utica	1,060	727	17	2	86	8	220	Shut-off/Coll
Martin Davis	5E 159	1043 Erie Street, Utica	1,115	-	25	9	78	4	999	Shut-off/Coll
Mohammed Hashim	6A 105	1109 Court Street, Utica	1,546	15	13	13	89	9	1,407	Shut-off/Coll
Angel Rios	7D 20	424 French Road, Utica	2,448	15	23	22	111	20	2,257	Shut-off/Coll
Care Real Estate	7D 26	1502 Whitesboro Street, Utica	2,628	-	3	2,142	75	3	405	Shut-off/Coll
Sapi Dussi	10D 8	1309-13 Oneida Streetk, Utica	2,100	15	16	15	323	13	1,718	Shut-off/Coll
Kim Willie	10E 110	128 Elmwood Pl (3rd Fl ) Utica	1,365	15	-	-	665	4	681	Shut-off/Coll
Hidalgo Diaz	10F 86	1506 Steuben Street, Utica	1,364	15	12	12	90	10	1,225	Shut-off/Coll
Michael Cipriano	10F 108	105-107 Wall Street, Utica	3,139	15	28	27	110	20	2,939	Shut-off/Coll
Charlrity Chheng	11A 136	1415 Elm Street, Utica	1,406	15	7	7	241	2	1,134	Shut-off
William Hawkins	11B 118	1210 Steuben St. Utica	2,503	15	23	23	162	21	2,259	Shut-off/Coll
Rafaela Pantaleon	11B 179	107 Leah Street, Utica	2,308	15	-	-	119	-	2,174	Shut-off/Coll
Damian Planco	11C 130BK	1575-77 Steuben Street, Utica	1,052	15	8	63	28	6	932	Shut-off/Coll
Thach Buon Bopha Suno	11E 34	1502 Howard Avenue, Utica	1,498	15	13	67	39	12	1,352	Shut-off/Coll
Bank of America	11F 157	1427-29 Howard Avenue, Utica	1,675	15	7	258	23	4	1,368	Shut-off/Coll
M of M, Inc.	11G 69	1318 Brinckerhoff Ave. Utica	1,005	15	-	71	15	-	904	Shut-off
Donald Shaub	11G 97	1308 Dudley Avenue, Utica	2,199	15	17	71	42	13	2,041	Shut-off/Coll
Margaret Natale	12B 89	339 Pleasant Street, Utica	3,632	15	25	79	25	5	3,483	Shut-off/Coll
Dale Grant	12B 156	1509 Seymour Ave. Utica	1,027	15	8	62	26	5	911	Shut-off
SueAnn Stevens	13C 102	1139 Seymour Avenue, Utica	1,705	15	10	153	404	12	1,111	Shut-off
Darlene Clark	13D 148	1546 Vincent Street, Utica	3,094	15	29	83	61	22	2,884	Shut-off/Coll
Marco Gonzales	13F 61	1124 Dudley Ave. Utica	1,382	15	11	65	36	10	1,245	Shut-off/Coll
Bonnie Colby	13F 120	1144 Taylor Ave. Utica	1,002	-	10	10	18	9	955	Shut-off/Coll
Kerim Omeragic	14EE 12	1150 Kossuth Ave. Utica	1,221	15	10	114	33	9	1,040	Shut-off/Coll
Phillip Bruzzese	16E 84	535 Albany Street, Utica	1,002	-	8	62	30	111	791	Shut-off/Coll

