

MOHAWK VALLEY WATER AUTHORITY

MONTHLY FINANCIAL REPORTING PACKAGE

Month 8: Month Ended November 30, 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 8 - November 30, 2008

PRODUCTION & CONSUMPTION

All amounts in <u>Cubic Feet</u> (1 cubic foot=7.481 gallons.)	Oct. Sept. August, 2008	July, August, Sept. 2008	June, July, August, 2008	Average--Past 6 Months
Average Water Consumption	45,486,461	44,107,059	43,675,358	41,457,533
Average Water Production	71,554,836	72,744,595	72,298,992	74,094,770

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
November, 2008		\$ 1,366,064	\$ 1,210,068	\$ 155,996	
Year-To-Date	\$ 4,165,197	\$12,434,131	\$ 11,332,277	\$ 1,101,854	\$ 5,267,051

Please Note: In accordance with our FY 2009 budget, the “balance remaining” includes \$41,667 per month (\$291,669 after 7 months) set-aside for debt service related to the new bonding scheduled for April, 2009.

CUSTOMER ACCOUNT MAINTENANCE

Customers in the Water System	Beginning Balance	New Accounts/ Moved into Area	Moved Out of Service. Area	Ending Balance
November, 2008		11	(41)	
Year-To Date (Fiscal 2009)	38,914	261	(186)	38,989
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%		

MOHAWK VALLEY WATER AUTHORITY

VITAL SIGNS—(KEY PERFORMANCE INDICATORS)--CONTINUED

Month 8 - November 30, 2008

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.
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

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

COMPTROLLER'S MESSAGE

Month 8 - November 30, 2008

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>
November 2008	\$968,557	\$110,951	\$418,524	\$71,736	\$36,037	\$192,637	\$138,672

Useful Information To Know: (UPDATED for 2008-2009 RATES)

- There are approximately 38,000 service connections in our service area.
- 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**.
- 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. This includes a quarterly maintenance fee of \$20.00.

Big Picture

Water Sales and Consumption:

For November, consumption was higher by 3% compared to November of the previous year. However, accumulated year-to-date, consumption is below by 15.2 million cubic ft; but up 1.2 million cubic ft. from the previous month.

This accumulated consumption variance is 3.0% of the prior year's total consumption. 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 stabilized and is consistent with August, the last time these account were billed. Consumption for monthly billed accounts is also consistent with the prior month, but we will continue to evaluate the larger accounts,

Specifically, we were down 7.0% for August and September in our monthly accounts compared to the first quarter of the fiscal year. Decreases in monthly-billed accounts were experienced in large consumption accounts including Masonic Home, OC Sewer, FX Matt's Brewery, Con Med, Utica Psychiatric, and St. Luke's Hospital and Marcy Correctional facility.

Some of these accounts including the OC Sewer, FX Matt's Brewery, Marcy Correctional facility and Tri-state Industrial Laundries increased usage as of October and have remained the same in November. This recovery has offset some of the reduction experienced from the previous month.

COMPTROLLER'S MESSAGE

Month 8 - November 30, 2008

Big Picture-continued

Cash Flow: November experienced a marginal increase in cash, as anticipated (see below). For the year, we are ahead \$100,000 more than anticipated; however, some large payment will occur in December including the annual retirement and some paving expenses.

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

<u>LITIGATION</u>	<u>MONTHLY ACTIVITY</u>		<u>YEAR-TO-DATE ACTIVITY</u>	
	TARGET	NOVEMBER, 2008	TARGET	ACTUAL
Cash Inflow	\$ 1,525,000	\$ 1,367,000	\$ 12,388,000	\$ 12,434,000
Outflows--				
Transfer to Funds Reserves	\$ -	\$ -	\$ -	\$ (79,000)
Personnel Costs	328,000	329,000	2,788,000	2,818,000
PILOTS	129,000	129,000	1,038,000	1,037,000
Debt Service	399,000	398,000	3,184,000	3,201,000
Anticipated Bonding	41,667	41,667	333,336	333,000
Payments to Suppliers	500,000	355,000	4,400,000	4,380,000
	<u>1,397,667</u>	<u>1,252,667</u>	<u>11,743,336</u>	<u>11,690,000</u>
Cash Remaining	\$ 127,333	\$ 114,333	\$ 644,664	\$ 744,000

