

MOHAWK VALLEY WATER AUTHORITY

MONTHLY FINANCIAL REPORTING PACKAGE

Month 11: Month Ended February 29, 2008

Finance Committee Members

Terms Ending

December 31,

Bruce Brodsky, Committee Chairman	2008
Vincent Coyne	2008
Elis DeLia	2007
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 11 - February 29, 2008

PRODUCTION & CONSUMPTION

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	November, December, January 2008	October, November, December	September, October, November	Average Past 6 Months
Average Water Consumption	44,447,300	43,093,024	46,213,728	42,226,667
Average Water Production	79,658,116	76,166,821	76,723,824	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
February 2008		\$ 1,375,524	\$ 1,917,672	\$ (222,362)	
Year-To-Date	\$ 3,147,760	\$ 16,930,660	\$ 16,626,320	\$ 304,340	\$ 3,452,100

CUSTOMER ACCOUNT MAINTENANCE

Customers in the Water System	Beginning Balance	New Accounts/ Moved into Area	Moved Out of Svs. Area	Ending Balance
February 2008		23	(15)	
Year-To Date (Fiscal 2008)	38,877	482	(409)	38,950
Fiscal 2007	38,589	981	(693)	38,877
Fiscal 2006	38,449	573	(433)	38,589

Breakdown of Customer Movement:

- Year to date, 1,486 final bills were processed of which 1,233 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 11 - February 29, 2008

Below is an analysis, by percentage, of the area they are moving from and where they are relocating to:

From Utica To:

Utica	43%	Movement within service area outside Utica	29%
New Hartford	4%	Out of area	16%
Other	8%		

WATER SYSTEM MAINTENANCE--METER ACTIVITY

Current Fiscal Year	Meters Replaced							Daily Activity			
	5/8"	3/4"	1"- 1 1/2"	2"	3"-4"	6"-8"	Total	High	Low	Daily Avg.	Staff Avg.
February	282	3	10	0	0	1	296	26	8	14.8	3.7
January 2008	295	9	5	1	0	0	310	20	7	14.8	3.7
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	3,139	48	57	4	9	17	3,274	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
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MOHAWK VALLEY WATER AUTHORITY

COMPTROLLER'S MESSAGE

Month 11 - February 29, 2008

WATER SYSTEM MAINTENANCE—PRODUCTION ACTIVITY

Month	Water Main Breaks / Install, etc.	Curb Box	Leak Investigations	Meters-- Inspect./ Special Reads / Replaced	Hydrants	Valves	Pavement Cuts	Other	TOTALS
April, 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
December, 2007	40	44	34	1,020	4	2	41	6	1,191
January, 2008	30	108	45	1,093	8	4	56	14	1,358
February, 2008	25	142	31	901	5	3	38	7	1,152

ACCOUNTS PAYABLE

	Total	0-10	10-20	20-30	30-50	50+	Capital Project Retention
February 2008	\$451,893	\$138,438	\$25,345	\$22,482	\$3239	\$23,917	\$238,472

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:

For the year, consumption is very close to the prior year with a difference of only 515,000 cubic feet.

For the month, consumption dropped 2.2 million compared to November when this area was last read.

COMPTROLLER'S MESSAGE

Month 11 - February 29, 2008

Big Picture-continued

Cash Flow: Year-to-date, our cash position remains positive and all major payments that were outstanding have been made (paving & retirement). Our cash balance remains reasonable going into the last month of the fiscal year. As part of the fiscal '09 budget, keep in mind that we have designated \$308,000 of the remaining cash. As of February, this will leave no additional cash for the year.

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

	MONTHLY ACTIVITY		YEAR-TO-DATE ACTIVITY	
	TARGET	FEBRUARY 2008	TARGET	ACTUAL
Cash Inflow	\$ 1,500,000	\$ 1,376,000	\$ 16,100,000	\$ 16,930,700
Outflows--				
Transfer to Funds Reserves	\$ -	\$ -	\$ 372,000	\$ 372,000
Personnel Costs	489,000	497,000	3,912,000	3,983,000
PILOTS	136,000	133,000	1,463,000	1,464,000
Debt Service	398,000	399,000	4,257,000	4,264,000
Payments to Suppliers	477,000	890,000	5,750,000	6,544,700
	1,500,000	1,919,000	15,754,000	16,627,700
Cash Remaining	\$ -	\$ (543,000)	\$ 346,000	\$ 303,000

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 December)	\$ 279,051
TOTAL		\$ 709,833

MOHAWK VALLEY WATER AUTHORITY

COMPTROLLER'S MESSAGE

Month 11 - February 29, 2008

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, 6.6% of the monthly accounts were estimated. This is down 1.0% from the previous month; 6.5% of the quarterly accounts were estimated. This is up 1.0% from November (The prior time this area was billed).