**SIGNIFICANT DELINQUENT RECEIVABLE BALANCES**

Month 9 - December 31, 2009

**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
<b><u>DELINQUENT ACCOUNTS SHUT-OFF</u></b>										
Rafael Padalla	17A 150A	689 Bleeker Street, Utica	1,087	-	11	10	20	9	1,037	Shut-off/Coll
Thein Aung	17B 114A	925 Catherine Street, Utica	1,430	-	12	64	34	189	1,131	Shut-off/Coll
Rebecca Hocienda	17F 23ABK	1004 Blandina St. Utica	1,018	-	8	112	30	61	807	Shut-off
Derek Roberts	29A 178	1010 Ney Avenue, Utica	1,017	-	70	21	224	20	682	Shut-off/Coll
Matt Morreale	29B 33	2140 McBride Avenue, Utica	1,335	-	284	22	137	21	871	Shut-off/Coll
Lucille Halpin	30B 159	208 Main Street, Whitesboro	1,360	-	66	26	75	24	1,169	Shut-off/Coll
Erica & John Smaldon	30C 1	1 Dewey Avenue, Utica	1,326	-	164	24	154	23	961	Shut-off
Gerald Dos Santos	30D 61	23 Brainard Street, Whitesboro	1,295	-	13	9	17	16	1,240	Shut-off/Coll
Molly O'Malley	31A 33	103-105 River Street, Oriskany	1,287	-	108	25	73	24	1,057	Shut-off
Seco Leasing Corp.	50A 21	132-42 Hotel Street, Utica	1,306	-	103	101	119	179	804	Shut-off/Coll
Coolidge Mem. LLC	52B 60	106 Memorial Pkwy	6,580	-	535	529	558	997	3,961	Shut-off/Coll
Brandegge Gar. Apts	52E 27C	827 Jay Street, Utica	3,428	-	1,100	1,280	1,048	-	-	Posted
SIBFS 1900, LLC	52E 61	1900 Bleeker Str. Utica	4,237	-	416	403	418	841	2,159	Shut-off/Coll
807-11 Broad Street, LLC	55A 6	807 Broad St. Utica	3,455	-	408	418	1,824	805	-	Shut-off/Coll
Fay Street Warehouse	55A 9A	825-27 Broad Street, Utica	1,888	-	53	52	63	79	1,641	Shut-off/Coll
T. Klotz ( also, see above )	7 accounts	See separate attachment	1,203	25	360	138	171	451	58	Shut-off
City of Utica Delinquents-FY '08			87,996	-	-	-	-	-	87,996	
City of Utica Delinquents-FY '07			81,691	-	-	-	-	-	81,691	
City of Utica Delinquents-FY '06			47,489	-	-	-	-	-	47,489	
City of Utica Delinquents - Prior Years			1,116,461	-	-	-	-	-	1,116,461	
Oneida County Delinquents - FY '08			7,325	-	-	-	-	-	7,325	
Oneida County Delinquents - Prior Years			51,427	-	-	-	-	-	51,427	
Village Delinquents - FY '08			1,820	-	-	-	-	-	1,820	
Village Delinquents - Prior Years			88,293	-	-	-	-	-	88,293	
Remaining Accounts			1,448,058	494,964	230,353	160,970	240,766	58,566	262,439	<b>Change</b>
<b>December, 2008</b>			<u>3,098,880</u>	<u>502,473</u>	<u>240,218</u>	<u>172,621</u>	<u>279,556</u>	<u>71,279</u>	<u>1,832,733</u>	-5.65%
<b>November, 2008</b>			<u>3,284,346</u>	<u>789,824</u>	<u>304,455</u>	<u>160,406</u>	<u>151,874</u>	<u>130,327</u>	<u>1,747,460</u>	7.83%

**MOHAWK VALLEY WATER AUTHORITY**

**WORK IN PROCESS—CAPITAL PROJECTS**

Month 9 - December 31, 2009

CAPITAL PROJECT	LOCATION	PROJECT No.	BUDGET REVISION	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEARS EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Toby Road Tank	Marcy	02-26-A	8,656,836	<u>8,762,000</u>	<u>0</u>	<u>26,184</u>	<u>33,914</u>	<u>60,098</u>	<u>8,701,902</u>
Fiscal 2003 Budgeted Capital Projects				<u>8,762,000</u>	<u>0</u>	<u>26,184</u>	<u>33,914</u>	<u>60,098</u>	<u>8,701,902</u>

**CAPITAL PROJECTS - FY2005**

CAPITAL PROJECT	LOCATION	PROJECT #	BUDGET REVISION	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	1,602	177,137	178,739	3,271,261
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	89,255	132,255	1,045	26,256	63,655	89,911	42,344
Clearwell	WTP	05-22-A	<u>1,000,000</u>	<u>4,174,500</u>	<u>1,799</u>	<u>445,257</u>	<u>4,032,229</u>	<u>4,477,486</u>	<u>-302,986</u>
Fiscal 2005 Budgeted Capital Projects			1,089,255	<u>7,891,755</u>	<u>2,844</u>	<u>473,115</u>	<u>4,275,784</u>	<u>4,748,899</u>	<u>3,142,856</u>

**CAPITAL PROJECTS - FY2006**

CAPITAL PROJECT	LOCATION	PROJECT #	BUDGET REVISION	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	22,759	58,308	81,067	8,933
Tank-10m Gallon	Deerfield Tank	06-04-A	(1,000,000)	<u>5,939,705</u>	<u>18,066</u>	<u>569,358</u>	<u>5,158,566</u>	<u>5,727,924</u>	<u>211,781</u>
Fiscal 2006 Budgeted Capital Projects				<u>6,029,705</u>	<u>18,066</u>	<u>592,117</u>	<u>5,216,874</u>	<u>5,808,991</u>	<u>220,714</u>