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 (thru October)	\$ 84,693
TOTAL		\$ 825,445

COMPTROLLER'S MESSAGE

Month 8 - November 30, 2008

CONVERSION TO NEW BANKING SERVICES

- We have finalized the bill and will be reproducing it for billing in the next couple of weeks.
- We have finalized the web site customer access and customers can now pay via internet. (A press release is in order so the public is aware of this anticipated advancement) 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, 3.98% of the monthly accounts were estimated. This is compared to 3.91% from the previous month;

4.06% of the quarterly accounts were estimated. This is comparable to the 4.35% recorded in August (The prior time this area was billed).

MOHAWK VALLEY WATER AUTHORITY

COMPTROLLER'S MESSAGE

Month 8 - November 30, 2008

BILLING/COLLECTIONS:

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

Fiscal 2009	Beginning Balance	Sent to Collections	Amount Collected	Returned From Collections	Ending Balance
November, 2008		\$ 179,503	\$ 13,286	\$ 0	
October 2008		\$ 0	\$ 14,861	\$ 0	
September 2008		\$ 113,552	\$ 5,893	\$ 0	
August 2008		\$ 0	\$ 0	\$ 0	
July 2008		\$ 0	\$ 0	\$ 0	
June 2008		\$ 0	\$ 2,835	\$ 0	
May 2008		\$ 0	\$ 0	\$ 0	
April 2008		\$ 65,952	\$ 0	\$ 0	
Year to Date	\$ 7,219	\$ 359,007	\$ 36,875	\$ 0	\$ 329,351

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.

Prior Fiscal Years		Sent to Collections	Amount Collected	Returned From Collections	
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 138 new accounts have been added in October and November. Including the 150 noted above, 164 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;

Date	Last Name	Acct. #	Address	Fee Amt.	Fee Paid	Evidence	Letter Sent	Posted	Shut Off	Status
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 8 - November 30, 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 %	November	October	September	August	July	June
ASSETS							
Cash		\$ 5,058,231	\$ 5,227,440	\$ 4,862,244	\$ 4,683,601	\$ 5,013,161	\$ 4,539,520
Water Sales Receivable, Net		\$ 1,585,116	\$ 1,356,917	\$ 1,336,612	\$ 1,432,079	\$ 1,233,847	\$ 1,350,916
Trust Fund Assets		\$ 14,941,111	\$ 16,740,299	\$ 16,531,274	\$ 16,436,011	\$ 16,147,047	\$ 16,526,227
Utility Long Term Assets, Net		\$ 61,628,752	\$ 61,570,445	\$ 61,492,388	\$ 60,950,221	\$ 60,820,356	\$ 60,416,713
Total Assets		\$ 84,558,317	\$ 87,042,321	\$ 86,088,704	\$ 85,194,108	\$ 84,766,151	\$ 84,199,501
LIABILITIES							
Accounts Payable		\$ 968,557	\$ 669,329	\$ 742,473	\$ 622,788	\$ 482,891	\$ 767,301
Long Term Debt, Principal		\$ 56,040,392	\$ 57,291,249	\$ 57,277,106	\$ 57,262,964	\$ 57,328,821	\$ 57,314,678
Total Liabilities		\$ 60,639,586	\$ 62,340,888	\$ 62,201,419	\$ 61,890,310	\$ 61,637,467	\$ 61,631,576
EQUITY							
Unrestricted Earnings		\$ 4,204,437	\$ 4,988,313	\$ 4,174,166	\$ 3,672,045	\$ 3,498,212	\$ 2,937,454
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		\$ 872,101	\$ 871,710	\$ 871,710	\$ 870,754	\$ 870,327	\$ 870,327
Oper. and Maint. Reserve		\$ 572,899	\$ 572,508	\$ 572,508	\$ 571,552	\$ 571,125	\$ 571,125
Repair & Improvement		\$ 526,370	\$ 525,979	\$ 525,979	\$ 446,524	\$ 446,096	\$ 446,096
Bond Covenant Reserve		\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456	\$ 650,456
OPERATIONS - (Monthly Accumulation)							
	<i>Accum. Budget</i>	8th Month FY 2009	7th Month FY 2009	6th Month FY 2009	5th Month FY 2009	4th Month FY 2009	3rd Month FY 2009
Water Sales	101%	\$ 11,159,063	\$ 9,705,786	\$ 8,273,131	\$ 6,884,672	\$ 5,396,351	\$ 4,041,259
Other Revenue	85%	\$ 1,600,660	\$ 1,446,111	\$ 1,233,150	\$ 1,012,716	\$ 884,939	\$ 685,881
Operating Expenses less PILOTS	93%	\$ 6,992,630	\$ 5,722,623	\$ 5,040,634	\$ 4,173,669	\$ 2,912,744	\$ 2,185,929
Debt Service, Interest only	100%	\$ 1,997,120	\$ 1,026,083	\$ 1,026,083	\$ 1,017,118	\$ 986,540	\$ 985,964
PILOT Payments	100%	\$ 1,037,178	\$ 908,431	\$ 779,684	\$ 650,937	\$ 522,190	\$ 393,443