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
February 2008		\$ 12,166	\$ 21,497	\$ 30,843	
January 2008		\$ 51,536	\$ 33,294	\$ 10,808	
December 2007		\$ 25,383	\$ 15,125	\$ 20,919	
November 2007		\$ 36,185	\$ 26,503	\$ 22,710	
October 2007		\$ 59,717	\$ 44,788	\$ 29,539	
September 2007		\$ 71,470	\$ 27,243	\$ 2,621	
August 2007		\$ 38,541	\$ 38,767	\$ 44,882	
July 2007		\$ 71,354	\$ 35,561	\$ 15,325	
June 2007		\$ 45,342	\$ 26,541	\$ 12,215	
May 2007		\$ 46,585	\$ 24,327	\$ 25,837	
April 2007		\$ 25,957	\$ 30,648	\$ 0	
Year to Date	\$ 73,330	\$ 484,236	\$ 324,294	\$ 215,699	\$ 17,573

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 11 - February 29, 2008

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	1,001	333	147	23	845

- 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	\$2,000	Meter	10/24/07	11/7/07	1/17/08	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 11 - February 29, 2008

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 %	February	January	December	November	October	September
ASSETS							
Cash		\$ 3,348,619	\$ 4,161,046	\$ 4,226,374	\$ 4,766,262	\$ 4,958,825	\$ 3,318,441
Water Sales Receivable, Net		\$ 1,243,175	\$ 1,199,329	\$ 1,184,249	\$ 1,358,758	\$ 1,248,977	\$ 1,755,955
Trust Fund Assets		\$ 17,519,418	\$ 17,147,831	\$ 17,360,692	\$ 18,338,121	\$ 20,914,932	\$ 21,851,014
Utility Long Term Assets, Net		\$ 59,727,192	\$ 59,794,908	\$ 59,624,161	\$ 59,260,889	\$ 56,781,974	\$ 55,160,147
Total Assets		\$ 83,376,078	\$ 83,512,500	\$ 83,399,993	\$ 84,781,644	\$ 85,275,734	\$ 84,033,735
LIABILITIES							
Accounts Payable		\$ 531,524	\$ 1,299,666	\$ 1,249,971	\$ 2,476,949	\$ 2,249,656	\$ 466,325
Long Term Debt, Principal		\$ 324,681	\$ 58,453,963	\$ 58,439,820	\$ 58,517,246	\$ 59,743,103	\$ 59,728,961
Total Liabilities		\$ 62,435,431	\$ 63,011,411	\$ 62,745,931	\$ 64,230,492	\$ 65,278,887	\$ 63,964,706
EQUITY							
Unrestricted Earnings		\$ 2,147,311	\$ 1,588,746	\$ 1,741,718	\$ 2,152,647	\$ 1,458,381	\$ 1,584,596
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	\$ 147,638	\$ 147,638	\$ 147,639	\$ 147,638
"3R" Reserve		\$ 862,422	\$ 860,758	\$ 860,758	\$ 606,722	\$ 606,695	\$ 539,991
Oper. and Maint. Reserve		\$ 563,220	\$ 561,556	\$ 561,556	\$ 442,520	\$ 442,493	\$ 429,789
Repair & Improvement		\$ 438,191	\$ 560,527	\$ 560,527	\$ 559,803	\$ 559,777	\$ 547,072
Bond Covenant Reserve		\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456
OPERATIONS - (Monthly Accumulation)							
	<i>Accum. Budget</i>	11th Month FY 2008	10th Month FY 2008	9th Month FY 2008	8th Month FY 2008	7th Month FY 2008	6th Month FY 2008
Water Sales	104%	\$ 14,480,450	\$ 13,202,528	\$ 11,944,896	\$ 10,710,109	\$ 9,376,789	\$ 8,019,666
Other Revenue	130%	\$ 3,454,914	\$ 3,285,083	\$ 3,088,147	\$ 2,874,127	\$ 1,773,883	\$ 1,389,546
Operating Expenses less PILOTS	98%	\$ 10,038,543	\$ 9,218,649	\$ 7,878,363	\$ 7,057,543	\$ 5,951,991	\$ 5,027,706
Debt Service, Interest only	100%	\$ 2,338,330	\$ 2,312,969	\$ 1,918,713	\$ 1,918,713	\$ 1,556,903	\$ 919,497
PILOT Payments	100%	\$ 1,464,245	\$ 1,331,966	\$ 1,199,688	\$ 1,066,407	\$ 934,127	\$ 801,847

