

TOWN OF WILTON
WATER AND SEWER AUTHORITY

FINANCIAL STATEMENTS
DECEMBER 31, 2011

TOWN OF WILTON WATER AND SEWER AUTHORITY

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CUSACK & COMPANY
Certified Public Accountants LLC
7 AIRPORT PARK BOULEVARD
LATHAM, NEW YORK 12110
(518) 786-3550
FAX (518) 786-1538
E-MAIL ADDRESS: INFO@CUSACKCPA.COM
WWW.CUSACKCPA.COM

CLIFTON PARK/HALFMOON OFFICE
(518) 664-7063
FAX (518) 541-3083

MEMBERS OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of the Town Board
Town of Wilton Water and Sewer Authority

We have audited the accompanying statement of net assets of the Town of Wilton Water and Sewer Authority, as of December 31, 2011 and the related statements of revenues, expenses and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The management's discussion and analysis on pages 2 through 4 and the statement of revenues and expenses - budget to actual on page 13 is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Town of Wilton Water and Sewer Authority as of December 31, 2011 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
May 30, 2012

TOWN OF WILTON WATER AND SEWER AUTHORITY

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2011

Organization

The Town of Wilton Water and Sewer Authority (the Authority) provides water supply and distribution as well as sewer services to residents of the Town of Wilton within its service areas. The Authority was created by the State Legislature in 1991. Other than appointing members to the Authority's five member governing board, the Town of Wilton has no oversight responsibility or exerts any control over the Authority.

The Authority has a customer base in excess of 2,900 water and sewer customers.

The Authority currently has three water plants with a total of 27 wells in operation to service its customers. As new housing and commercial developments are approved, the developers are required to construct water distribution lines, sewage collection systems and pumping stations which are then dedicated to the Authority. The Authority also purchases water from the City of Saratoga Springs. This contract allows the Authority the right to purchase up to 250,000 gallons per day at 1 ½ times the City's rate to its users.

In March, 2007, the Authority entered into a contract with the Saratoga County Water Authority to buy 300,000 gallons of water per day at a cost of \$2.05 per 1,000 gallons. In September 2011, the Authority discontinued taking water from the County due to a temporary potability issue. The Saratoga County Water Authority has issued a credit for the water that was paid for and not taken in the fourth quarter of 2011. This water will be taken in 2012.

The funding to provide water services comes primarily from charges for water consumption and various developer fees.

The funding to provide sewer services comes primarily from sewer charges to users and capital improvement fees paid by developers. Sewage from the Town is treated by the Saratoga County Sewer District. The Authority provides the individual collection systems and pumping stations to transfer the sewage to the Saratoga County Sewer District.

The Authority provides the following basic financial statements:

Statement of Net Assets
Statement of Revenues, Expenses and Changes in Net Assets
Statement of Cash Flows

Analysis of Authority's Financial Position

Total net assets at December 31, 2011 was \$20,785,656; this was an increase of \$619,087 from 2010. Net assets at December 31, 2011 includes contributed capital (net of accumulated depreciation on those assets) of \$7,340,590. Net assets also includes infrastructure replacement and capital improvement reserves totaling \$4,990,508.

TOWN OF WILTON WATER AND SEWER AUTHORITY
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2011

Analysis of Authority's Financial Position (Continued)

Total assets at December 31, 2011 was \$22,260,763 an increase of \$344,994 from 2010. Total assets include capital assets as follows:

	<u>2011</u>	<u>2010</u>	<u>Increase (Decrease)</u>
Capital Assets at historical cost	\$ 18,972,300	\$ 18,939,757	\$ 32,543
Accumulated Depreciation	<u>(5,082,719)</u>	<u>(4,663,558)</u>	<u>419,161</u>
Net Capital Assets	<u>\$ 13,889,581</u>	<u>\$ 14,276,199</u>	<u>\$ (386,618)</u>

Due to the lagging economy, there was no increase in capital assets for 2011 for water and sewer lines and pump stations contributed by developers.

During 2011, the Authority began a project to upgrade the sewer pump station at Exit 15. Costs incurred to date are \$23,187 which are included in construction in progress. The total budget for this project is \$580,000 which is expected to be completed in 2012.

Liabilities at December 31, 2011 totaled \$1,475,107; this is a decrease of \$274,093 from 2010. Included in total liabilities is revenue bonds payable of \$1,360,000; this is the debt issued for the construction of the Jones Road Water Plant.