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 8 - November 30, 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	16 accounts	Parks / Recreations / etc.	12,107	222	392	7,267	296	665	3,265	
Way Way Under Construction	1D 128	511 Plant Street, Utica	3,092	-	-	994	15	422	1,661	Shut-off/Coll
Migdalia Cortes	2A 173	11 Shepperd Place, Utica	1,160	-	1	861	15	126	157	Posted
Ashford Clinton Corp.	2F 52BK	244 Roosevelt Dr. Utica	1,487	-	-	54	-	54	1,379	Posted
Ashford Clinton Corp.	2G 140A	244 Roosevelt Dr. Utica	1,184	-	1	1,016	15	65	87	Posted
CNY Properties, Inc.	3A 49	1857-59 Merriline Ave. Utica	1,087	-	-	437	15	635	-	Posted
Bagiche Singh	4A 113	900 Noyes Ave. Utica	1,644	-	-	407	1,237	-	-	Posted
GID Properties	4A 132B	808 Wager Street	4,432	-	-	3,387	15	1,030	-	Posted
Vogels Int Bakery	6B 72	1219-21 Lennox Avenue, Utica	1,026	-	63	8	31	61	863	Posted
William Almas	8C 26	1424 Oneida St. Utica	1,294	-	538	-	15	726	15	Posted
Milquiade Burdier	10D 123	109 Hobart Str. Utica	1,113	-	176	2	18	252	665	Posted
Milquiades Burdier	11G 74	1308 Brinkerhoff Ave. Utica	1,055	-	297	1	17	306	434	Posted
Christina Joseph	13D 21	602 Eagle Street, Utica	1,109	-	55	1	16	1,022	15	Investigation
Franco Emiliano	15B 65	1034 Morris Street, Utica	1,032	95	2	15	733	15	172	Posted
Chanty Srey	16B 16	516 Lansing Street (1 fl) Utica	1,285	97	4	16	713	16	439	Posted
Sammang Phou	16E 56	705 Elizabeth Street, Utica	1,195	-	10	10	18	9	1,148	Posted
Scott Bennett	28A 125	507 Main Street, Utica	1,055	-	22	7	187	6	833	Posted
Cybersports, Inc	34A 52A	8020 Ste. Route 12, NH	1,256	-	-	329	-	-	927	Investigation
Michael Knapp	37B 14	2260 Route 5, Utica	2,958	15	13	591	18	1	2,320	Posted
Eaton St. Partners	50D 14	1508 Genesee St. Utica	2,450	15	334	903	1,198	-	-	Investigation
Genesee Holding LLC	52B 19	239 Genesee Street, Utica	2,560	15	469	441	1,096	539	-	Investigation
Charles Property Mgmt.	55B 29	311-15 Whitesboro Street, Utica	3,674	15	158	881	1,762	843	15	Posted
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 8 - November 30, 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
DELINQUENT ACCOUNTS SHUT-OFF										
Peter Lim	1D 41	613 Henry Street, Utica	1,889	-	10	104	15	766	994	Shut-off/Coll