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 11 - February 29, 2008

February, 2008

CURRENT WATER RECEIVABLES – AGING OF ACCOUNTS:

Note: Accounts have been specifically identified if they are greater than \$1,000 with significant balances over 71 days old.

Customer	Route & Account	Address	Total	0-23	24-45	46-71	72-122	123-157	158 +	Acct. Status
City of Utica	24 accounts	Parks / Recreations / etc.	10,203	503	1,077	736	1,728	1,119	5,040	
William Schram	3F 8	512 Henry Street, Utica	1,069	-	6	202	22	240	599	Posted
Howard Quick	5D 99	P.O. Box 65, Herkimer, NY	1,723	-	4	222	20	1,079	398	Posted
Mohamed Kewitta	5F 122	1230 Court Street, Utica	1,004	-	3	392	15	256	338	Posted
Unice Elliot	6C 81	1209 Gray Avenue, Utica	1,364	-	9	199	29	191	936	Posted
Angel Rios	7D 20	424 French Road, Utica	1,959	-	115	88	15	225	1,516	Posted
Sapi Dussi	10D 8	1309-13 Oneida Streetk, Utica	1,278	-	7	188	26	344	713	Posted
Tim Darling	11C 114	1615 Steuben Street, Utica	1,006	-	225	3	20	207	551	Posted
Jim Spratt	11E 150	1507 Miller Street, Utica	1,342	-	243	2	19	818	260	Posted
Stanley Truax	11F 82	1640 Neilson Stret, Utica	1,216	-	404	3	20	367	422	Posted
M of M Inc.	11G 69	1318 Brinckerhoff Ave (1 Flr)	1,434	-	321	8	30	171	904	Posted
Donald Shaub	11G 97	1308 Dudley Avenue, Utica	1,281	-	232	2	18	800	229	Posted
Theresa Ricci	12F 139	1613-15 Jane Avenue, Utica	1,163	-	126	7	29	114	887	Posted
SueAnn Stevens	13C 102	1139 Seymour Avenue, Utica	1,156	-	131	22	13	119	871	Posted
Darlene Clark	13D 148	1546 Vincent Street, Utica	2,205	-	1,252	20	10	199	724	Posted
Virgilio & Ledi Suncar	13E 63	1131-33 Miller Street, Utica	1,115	-	161	21	11	132	790	Posted
Colleen Carlo	14J 59	2223 Pinnacle Drive, Utica	1,121	-	60	24	68	15	954	Posted
Mohamed Hashim	16E 94	1109 Court Stret, Utica	1,263	184	7	19	392	15	646	Posted
Stanley Williams	16E 114	513 Mohawk Street, Utica	1,573	180	9	22	501	15	846	Posted
Oscar Humberto Pineda	17A 127	822 Edward Street, Utica	1,121	44	10	24	69	15	959	Posted
Lloyd Barth	17D 23	612 Kossuth Avenue, Utica	1,559	648	4	17	729	40	121	Posted
Lawrence Spada, III	17F 64	1003-5 Rutger Street, Utica	2,160	750	7	19	634	15	735	Posted
Heritage Acres	22G 66	217 Colonial Circle, Utica	2,222	653	-	15	1,554	-	-	Posted
Heritage Acres	37A 84	Mapleton Drive, Schuyler	2,820	15	-	1,519	15	-	1,271	Posted
Heritage Acres	37A 95	Birchdale Rd. Schuyler	2,457	15	-	1,188	15	-	1,239	Posted
Heritage Acres	37A 95A	1593 Herkimer Road, Utica	3,887	15	-	1,922	15	-	1,935	Posted