**MOHAWK VALLEY WATER AUTHORITY**

**WORK IN PROCESS—CAPITAL PROJECTS**

Month 9 - December 31, 2009

**CAPITAL PROJECTS - FY2007**

CAPITAL PROJECT	LOCATION	PROJECT #	BUDGET REVISION	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	6,001	154,947	160,948	19,052
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	6,078	19,062	488,246	507,308	42,692
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	26,800	0	26,800	11,200
Water Tank	Smith Hill, Deerfield	07-10-A		600,000	0	1,356	975	2,331	597,669
Water Tank	Marcy Reservoir	07-12-A		3,600,000	0	27,339	12,029	39,368	3,560,632
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	23,070	33,600	56,670	-21,670
Main Extension	Mason Road	07-16-A		14,000	0	4,914	6,151	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		85,000	0	0	19,032	19,032	65,968
Emergency Intake Valve	WTP	07-20-A		124,000	0	0	124,000	124,000	0
3rd Raw Water Intake Line-Desi	WTP	07-21-A		20,000	0	13,795	7,500	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				6,730,410	6,078	122,337	1,017,137	1,139,474	5,590,936

**MOHAWK VALLEY WATER AUTHORITY**

**WORK IN PROCESS—CAPITAL PROJECTS**

Month 9 - December 31, 2009

**CAPITAL PROJECTS - FY2009**

CAPITAL PROJECT	LOCATION	PROJECT #	BUDGET REVISION	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	28,547	0	28,547	36,453
Main Replacement	Colonial Dr. Utica	09-03-A		10,305	0	6,880	0	6,880	3,425
Main Replacement	Parkside Court	09-04-A		5,000	477	5,311	0	5,311	-311
Main Replacement	Scott St, Utica	09-05-A		1,950	0	1,950	0	1,950	0
Butterfly Valve	Deerfield Reservoir	09-06-A		79,785	0	79,785	0	79,785	0
Sludge Removal	WTP	09-07-A		79,785	35,336	48,990	0	48,990	
WQ Monitoring Station	Yorkville	09-08-A		0	0	13,180	0	13,180	-13,180
Water Main	Evergreen Dr-	09-09-A		0	0	453	0	453	-453
Powell Rd. Crossover - HP	Holland Patent	09-10-A		8,000	7,226	7,226	0	7,226	774
Fiscal 2009 Budgeted Capital Projects				<u>249,825</u>	<u>43,039</u>	<u>185,096</u>	<u>0</u>	<u>185,096</u>	<u>25,934</u>

**MOHAWK VALLEY WATER AUTHORITY**

**MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS**

Month 9 - December 31, 2009

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

	<b>FISCAL 09</b>	<b>FISCAL 08</b>	<b>FISCAL 07</b>	<b>FISCAL 06</b>	<b>FISCAL 05</b>
April	378,976	432,916	419,898	421,158	436,874
May	457,738	426,915	412,183	433,169	433,732
June	430,138	443,804	483,811	463,071	432,431
July	403,899	441,659	434,748	477,805	476,038
August	476,222	509,872	475,336	514,883	469,873
September	443,089	490,350	481,683	513,111	449,233
October	445,281	442,832	436,160	469,375	529,942
November	465,692	453,228	472,410	474,227	424,247
December	382,666	396,729	451,290	424,902	426,796
January	0	414,074	397,180	407,949	409,415
February	0	426,833	434,793	398,579	452,494
March	0	413,102	410,322	400,517	427,874
Total	<u>3,883,701</u>	<u>5,292,314</u>	<u>5,309,814</u>	<u>5,398,746</u>	<u>5,368,949</u>