Shane Berge	2E 18A	105 Richardson Avenue, Utica	1,094	-	8	186	29	72	799	Shut-off/Coll
Agueda Calle	3F 66	1247 Lincoln Ave. Utica	1,159	-	7	7	13	456	676	Shut-off/Coll
George Bassett	4C 133	720 Roberts Street, Utica	1,287	-	11	65	35	64	1,112	Shut-off/Coll
James Spratt	5E 93	1207 Erie Street, Utica	1,207	-	9	122	30	141	905	Shut-off/Coll
James Spratt	5F 84	617 Lennox Avenue, Utica	1,285	-	10	90	30	182	973	Shut-off
Jim Spratt	11E 150	1507 Miller Street, Utica	1,694	-	69	14	43	115	1,453	Shut-off/Coll
Martin Davis	5E 159	1043 Erie Street, Utica	1,090	-	9	59	23	57	942	Shut-off/Coll
Mohammed Hashim	6A 105	1109 Court Street, Utica	1,518	-	67	10	34	112	1,295	Shut-off/Coll
Angel Rios	7D 20	424 French Road, Utica	2,410	-	76	21	56	73	2,184	Shut-off/Coll
Care Real Estate	7D 26	1502 Whitesboro Street, Utica	2,625	-	2,196	3	21	56	349	Shut-off/Coll
Sapi Dussi	10D 8	1309-13 Oneida Streetk, Utica	2,070	-	296	14	42	215	1,503	Shut-off/Coll
Kim Willie	10E 110	128 Elmwood Pl (3rd Fl) Utica	1,349	-	104	541	23	666	15	Shut-off/Coll
Hidalgo Diaz	10F 86	1506 Steuben Street, Utica	1,335	-	66	10	35	54	1,170	Shut-off/Coll
Michael Cipriano	10F 108	105-107 Wall Street, Utica	3,097	-	82	21	55	255	2,684	Shut-off/Coll
Charlritry Chheng	11A 136	1415 Elm Street, Utica	1,382	-	228	2	19	447	686	Shut-off
William Hawkins	11B 118	1210 Steuben St. Utica	2,465	-	127	22	58	74	2,184	Shut-off/Coll
Rafaela Pantaleon	11B 179	107 Leah Street, Utica	2,293	-	104	-	15	2,159	15	Shut-off/Coll
Damian Planco	11C 130BK	1575-77 Steuben Street, Utica	1,030	-	63	7	28	109	823	Shut-off/Coll
Thach Buon Bopha Suno	11E 34	1502 Howard Avenue, Utica	1,469	-	67	12	38	110	1,242	Shut-off/Coll
Bank of America	11F 157	1427-29 Howard Avenue, Utica	1,652	-	258	4	22	645	723	Shut-off/Coll
Donald Shaub	11G 97	1308 Dudley Avenue, Utica	2,167	-	71	14	41	413	1,628	Shut-off/Coll
Margaret Natale	12B 89	339 Pleasant Street, Utica	3,591	-	79	5	24	1,022	2,461	Shut-off/Coll
Dale Grant	12B 156	1509 Seymour Ave. Utica	1,003	-	62	5	25	170	741	Shut-off
SueAnn Stevens	13C 102	1139 Seymour Avenue, Utica	1,681	-	153	377	39	149	963	Shut-off
Darlene Clark	13D 148	1546 Vincent Street, Utica	3,050	-	83	23	60	129	2,755	Shut-off/Coll