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 11 - February 29, 2008

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
Robert Abbe	24B 65	8 Taylor Ave. Clarksmill	1,125	155	7	22	144	15	782	Posted
Ron Dobrzanski	24C 28	7815 State Rte. 5, Clinton	1,028	182	2	17	330	15	482	Posted
Timothy Tallman	27C 55	40 Jordan Rd. New Hartford	2,033	71	15	-	135	1,812	-	Under Investiga
Tony's Sports Bar	28H 77	3921 Oneida Street, Utica	1,146	15	-	455	15	-	661	Posted
Carcuzzi Car Wash	28H 151A	9310 Chapman Rd. Utica	3,507	15	-	1,612	15	-	1,865	Collection
Brian Palmer	32S 120	6 Elm Street, Whitesboro	2,158	15	9	9	570	-	1,555	Posted
Anthony Nassar	33A 77	9835 River Road, Utica	1,140	15	2	2	428	-	693	Collection
Sheila Bernier	33D 146D	7579 State Rte. 5, Clinton	1,545	363	-	-	614	-	568	Collection
Robert McMurray	33G 18	5934 Cavanaugh Rd. Marcy	1,229	15	4	-	358	-	852	Collection
Victor Rodriguez	33G 82	6373 Cavanaugh Rd. Marcy	1,182	15	5	5	276	-	881	Collection
Stephen Gardner	22G 267A	9096 Koronowski Road, Marcy	1,554	-	-	312	1,084	-	158	Posted
Reward, Inc DBA / McGillis	37B 1B	2102 Rte. 5, Utica	1,777	15	-	638	15	-	1,109	Collection
Lloyd Barth, Jr.	52B 81	1121 Summit Pl. Utica	1,451	15	207	246	566	279	138	Posted
T. Klotz (also, see dhut-offs)	27 accounts	See separate attachment	16,551	434	1,252	2,177	1,150	2,572	8,966	Posted/collect.

DELINQUENT ACCOUNTS SHUT-OFF

Jesee Buckley	1E 85	261 Western Hills Drive	3,224	-	31	81	59	51	3,002	Shut-Off
Beverly Blum	5D 54	920 Haack Drive, Utica	2,048	-	18	60	34	112	1,824	Shut-Off
James Spratt	5F 87	607 Lenox Ave, Utica	1,494	-	10	204	15	215	1,050	Shut-Off
Lawrence Raynor	6A 133	919 Lenox Avenue, Utica	1,522	-	9	282	26	315	890	Shut-Off
McDonald Bovee	6E 113	1327 Butternut Street, Utica	1,074	-	9	59	32	51	923	Shut-Off
Carlos Humberto Chavez	7C 115	129-31 Matthews Ave. Utica	3,242	-	30	80	73	101	2,958	Shut-Off
Utica Urban Renewal	8B 28BK	I Kennedy Plaza, Utica	1,354	-	234	60	33	51	976	Shut-Off
Lewis Reuther	8F 137	1919 Butterfield Avenue, Utica	1,247	-	11	60	34	51	1,091	Shut-Off
Kim Tuy	10E 112	134-36 Elmwood Pl. Utica	3,889	-	39	38	75	-	3,737	Shut-Off
Hidalgo Diaz	10F 86	1506 Steuben Street, Utica	1,186	-	987	1	16	51	131	Shut-Off
Timothy Lee	11F 164	1411 Howard Avenue, Utica	1,408	-	63	12	38	51	1,244	Shut-Off
Ariste Accede	12A 142	1547 Neilson Street, Utica	1,056	-	1,041	-	15	-	-	Shut-Off
Juan Jimenez	12C 162	1501 Dudley Street, Utica	1,456	-	64	11	36	51	1,294	Shut-Off
Francis Zongrone	13A 13	1610 Gibson Road, Utica	3,969	-	87	36	85	176	3,585	Shut-Off