**MONTHLY WATER BILLINGS:**

	<b>FISCAL 2009</b>			<b>FISCAL 2008</b>	
	<b>Billings</b>	<b>Cash Receipts</b>	<b>Reading Areas</b>	<b>Billings</b>	<b>Cash Receipts</b>
April	\$ 1,199,556	\$ 1,000,257	Area 1	\$ 1,309,707	\$ 1,019,228
May	1,483,419	1,606,528	Area 2	1,261,871	1,456,458
June	1,367,807	1,564,270	Area 3	1,310,916	1,180,125
July	1,369,271	1,505,133	Area 1	1,310,354	1,337,397
August	1,498,222	1,300,309	Area 2	1,459,484	1,375,328
September	1,388,459	1,532,306	Area 3	1,396,332	1,188,049
October	1,399,083	1,375,866	Area 1	1,363,214	1,896,068
November	1,453,277	1,273,817	Area 2	1,339,290	1,221,617
December	1,283,018	1,530,563	Area 3	1,208,607	1,414,089
January	0	0		1,260,075	1,261,182
February	0	0		1,281,830	1,249,834
March	0	0		1,247,605	1,417,892
Total	<u>\$12,442,112</u>	<u>\$12,689,049</u>		<u>\$15,749,285</u>	<u>\$16,017,267</u>

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

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

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

**MAJOR REVENUE ACCOUNT ANALYSIS**

Month 9 - December 31, 2009

REVENUE

- *Metered Water Sales:*

Monthly Billing--Quarterly and Monthly Accounts – The first quarter (April thru June) experienced an increase in water sales of 4.3% compared to an anticipated 3.3% increased compared to 2008 actual. However, for the second quarter, (July thru August), water sales was up only 2.1% compared to an anticipated 3.3% increased compared to 2008 actual. For the third quarter, (October – December), water sales has recovered and is up to 4.0% compared to 2008 actual. This is up .5% more than anticipated.

For November, water sales are down \$247,000 compared to the prior year. Overall, we are now slightly above our budgeted water sales. Accumulated water sales (\$\$) are above the prior year actual by \$482,000 or 4.0% above last year's actual.

- *System Charge* – As expected, both quarterly billed and monthly billed system charges is now slightly above budgeted estimates.
- *Quarterly and Monthly Penalties and Unpaid Bill Fees* –Accumulated year to date, penalties are slightly higher than budget estimates. Unpaid bill fees are on track with budget estimates. Cash collection of these fees has historically been in the range of 85% to 90%.
- Interest Income from operating funds is below budget due primarily to the changes in the financial markets and a change in the investment products offered by our current bank (M&T). Interest from trust funds is slightly below budget for amount invested in variable rate. Several trust funds are invested in longer fixed rate investments minimizing the impact of the current market.

Further analysis will be performed to optimize earnings by investing in several different CD's or money markets.

**MAJOR EXPENSE ACCOUNT ANALYSIS**

Month 9 - December 31, 2009

	December-08 Month-To-Date			Annual Projection		Monthly Variance Explanation	
	Current Budget (Cash-Basis)	Actual (Accrual-Basis)	Percent of Current Budget	Favorable (Unfavorable) Variance	Annual Budget		Projected to Year-End
<b>Administration</b>							
Salaries	227,415	224,782	98.84%	2,633	311,200	311,200	Minimal variance
Travel & Vehicle Usage	4,500	8,792	195.38%	(4,292)	5,750	10,300	Bond rating trip to NYC by Executive Director and Comptroller not budgeted.
Contracted Services	39,232	37,119	94.61%	2,113	48,275	43,700	Marketing Consultant over budget by \$6.0K due to timing. Offset by the "Bottled Water" feasibility study which is favorable by \$7.5K y-t-d.
Legal Fees	176,700	186,710	105.66%	(10,010)	209,800	258,000	Currently projecting litigation expenses to be unfavorable by \$81K for FY 2009.
<b>Finance &amp; Accounting</b>							
Salaries	347,083	313,224	90.24%	33,859	474,957	440,000	Budgeted position is currently open
Contracted Services	152,650	161,942	106.09%	(9,292)	181,900	181,900	Collection agency payments have a favorable variance of \$20k (due to change in collection policy); This is off set by charges for the various banking services by our old bank, M&T bank (unf \$26.9K).
<b>Customer Service</b>							
Salaries	166,688	164,292	98.56%	2,396	228,101	228,101	Minimal variance. One vacancy remained open for about 1 month.
<b>Engineering</b>							
Salaries	390,289	342,657	87.80%	47,632	534,078	466,100	Position presently unfilled
Travel	14,484	9,380	64.76%	5,104	14,824	11,800	Some conferences not attended ( i.e. Water Modeling = \$2.1K ; MWH Conference = \$1.4K; AWWA National Conference = \$1.2K)
Operating Supplies	15,529	7,899	50.87%	7,630	17,029	14,300	Replacement of portable radios not occurred to date=\$4.9K.
Contractor Services	44,030	24,944	56.65%	19,086	45,080	30,000	Some of the budgeted work has not been performed ( i.e. high voltage inspection of hydro generators = \$8K; master meter calibration = \$2.0K; painting of fire hydrants = \$3.0K.
Training and Education	9,564	4,225	44.18%	5,339	10,789	4,800	Training conferences budgeted were not attended (i.e. ARC GIS = \$1.5K; GIS Auto Cad = \$1.5K).

**MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED**

Month 9 - December 31, 2009

	December-08				Annual Projection		Monthly Variance Explanation
	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Annual Budget	Projected to Year-End	
	Current Budget (Cash-Basis)	Actual (Accrual-Basis)					
<b>Information Technology</b>							
Salaries	184,163	182,925	99.33%	1,238	252,012	252,012	Minimal variance
Operating Supplies	14,620	9,428	64.49%	5,192	17,620	12,600	Purchase of computer paper = \$1.5K favorable, and back-up tapes = \$2.8K favorable.
Contracted Services	142,699	94,250	66.05%	48,449	158,682	138,700	Timing of several purchases (i.e. hydrant/valve software = \$12K; software development support -\$12K; paperless reporting conversion -\$9K; Digsmart = \$10K
Training and Education.	600	3,639	606.50%	(3,039)	600	3,700	Unanticipated training performed for various departments
<b>Water Quality</b>							
Salaries	294,466	293,493	99.67%	973	402,955	402,955	Minimal variance
Office Equipment	11,500	0	0.00%	11,500	14,000	10,000	The following equipment items were budgeted but have not been purchased: watershed equipment = \$3K; on-line monitoring equipment = \$5.7K, and PH electrodes = \$1.0K.
Office Materials	7,700	4,242	55.09%	3,458	8,000	5,600	FY 2007 Water Quality Report favorable by \$2.4K
Operating Supplies	123,700	89,622	72.45%	34,078	152,200	130,000	Lower supply purchases to date (i.e. pathogen monitoring ).
Training and Education	7,400	3,041	41.09%	4,359	8,050	8,050	Timing of expenses.
Repairs	10,000	128	1.28%	9,872	10,000	2,500	Minimal repairs to date
<b>Treatment Plant</b>							
Salaries	253,403	254,561	100.46%	(1,158)	346,762	346,762	Minimal variance
Wages	12,635	10,491	83.03%	2,144	17,290	16,500	Minimal variance
Small Equipment	26,550	10,575	39.83%	15,975	28,200	12,200	Timing of purchases ( i.e. chlorine scale purchases = \$4K; feed pumps = \$6.8K; chlorine parts = \$2.0K ).
Travel	3,600	628	17.44%	2,972	4,000	1,200	AWWA Water Quality Tech. Conference not attended ( \$2.9K )
Operating Supplies	776,897	845,875	108.88%	(68,978)	942,000	1,000,000	As expected, granulated activated carbon (GAC) purchases have exceeded budget.
Contractor Services	14,140	9,939	70.29%	4,201	15,550	12,600	Sludge removal favorable by \$2.9K.
Plant Repairs	18,000	21,513	119.52%	(3,513)	30,000	28,000	Numerous small repairs to maintain the WTP