SIGNIFICANT DELINQUENT RECEIVABLE BALANCES

Month 8 - November 30, 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
DELINQUENT ACCOUNTS SHUT-OFF										
Marco Gonzales	13F 61	1124 Dudley Ave. Utica	1,357	-	65	11	36	165	1,080	Shut-off/Coll
Kerim Omeragic	14EE 12	1150 Kossuth Ave. Utica	1,227	-	114	9	33	111	960	Shut-off/Coll
Rafael Padalla	17A 150A	689 Bleeker Street, Utica	1,076	-	10	10	19	24	1,013	Shut-off/Coll
Thein Aung	17B 114A	925 Catherine Street, Utica	1,412	47	10	25	199	23	1,108	Shut-off/Coll
Rebecca Hocienda	17F 23ABK	1004 Blandina St. Utica	1,003	97	8	22	68	22	786	Shut-off
U.S Nat'l Bank	18A 54	1206 Catherine Street, Utica	1,232	52	9	24	119	22	1,006	Shut-off
Matt Morreale	29B 33	2140 McBride Avenue, Utica	1,050	-	22	7	150	5	866	Shut-off/Coll
Lucille Halpin	30B 159	208 Main Street, Whitesboro	1,294	-	26	11	88	9	1,160	Shut-off/Coll
Erica & John Smaldon	30C 1	1 Dewey Avenue, Utica	1,163	-	24	9	168	8	954	Shut-off
Gerald Dos Santos	30D 61	23 Brainard Street, Whitesboro	1,281	-	9	8	24	1	1,239	Shut-off/Coll
Molly O'Malley	31A 33	103-105 River Street, Oriskany	1,179	-	25	10	87	8	1,049	Shut-off
Seco Leasing Corp.	50A 21	132-42 Hotel Street, Utica	1,202	15	86	100	198	97	706	Shut-off/Coll
Coolidge Mem. LLC	52B 60	106 Memorial Pkwy	6,046	15	514	524	1,032	509	3,452	Shut-off/Coll
Brandegge Gar. Apts	52E 27C	827 Jay Street, Utica	2,328	15	1,265	1,048	-	-	-	Posted
SIBFS 1900, LLC	52E 61	1900 Bleeker Str. Utica	3,821	15	388	403	856	428	1,731	Shut-off/Coll
807-11 Broad Street, LLC	55A 6	807 Broad St. Utica	4,285	15	403	1,782	963	365	757	Shut-off
Fay Street Warehouse	55A 9A	825-27 Broad Street, Utica	1,835	-	52	50	92	42	1,599	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			3,224	-	-	-	-	-	3,224	
Village Delinquents - Prior Years			88,293	-	-	-	-	-	88,293	
Remaining Accounts			1,659,038	788,665	291,249	136,181	138,477	111,106	193,360	Change
November, 2008			3,284,346	789,824	304,455	160,406	151,874	130,327	1,747,460	7.83%
October, 2008			3,045,920	688,818	222,769	127,370	219,924	43,877	1,743,162	1.47%
September, 2008			3,001,859	606,137	136,613	131,401	257,298	90,415	1,779,995	-2.46%

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 8 - November 30, 2008

CAPITAL PROJECTS - FY2003

CAPITAL PROJECT	LOCATION	PROJECT No.	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEARS EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Toby Road Tank	Marcy	02-26-A	8,762,000	17,000	26,184	33,914	60,098	8,701,902
Fiscal 2003 Budgeted Capital Projects			<u>8,762,000</u>	<u>17,000</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 #	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	132,255	0	25,211	63,655	88,866	43,389
Clearwell	WTP	05-22-A	4,174,500	0	443,458	4,032,229	4,475,687	-301,187
Fiscal 2005 Budgeted Capital Projects			<u>7,891,755</u>	<u>0</u>	<u>470,271</u>	<u>4,275,784</u>	<u>4,746,055</u>	<u>3,145,700</u>

CAPITAL PROJECTS - FY2006

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Water Main	Holland Patent	06-03-A	90,000	0	22,759	58,308	81,067	8,933
Tank- 10m Gallon	Deerfield Tank	06-04-A	5,939,705	5,469	551,292	5,158,566	5,709,858	229,847
Fiscal 2006 Budgeted Capital Projects			<u>6,029,705</u>	<u>5,469</u>	<u>574,051</u>	<u>5,216,874</u>	<u>5,790,925</u>	<u>238,780</u>

MOHAWK VALLEY WATER AUTHORITY

WORK IN PROCESS—CAPITAL PROJECTS

Month 8 - November 30, 2008

CAPITAL PROJECTS - FY2007

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Corrosion Compliance Study	System Wide	07-01-A	180,000	0	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	0	12,984	488,246	501,230	48,770
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	11,350	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			<u>6,730,410</u>	<u>11,350</u>	<u>116,259</u>	<u>1,017,137</u>	<u>1,133,396</u>	<u>5,597,014</u>