MOHAWK VALLEY WATER AUTHORITY

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 11 - February 29, 2008

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
Coolidge Rutger, LLC	15A 101A	7 Rutger Park, Utica	2,739	-	580	26	535	15	1,583	Shut-Off
IB Prop Holdings	17C 56	1021-23 Bleeker Street, Utica	1,002	456	5	17	54	15	455	Shut-Off
Ingrid Grimm	24B 136	37 Pratt Street, Clark Mills	3,451	44	32	47	113	15	3,200	Shut-Off
Seco Leasing Corp	50A 21	132-42 Hotel Street, Utica	1,422	15	84	98	193	90	942	Shut-Off
Coolidge Mem, LLC	52B 60	106 Memorial Parkway, Utica	4,237	15	468	479	943	469	1,863	Shut-Off
Tartan Textile	55B 29	311-15 Whitesboro St. Utica	2,966	15	961	946	1,044	-	-	Shut-Off
T. Klotz (also, see above)	7 accounts	See separate attachment	3,428	44	121	501	128	480	2,154	Shut-Off
Sandra Albert	3 accounts	See separate attachment	1,177	-	52	7	202	5	911	Shut-Off
City of Utica Delinquents-FY '07			120,974	-	-	-	-	-	120,974	
City of Utica Delinquents-FY '06			64,102	-	-	-	-	-	64,102	
City of Utica Delinquents-FY '05			15,571	-	-	-	-	-	15,571	
City of Utica Delinquents-FY '04			90,702	-	-	-	-	-	90,702	
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			49,361	-	-	-	-	-	49,361	
Remaining Accounts			1,394,453	608,255	139,317	159,563	142,676	99,991	244,651	Change
February, 2008			<u>2,210,277</u>	<u>613,176</u>	<u>150,169</u>	<u>175,047</u>	<u>158,176</u>	<u>113,545</u>	<u>1,000,164</u>	2.73%
January, 2008			<u>2,151,545</u>	<u>479,918</u>	<u>190,962</u>	<u>154,512</u>	<u>235,977</u>	<u>82,600</u>	<u>1,007,576</u>	1.74%
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%
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%

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 11 - February 29, 2008

--Project to be Closed

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		183,164	0	1,250	132,471	84,038	217,759	-34,595

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
SCADA Equipment	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	0	7,954	33,919	1,127	43,000	0
Clearwell	WTP	4,174,500	4,176	3,206,658	145,515	822,327	4,174,500	0
Fiscal 2005 Budgeted Capital Projects		8,196,755	4,176	3,260,806	545,092	4,405,693	8,211,591	-14,836

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 11 - February 29, 2008

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	4,176	4,308,633	324,342	867,025	5,500,000	0		
		<u>5,617,500</u>	<u>4,176</u>	<u>4,314,983</u>	<u>0</u>	<u>373,312</u>	<u>0</u>	<u>929,469</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	315	60,213	64,110	55,992	180,315	-315
Main Replacement	York St., Utica	33,440	19,423	57,226	17,271	0	74,497	-41,057
Pump Station	Cascade Drive, NH	2,500	0	0	937	0	937	1,563
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	599,025	600,000	0
Water Tank	Marcy Reservoir	3,100,000	0	0	0	3,100,000	3,100,000	0
Canal Crossing	Marcy	1,000,000	0	6,161	0	993,839	1,000,000	0
Activated Carbon PILOT	WTP	35,000	0	30,100	0	4,900	35,000	0
Main Extension	Mason Road	14,000	0	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	20,000	20,000	0
Leak Detection-Phase IV-VI	System Wide	25,000	0	11,769	0	13,231	25,000	0
Emergency Intake Valve	WTP	124,000	0	124,000	0	0	124,000	0
Fiscal 2007 Budgeted Capital Projects		<u>6,022,250</u>	<u>19,738</u>	<u>9,080,148</u>	<u>1,051,805</u>	<u>6,905,021</u>	<u>17,036,974</u>	<u>102,776</u>

MOHAWK VALLEY WATER AUTHORITY

MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS

Month 11 - February 29, 2008

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
January	404,724	397,180	407,949	409,415	463,977
February	430,673	434,793	398,579	452,494	428,836
March	0	410,322	400,517	427,874	436,128
Total	<u>4,894,337</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
January	1,260,075	1,261,182	Area 1	1,134,424	1,062,568
February	1,281,830	1,249,834	Area 2	1,200,168	1,118,333
March	0	0		1,156,992	1,364,942
Total	<u>\$14,501,680</u>	<u>\$14,599,375</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 11 - February 29, 2008

REVENUE

• *Metered Water Sales:*

Quarterly and Monthly Billings – For the month, water sales (\$\$) is above by \$81,000 compared to the prior year.