**MOHAWK VALLEY WATER AUTHORITY**

**MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED**

Month 7 – October 31, 2008

	December-08				Annual Projection		Monthly Variance Explanation
	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Annual Budget	Projected to Year-End	
Current Budget (Cash-Basis)	Actual (Accrual-Basis)						
<b>Maintenance</b>							
Salaries	439,955	407,844	92.70%	32,111	602,045	567,045	Open Position/ Temporary Employee
Wages	720,588	660,462	91.66%	60,126	986,069	921,000	3 budgeted positions were open for a portion of the year.
Street Repair Materials	111,319	99,874	89.72%	11,445	135,417	126,400	Timing of paving materials purchases (cold patch = \$7.8K; and item# 4 = \$6.0K).
Office Equipment	5,152	952	18.48%	4,200	5,536	1,500	Office furniture and air conditioner for the Luke Road Pump Station were not purchased
Small Equipment	54,195	15,895	29.33%	38,300	57,195	43,700	Timing of purchases as follows: (Gears for Horz.Rennselaer = \$5.4K; hand held radios-\$8.4K; plumbing tools/equipment-\$14.4K; safety equipment-\$8K).
Operating Supplies	75,565	114,930	152.09%	(39,365)	100,900	153,600	General supplies (i.e. mains supplies, clamps, couplings, etc.) have exceeded budget by \$32K.
Contracted Services	32,175	19,000	59.05%	13,175	35,900	28,900	Some expenditures not incurred (i.e. staff augmentation = \$4.9K; tree cutting = \$5.2K
Training & Education	22,670	6,023	26.57%	16,647	25,220	15,300	Only asbestos, confined space and Red Cross training performed to date.
Vehicle & Equip. Repairs	164,027	95,635	58.30%	68,392	207,910	139,600	Vehicle repairs have been less than budgeted.
<b>Cash-Financed Construction</b>							
Meters	191,655	165,705	86.46%	25,950	255,539	230,000	Timing in the purchase of meters. The purchase of 750 residential meters budgeted in October has been moved to later in the year.
Hydrants	67,820	63,917	94.25%	3,903	67,820	64,000	No more purchases of hydrants are anticipated for FY 2009.
Paving	476,265	306,805	64.42%	169,460	476,265	401,300	Timing of invoices. Projecting annual favorability of approximately \$50K.
Vehicles & Machinery	269,000	324,122	120.49%	(55,122)	269,000	324,200	Purchase of Wachs valve turning unit-\$45k
<b>General Services</b>							
Printing	30,200	13,103	43.39%	17,097	44,870	27,800	Very limited printing of business forms to date = \$7.4K. Timing of the printing of the quarterly newsletter = \$6.6K
Telephone	68,196	81,773	119.91%	(13,577)	90,927	109,000	GPS usage for trucks = \$8.4K not budgeted
Heating Oil	22,075	47,141	213.55%	(25,066)	55,150	55,150	Timing of heating oil purchases vs. budget.
Gas & Oil	110,600	123,232	111.42%	(12,632)	146,950	159,600	While gasoline consumption has remained flat, the cost is unfavorable YTD by approximately \$12K. The YTD price per gallon is higher by 39%.
<b>Overtime</b>							
Treatment Plant	30,694	47,285	154.05%	(16,591)	42,000	60,000	
Maintenance	135,924	143,389	105.49%	(7,465)	186,000	186,000	

**FINANCIAL RATIOS**

Month 9 - December 31, 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>Dec. '08</u>	<u>Nov. '08</u>	<u>Oct. '08</u>	<u>Sept. '08</u>	<u>August '08</u>	<u>July '08</u>	<u>Avg.-Past Six months</u>
2.01	1.89	1.86	1.77	1.83	1.98	1.78

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**B. *WORKING CAPITAL***

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

(Current assets - Current liabilities)

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

<u>Dec, '08</u>	<u>Nov, '08</u>	<u>Oct. '08</u>	<u>Sept. '08</u>	<u>August '08</u>	<u>July '08</u>	<u>Avg.-Past Six months</u>
\$3,621,027	\$3,754,680	\$4,047,360	\$3,506,151	\$3,545,951	\$3,855,523	\$2,983,043

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**FINANCIAL RATIOS**

Month 9 - December 31, 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.

(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 ‘08</u>	<u>Nov ‘08</u>	<u>Oct ‘08</u>	<u>Sept ‘08</u>	<u>August ‘08</u>	<u>July ‘08</u>	<u>Avg.-Past Six months</u>
71%	72%	72%	72%	73%	73%	74%

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%.

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**B. COVERAGE RATIO**

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

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

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

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

<u>Dec ‘08</u>	<u>Nov ‘08</u>	<u>Oct ‘08</u>	<u>Sept ‘08</u>	<u>August ‘08</u>	<u>July ‘08</u>	<u>Avg.-Past Six months</u>
2.88	2.41	3.15	2.88	2.55	2.90	2.91

**FINANCIAL RATIOS**

Month 9 - December 31, 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>Sept. Oct., Nov. 2008</u>	<u>August, Sept. Oct. 2008</u>	<u>July, August, Sept. '08</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	63.85%	63.57%	60.63%	57.29%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	81.61%	81.33%	78.39%	75.05%
Remaining “Unaccounted-For Leakage”	18.39%	18.67%	21.61%	24.95%

**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, 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 \$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>Dec '08</u>	<u>Nov '08</u>	<u>Oct '08</u>	<u>Sept '08</u>	<u>August '08</u>	<u>July '08</u>	<u>Avg.-Past Six months</u>
\$40.68	\$43.68	\$43.75	\$43.75	\$43.75	\$43.79	\$43.76

**GLOSSARY OF TERMS**

Month 9 - December 31, 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 9 - December 31, 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.