WORK IN PROCESS—CAPITAL PROJECTS

Month 8 - November 30, 2008

CAPITAL PROJECTS - FY2009

CAPITAL PROJECT	LOCATION	PROJECT #	AMENDED BUDGET	CURRENT MONTH EXPENSE	YEAR TO DATE EXPENSE	PRIOR YEAR EXPENSE	TOTAL PROJECT EXPENSE	REMAINING BALANCE
Main Replacement	Walnut St., Utica	09-01-A	65,000	0	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	4,834	4,834	0	4,834	166
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	13,654	13,654	0	13,654	
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
Fiscal 2009 Budgeted Capital Projects			<u>241,825</u>	<u>18,488</u>	<u>149,283</u>	<u>0</u>	<u>149,283</u>	<u>26,411</u>

MOHAWK VALLEY WATER AUTHORITY

MAJOR REVENUE AND EXPENSE ACCOUNT ANALYSIS

Month 8 - November 30, 2008

MONTHLY CONSUMPTION- (IN HUNDREDS OF CUBIC FEET)

	FISCAL 09	FISCAL 08	FISCAL 07	FISCAL 06	FISCAL 05
April	378,976	432,019	419,898	421,158	436,874
May	457,738	428,265	412,183	433,169	433,732
June	430,138	449,886	483,811	463,071	432,431
July	406,684	441,659	434,748	477,805	476,038
August	476,222	510,472	475,336	514,883	469,873
September	443,089	493,270	481,683	513,111	449,233
October	445,281	446,832	436,160	469,375	529,942
November	465,692	<u>453,228</u>	<u>472,410</u>	<u>474,227</u>	<u>424,247</u>
		3,655,631	3,616,229	3,766,799	3,652,370
December	0	403,309	451,290	424,902	426,796
January	0	404,724	397,180	407,949	409,415
February	0	430,673	434,793	398,579	452,494
March	<u>0</u>	<u>421,810</u>	<u>410,322</u>	<u>400,517</u>	<u>427,874</u>
Total	<u>3,503,820</u>	<u>5,316,147</u>	<u>5,309,814</u>	<u>5,398,746</u>	<u>5,368,949</u>

MONTHLY WATER BILLINGS:

	FISCAL 2009			FISCAL 2008	
	Billings	Cash Receipts	Reading Areas	Billings	Cash Receipts
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	<u>1,339,290</u>	<u>1,221,617</u>
				10,751,168	10,674,270
December	0	0		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	<u>0</u>	<u>0</u>		<u>1,247,605</u>	<u>1,417,892</u>
Total	<u>11,159,094</u>	<u>\$11,158,486</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 8 - November 30, 2008

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% increase 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% increase compared to 2008 actual.

For November, water sales are up \$114,000 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 \$408,000 or 3.8% 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 8 - November 30, 2008

	November Month-To-Date		Annual Budget	Projected to Year-End	Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Current Budget (Cash-Basis)	Actual (Accrual-Basis)					
Administration							
Salaries	203,476	201,248	311,200	306,340	98.91%	2,228	Minimal variance
Travel & Vehicle Usage	4,500	8,805	5,750	13,110	195.67%	(4,305)	Bond rating trip to NYC by Executive Director and Comptroller not budgeted.
Contracted Services	26,809	32,377	48,275	56,875	120.77%	(5,568)	Marketing Consultant over budget by \$8.6K due to timing. Offset by the printing of the annual report which hasn't occurred = \$1.5K
Legal Fees	157,150	117,892	209,800	177,892	75.02%	39,258	Judge's ruling expected in Feb.-March of 2009. At that time, variance will be reduced.
Finance & Accounting							
Salaries	310,548	281,027	474,957	439,957	90.49%	29,521	Budgeted position is currently open
Engineering							
Salaries	349,206	306,794	228,101	160,101	87.85%	42,412	Position presently unfilled
Office Equipment	0	3,373	0	3,373	-	(3,373)	Office furniture had to be replaced due to water damage .
Operating Supplies	13,929	6,766	17,029	10,629	48.57%	7,163	Replacement of portable radios not occurred to date=\$4.9K.
Contractor Services	39,330	21,909	45,080	28,080	55.71%	17,421	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	9,364	3,303	10,789	4,789	35.27%	6,061	Training conferences budgeted were not attended (i.e. ARC GIS = \$1.5K; GIS Auto Cad = \$1.5K).