Overall Sales vs. Prior Year – Water sales is up \$1,243,000 for the year compared to the prior year. Water Sales is also up \$650,000 compared to the budget.

- “*System Charge*” – Both quarterly billed and monthly billed system charges are relatively consistent with budget (below budget by (\$30,000)).
- *Quarterly and Monthly Penalties and Unpaid Bill Fees* –Overall, penalties are above budget estimates. Penalties are above budget by \$125,000 and unpaid bill fee are above by \$50,000. Cash collection of these fees ranges from 85% to 90%, based upon past years.
- Interest Income from operating funds is above by \$60,000 or 44% 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, metered line charges, installation fees, line tap charges and termination of services continue to be below estimates and will carry to year-end.
- *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.

MAJOR EXPENSE ACCOUNT ANALYSIS

Month 11 - February 29, 2008

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Feb-29, 2008 (Accrual-Basis)			
Administration					
Salaries	277,523	275,768	99.37%	1,755	Minimal variance
Contracted Services	61,350	50,116	81.69%	11,234	Feasibility study for marketing bottled water has not occurred (\$20k). Offset by \$7K unfavorable year to date variance in Public Education / Advertising.
Contracted Services.-Legal Fees	229,350	300,822	131.16%	(71,472)	The annual budget has been exceeded. However, depositions are in their final stage and the ruling on the lawsuit may occur in the next several months.
Finance & Accounting					
Salaries	393,168	385,973	98.17%	7,195	Variance due to over-estimate of raises
Office Materials	1,425	3,559	249.75%	(2,134)	Overrun attributed to the printing of financial reports.
Contracted Services	205,237	233,239	113.64%	(28,002)	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	472,647	469,952	99.43%	2,695	Two employees cashed-in one week's vacation, per contract.
Travel	9,029	2,510	27.80%	6,519	Did not attend the scheduled training events--NASTT Conference = \$1.8K; AWWA Symposium = \$1.8K; and EMA seminar = \$.8K.
Contractor Services	55,280	86,402	156.30%	(31,122)	Tap card field management system= \$52 K not budgeted, This amt. is partially offset by state grant funds.
Training and Education	10,335	1,647	15.94%	8,688	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.

MOHAWK VALLEY WATER AUTHORITY

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 11 - February 29, 2008

	Month-To-Date		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Feb-29, 2008 (Accrual-Basis)			
Information Technology					
Salaries	226,632	229,259	101.16%	(2,627)	Two employees cashed-in one week's vacation, per contract.
Office Equipment	12,000	16,156	134.63%	(4,156)	Purchase of equipment for new phone system=\$3.1K not budgeted.
Operating Supplies	19,150	13,066	68.23%	6,084	Certain charges are less than budgeted: a) paper = \$1.8K; b) toner/cartridges = \$2.3K; supplies and backup tapes = \$2.0K).
Contracted Services	116,655	72,949	62.53%	43,706	The following charges are less than budgeted: a) software licenses=\$15k; maintenance agreements=\$9K; b) IT contract support=\$23K; c) unbudgeted charges for software to help analyze the historical geological conditions at Hinckley Reservoir-(\$4K)
Training and Education	8,385	1,600	19.08%	6,785	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	359,535	354,321	98.55%	5,214	Minimal favorable variance
Operating Supplies	127,620	99,441	77.92%	28,179	Certain purchases are less than budgeted (i.e. glassware and plastic supplies = \$15K and PCR and flow supplies = \$9.4K)
Contracted Services	17,240	6,767	39.25%	10,473	Charges for required water system monitoring are below budget-\$7K; summer interns not used--\$1.5K.
Training and Education	4,700	9,351	198.96%	(4,651)	Training on new lab equipment not covered by federal grant--\$4.8k.
Treatment Plant					
Salaries	315,792	301,211	95.38%	14,581	Favorable variance due to timing of new hire after employee retirement.
Wages	11,075	20,729	187.17%	(9,654)	Unfavorable variance caused by a part-time employee working full-time hours.
Small Equipment	17,050	3,369	19.76%	13,681	Certain equipment purchases did not occur: a) Chlorine Analyzer = \$2.8K; b) Radiator for generator = \$3.5K; PH analyzer and sensors = \$5.0K.
Operating Supplies	677,214	695,057	102.63%	(17,843)	Purchase of polymer unfavorable by \$18.4K.
Contractor Services	20,185	13,654	67.64%	6,531	Sludge removal-budget 13K-actual 6.5K-will carry to y/e.

MOHAWK VALLEY WATER AUTHORITY

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 11 - February 29, 2008

	<u>Month-To-Date</u>		Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual-Feb-29, 2008 (Accrual-Basis)			
Maintenance					
Salaries	497,327	501,164	100.77%	(3,837)	Minimal variance
Wages	858,951	778,749	90.66%	80,202	Vacant positions presently filled-savings will carry to y/e.
Street Repair Materials	123,000	92,413	75.13%	30,587	Item # 4 purchases to date are \$13.7K favorable. Cold patch year to date = \$5K favorable. Concrete purchases are favorable by \$14.0-will extend to y/e.
Small Equipment	28,000	11,331	40.47%	16,669	Many of the items budgeted have not been procured--gears for valves-\$5.7K; pipe thawers-\$4.1K; leak survey equipment-\$7k.
Operating Supplies	112,421	153,512	136.55%	(41,091)	Valve repairs =(\$12.6K) unfavorable, and general supplies (i.e., clamps, couplings, main supplies.etc.) are (\$23.2K) unfavorable.
Contracted Services	26,175	47,084	179.88%	(20,909)	Underwater diving @ Hinckley Reservoir = \$17K
Training & Education	10,275	4,478	43.58%	5,797	Minimal safety training to date.
Vehicle & Equip. Repairs	132,300	142,610	107.79%	(10,310)	Unanticipated repairs have resulted in negative variance (i.e. emergency generator repairs = \$5.0K).
Cash-Financed Construction					
Meters	265,400	204,619	77.10%	60,781	Projecting a \$20k favorable variance at year-end.
Hydrants	29,500	28,647	97.11%	853	An additional 22 hydrants were just purchased. Will be paid in FY'09.
Vehicles & Machinery	226,500	147,327	65.05%	79,173	Two POs outstanding totaling \$75K.
General Services					
Printing	37,355	27,805	74.43%	9,550	Favorability caused by the purchase of envelopes = \$5.2K and printing of the newsletter = \$3.3K.
Electricity and Gas	397,408	409,416	103.02%	(12,008)	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).
Heating Oil	39,256	58,778	149.73%	(19,522)	Timing of fuel oil purchases for the Treatment Plant. Purchase was made in February, but budgeted in March.
Gas & Oil	130,820	144,820	110.70%	(14,000)	To assure uninterrupted operation, paid \$10K reserve. Otherwise, expenses are anticipated to exceed budget as the price per gallon has increased by approximately 30% since the beginning of the fiscal year.

MOHAWK VALLEY WATER AUTHORITY

FINANCIAL RATIOS

Month 11 - February 29, 2008

LIQUIDITY – The Authority’s ability to pay its most immediate obligations.

A. *CURRENT RATIO*

What does it measure? The ratio measures the extent to which the Authority’s has current assets in excess of current liabilities. This measures our ability to pay bills when they become due.

(Current assets / Current liabilities)

Best Practice: Current Ratio of 2.0

<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>Avg.-Past Six months</u>
1.68	1.56	1.62	1.43	1.63	1.78	1.75

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>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>Avg.-Past Six months</u>
\$2,486,824	\$2,354,405	\$2,451,120	\$1,854,991	\$2,235,426	\$2,992,098	\$2,625,239

FINANCIAL RATIOS

Month 11 - February 29, 2008

SOLVENCY – The Authority’s ability to pay its long-term obligations.

A. DEBT TO ASSETS LEVERAGE RATIO

What does it measure? – The degree to which the Authority’s assets are financed through borrowings and other long-term obligations.

(Total liabilities / Total assets)

Example: 0.50 would indicate half the assets are financed with outstanding debt.

Best Practice: Lower, the better. However, 40% -50% depending on an organization’s future ability to pay.

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

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>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>Avg.-Past Six months</u>
2.59	2.68	2.95	3.55	4.03	2.57	3.00

FINANCIAL RATIOS

Month 11 - February 29, 2008

A. UNACCOUNTED FOR WATER RATIO

What does it measure? – The Authority’s loss of treated water from the filtration plant to its customers.

Example: 25% indicates the Authority has lost one quarter of its treated water due to unaccounted-for factors including leakage and evaporation.