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 8 - November 30, 2008

	November		Annual	Projected	Percent	Favorable	Explanation of Variance
	Month-To-Date						
	Budget	Actual	Budget	to Year-End	of Current	(Unfavorable)	
	(Cash-Basis)	(Accrual-Basis)			Budget	Variance	
Information Technology							
Salaries	164,778	163,536	252,012	252,012	99.25%	1,242	Minimal variance
Operating Supplies	14,320	9,270	17,620	13,620	64.73%	5,050	Purchase of computer paper = \$1.5K favorable, and back-up tapes = \$2.8K favorable.
Contracted Services	135,188	73,604	158,682	117,682	54.45%	61,584	Timing of several purchases (i.e. hydrant/valve software = \$12K; software development support -\$30K; paperless reporting conversion -\$9K; and Cool Ice maintenance-\$7.5K.
Training and Education.	600	3,639	600	3,639	606.50%	(3,039)	Unanticipated training performed for various departments
Water Quality							
Salaries	263,469	262,086	402,955	402,955	99.48%	1,383	Minimal variance
Office Equipment	11,500	1,800	14,000	10,000	15.65%	9,700	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	8,000	5,600	55.09%	3,458	FY 2007 Water Quality Report favorable by \$2.4K
Operating Supplies	107,700	74,676	152,200	143,655	69.34%	33,024	Timing of chemicals and monitoring purchases--Pathogen monitoring
Contracted Services	11,100	8,486	14,600	10,600	76.45%	2,614	Year to date favorability are attributed to timing of work performed--regulated monitoring \$2.4K.
Training and Education	6,900	2,422	8,050	8,050	35.10%	4,478	Timing of expenses.
Repairs	10,000	128	10,000	2,500	1.28%	9,872	Minimal repairs to date
Treatment Plant							
Salaries	226,729	226,458	346,762	346,762	99.88%	271	Minimal variance
Wages	11,305	10,491	17,290	16,500	92.80%	814	Minimal variance
Travel	3,600	628	4,000	1,200	17.44%	2,972	AWWA Water Quality Tech. Conference not attended (\$2.9K)
Small Equipment	25,300	8,192	28,200	12,500	32.38%	17,108	Timing of purchases (i.e. chlorine scale purchases = \$4K; feed pumps have not been purchased = \$8K; chlorine parts = \$4.6K).
Operating Supplies	692,311	730,501	942,000	907,000	105.52%	(38,190)	As expected, granulated activated carbon (GAC) purchases have exceeded budget.
Contractor Services	13,930	9,655	15,550	12,550	69.31%	4,275	Sludge removal favorable by \$2.9K.
Plant Repairs	18,000	21,513	30,000	28,000	119.52%	(3,513)	Numerous small repairs to maintain the WTP