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

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

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

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

	<u>Nov., Dec., Jan '08</u>	<u>Oct., Nov., Dec. '07</u>	<u>Sept., Oct., Nov. '07</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	54.72%	56.58%	60.23%	55.80%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	72.48%	74.34%	77.99%	73.56%
Remaining “Unaccounted-For Leakage”	27.52%	25.66%	22.01%	26.44%

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 11 - February 29, 2008

B. DEBT & PILOT PAYMENT BURDEN RATIO

What does it measure?– The portion of an average customer’s quarterly bill attributed to non-discretionary costs (debt service and PILOT payments).

(Monthly Debt Service + PILOTs) / # of Customers Billed per Month)

Example: The average quarterly bill for a family of four (4) using approximately 21,000 gallons is \$87.00. A burden of \$25.00 indicates that this portion of an average customer’s bill goes toward paying monthly debt service and PILOT payments.

<u>Feb. '08</u>	<u>Jan. '08</u>	<u>Dec. '07</u>	<u>Nov. '07</u>	<u>Oct. '07</u>	<u>Sept. '07</u>	<u>Avg.-Past Six months</u>
\$40.84	\$40.84	\$40.92	\$40.20	\$40.18	\$40.17	\$38.37

GLOSSARY OF TERMS

Month 11 - February 29, 2008

1) Three Traditional Financial Statements:

- I. **Balance Sheet** – Indicates “where we are now”. Includes accounts like cash, receivables, long term assets, accounts payable and debt.
- II. **Statement of Income** – Shows “how we are doing” at a point in time-usually a month or year. The statement identifies the revenue earned and expenses incurred at that specific point in time. The difference between revenues and expenses is an organization’s net income or deficit.
- III. **Statement of Cash Flows** – Shows “where the cash came from and where it went”. Drawback: Does not indicate assets used to generate cash nor any commitments or liabilities for which cash will be needed in the short term or long term.

2) Strategic Plan - Defines the Authority’s mission, value and strategy. It also defines how the Authority’s mission, value and strategy will be carried out. The Plan is a dynamic process that is flexible enough to allow modification of plans in order to respond to changing circumstances.

3) Business Plan/Operating Plan – This is the implementation of the strategic plan through the use of identifying specific results to be achieved within a given period, usually one year. The plan also identifies the actions and resources to achieve those results.

4) Profits and Net Income – **Profits** are usually stated in dollars, and **Net Income** is the positive difference between revenues and expenses.

5) Viability – The ability of a business to continue to survive and succeed into the future.

6) Accounting – The art of recording, classifying and summarizing, in a significant manner and in terms of money, transactions and events which are in part at least, of a financial character, and interpreting the results thereof.

7) GAAP – (Generally Accepted Accounting Principals) Accounting principals developed and approved by the Financial Accounting Standards Board (FASB), an independent body created by the SEC, to provide guidelines as to how financial accounting should be performed.

8) Cash Basis - Sales (Revenues) and Expenses (Costs) are accounted for on a “cash received” and “cash paid” basis. There are no Accounts Receivable and Accounts Payable with the Cash Basis of Accounting.

9) Accrual Basis – the practice by which revenues are recorded when “earned” and expenses are recorded when “incurred” even if the cash has not yet been received or paid out. Expenses incurred to produce the Sales are properly “matched” against each other within the same accounting period.

GLOSSARY OF TERMS

Month 11 - February 29, 2008

- 10) **Matching Principle** – As stated above, expenses incurred to produce Sales must be matched together within the same period. Otherwise, there is a distortion of Net Income for certain accounting periods.
- 11) **Capitalization** – The practice of recording purchases where the usefulness will be recognized over time to generate revenue. (The “usefulness” is what we call depreciation.)
- 12) **Net Realizable Value** – The value of a transaction or series of transactions after allowances or discounts have been taken against the transaction(s).

Example - Accounts Receivable: Gross receivables less an allowance for bad debts = Net Realizable Value of Accounts Receivable.

- 13) **Meter Route/ Meter Cycle** – A **meter route** is a Meter Reader’s walking/driving direction used to read meters at residence and businesses. A route usually encompasses approximately 175 meter readings. A **meter cycle** is a group of meter routes that are within the same demographic area. A meter cycle usually includes 4-5 meter routes or approximately 700 meter readings.