MAJOR EXPENSE ACCOUNT ANALYSIS-CONTINUED

Month 7 – October 31, 2008

	November		Annual Budget	Projected to Year-End	Percent of Current Budget	Favorable (Unfavorable) Variance	Explanation of Variance
	Budget (Cash-Basis)	Actual (Accrual-Basis)					
Maintenance							
Salaries	393,644	369,564	602,045	567,045	93.88%	24,080	Minimal variance
Wages	644,736	587,380	986,069	921,069	91.10%	57,356	3 budgeted positions were open for a portion of the year.
Street Repair Materials	103,703	96,986	135,417	126,417	93.52%	6,717	Timing of paving materials purchases (cold patch = \$5.3K; and item # 4 = \$3.7K).
Office Equipment	5,024	952	5,536	1,500	18.95%	4,072	Office furniture and air conditioner for the Luke Road Pump Station were not purchased
Small Equipment	54,195	12,515	57,195	43,695	23.09%	41,680	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	66,665	110,813	100,900	135,000	166.22%	(44,148)	General supplies (i.e. mains supplies, clamps, couplings, etc.) are exceeding budget.
Contracted Services	31,450	18,612	35,900	28,900	59.18%	12,838	Some expenditures not incurred (i.e. staff augmentation = \$4.9K; tree cutting = \$5.2K)
Training & Education	19,370	2,650	25,220	15,220	13.68%	16,720	Only asbestos training performed to date.
Vehicle & Equip. Repairs	148,102	71,803	207,910	107,910	48.48%	76,299	Minimal repairs to date.
Cash-Financed Construction							
Meters	182,964	121,860	255,539	210,539	66.60%	61,104	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	62,180	67,820	62,180	91.68%	5,640	No more purchases of hydrants are anticipated for FY 2009.
Paving	476,265	306,805	476,265	401,265	64.42%	169,460	Timing of invoices. Projecting annual favorability of approximately \$50K.
Vehicles & Machinery	269,000	323,822	269,000	323,822	120.38%	(54,822)	Purchase of Wachs valve turning unit-\$45k
General Services							
Printing	27,450	10,157	44,870	24,870	37.00%	17,293	Very limited printing of business forms to date = \$7.4K. Timing of the printing of the quarterly newsletter = \$6.6K
Telephone	60,619	69,115	90,927	105,927	114.02%	(8,496)	GPS usage for trucks = \$8.4K not budgeted
Heating Oil	36,161	10,625	55,150	40,150	29.38%	25,536	Timing of heating oil purchases vs. budget.
Gas & Oil	98,200	113,853	146,950	171,950	115.94%	(15,653)	While gasoline consumption has remained flat, the cost is unfavorable YTD by approximately \$24K. The YTD price per gallon is higher by 30%
Overtime							
Treatment Plant	27,463	41,413	42,000	60,000	150.80%	(13,950)	
Maintenance	121,617	117,977	186,000	186,000	97.01%	3,640	

FINANCIAL RATIOS

Month 8 - November 30, 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>Nov. '08</u>	<u>Oct. '08</u>	<u>Sept. '08</u>	<u>August '08</u>	<u>July '08</u>	<u>June '08</u>	<u>Avg.-Past Six months</u>
1.89	1.86	1.77	1.83	1.98	1.84	1.87

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>Nov, '08</u>	<u>Oct. '08</u>	<u>Sept. '08</u>	<u>August '08</u>	<u>July '08</u>	<u>June '08</u>	<u>Avg.-Past Six months</u>
\$3,754,680	\$4,047,360	\$3,506,151	\$3,545,951	\$3,855,523	\$3,305,085	\$3,234,176

FINANCIAL RATIOS

Month 8 - November 30, 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>Nov '08</u>	<u>Oct '08</u>	<u>Sept '08</u>	<u>August '08</u>	<u>July '08</u>	<u>June '08</u>	<u>Avg.-Past Six months</u>
72%	72%	72%	73%	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%.

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>Nov '08</u>	<u>Oct '08</u>	<u>Sept '08</u>	<u>August '08</u>	<u>July '08</u>	<u>June '08</u>	<u>Avg.-Past Six months</u>
2.41	3.15	2.88	2.55	2.90	2.95	3.27

FINANCIAL RATIOS

Month 8 - November 30, 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>August, Sept. Oct. 2008</u>	<u>July, August, Sept. '08</u>	<u>June, July, August '08</u>	<u>Avg.-Past Six months</u>
Average Billed Water %	63.57%	60.63%	60.41%	55.95%
Other Unmetered Uses (See Detail Above)	17.76%	17.76%	17.76%	17.76%
Total Water Usage	81.33%	78.39%	78.17%	73.71%
Remaining “Unaccounted-For Leakage”	18.67%	21.61%	21.83%	26.29%

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 8 - November 30, 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>Nov '08</u>	<u>Oct '08</u>	<u>Sept '08</u>	<u>August '08</u>	<u>July '08</u>	<u>June '08</u>	<u>Avg.-Past Six months</u>
\$43.68	\$43.75	\$43.75	\$43.75	\$43.79	\$43.80	\$40.20

GLOSSARY OF TERMS

Month 8 - November 30, 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 8 - November 30, 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.