On the Statement of Revenues and Expenses, operating revenue totaled \$1,909,880 for the year ended December 31, 2011; a decrease of \$155,858 from 2010. Included in operating revenue is as follows:

	<u>2011</u>	<u>2010</u>
Water Revenues:		
Metered Water Rents	\$ 1,157,174	\$ 1,153,748
Unmetered Water Rents	4,790	4,790
Buy in Fees	180,800	294,200
Interest and Penalties	11,855	10,452
Use of Money	105,694	101,474
Use of Property	47,649	46,261
Developer Fee Revenue	9,110	18,418
Sale of Meters	6,600	14,894
Miscellaneous	<u>469</u>	<u>11,277</u>
Total Water Revenue	<u>1,524,141</u>	<u>1,655,514</u>
Sewer Revenues:		
Sewer Rent Revenue	247,403	242,541
Use of Money	37,056	31,373
Developer Fee Revenue	<u>101,280</u>	<u>136,310</u>
Total Sewer Revenue	<u>385,739</u>	<u>410,224</u>
 Total Operating Revenue	 <u>\$ 1,909,880</u>	 <u>\$ 2,065,738</u>

Analysis of Authority's Financial Position (Continued)

Operating expenses increased \$11,903 from 2010 to a total of \$1,275,195 for the year ended December 31, 2011. Included in operating expenses is as follows:

	<u>2011</u>	<u>2010</u>
Salaries	\$ 179,713	\$ 175,562
Employee Benefits	67,983	59,678
Contractual Services	574,297	555,015
Depreciation and Amortization	419,160	414,455
Interest	49,640	58,583
	<u>\$ 1,290,793</u>	<u>\$ 1,263,293</u>

Analysis of Capital Projects

At the end of 2011, there was one active Capital Project for the upgrade to a sewer pump station at Exit 15. Costs to date of \$23,187 are included in construction in progress.

Future Prospects for the Authority's Finances

Based on a report from the engineers for the Authority, metered consumption figures for 2011 demonstrate that 2,610 equivalent single family homes served during 2011 averaged less than 300 gallons per day. Based upon these consumption figures, it appears that the existing source capacity of the Authority can sustain a total of 10,625 equivalent single family connections. Currently there are 3,012 equivalent single family units connected and there are approximately 132 approved vacant lots (or equivalent residential connections) for which the Authority is committed to provide service.

The Authority has been averaging more than 50 new connections per year and we expect this trend to continue into the foreseeable future. With the Jones Road Water Plant, the contract with the city of Saratoga Springs and the new contract with the Saratoga County Water Authority, the Authority will have sufficient supply to provide water for all anticipated growth for the foreseeable future.

Contact Information

For additional information, please contact the Authority's Comptroller at Wilton Water and Sewer Authority, 20 Traver Road, Wilton, New York 12831.

TOWN OF WILTON WATER AND SEWER AUTHORITY

STATEMENT OF NET ASSETS

DECEMBER 31, 2011

Assets

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 2,924,999	\$ -	\$ 1,065	\$ -	\$ 2,926,064
Restricted Cash	2,636,217	2,356,241	-	-	4,992,458
Accounts Receivable	345,117	62,449	-	-	407,566
Inventory	18,892	3,134	-	-	22,026
Prepaid Expenses	23,068	-	-	-	23,068
Due from Other Funds	65	151,288	2,127	(153,480)	-
Utility Plant in Service, Net	<u>8,659,063</u>	<u>5,207,331</u>	<u>23,187</u>	<u>-</u>	<u>13,889,581</u>
 Total Assets	 <u>\$14,607,421</u>	 <u>\$ 7,780,443</u>	 <u>\$ 26,379</u>	 <u>\$ (153,480)</u>	 <u>\$ 22,260,763</u>

Liabilities and Net Assets

Accounts Payable and Accrued Expenses	\$ 102,894	\$ 4,536	\$ 2,127	\$ -	\$ 109,557
Bonds Payable	1,360,000	-	-	-	1,360,000
Deferred Revenue	5,550	-	-	-	5,550
Due to Other Funds	<u>150,288</u>	<u>2,127</u>	<u>1,065</u>	<u>(153,480)</u>	<u>-</u>
 Total Liabilities	 <u>1,618,732</u>	 <u>6,663</u>	 <u>3,192</u>	 <u>(153,480)</u>	 <u>1,475,107</u>
 Net Assets					
Invested in Capital Assets, Net of Related Debt	7,299,063	5,207,331	23,187	-	12,529,581
Replacement Reserve	2,636,217	1,221,387	-	-	3,857,604
Capital Reserve	-	1,132,904	-	-	1,132,904
Unrestricted	<u>3,053,409</u>	<u>212,158</u>	<u>-</u>	<u>-</u>	<u>3,265,567</u>
 Total Net Assets	 <u>12,988,689</u>	 <u>7,773,780</u>	 <u>23,187</u>	 <u>-</u>	 <u>20,785,656</u>
 Total Liabilities and Net Assets	 <u>\$ 14,607,421</u>	 <u>\$ 7,780,443</u>	 <u>\$ 26,379</u>	 <u>\$ (153,480)</u>	 <u>\$ 22,260,763</u>

TOWN OF WILTON WATER AND SEWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Capital Projects</u>	<u>Total</u>
Operating Revenue				
Water Rent Revenue	\$ 1,173,819	\$ -	\$ -	\$ 1,173,819
Sewer Rent Revenue	-	247,403	-	247,403
Use of Money	105,694	37,056	-	142,750
Use of Property	47,649	-	-	47,649
Developer Fee Revenue	189,910	101,280	-	291,190
Sale of Meters	6,600	-	-	6,600
Miscellaneous Revenue	<u>469</u>	<u>-</u>	<u>-</u>	<u>469</u>
 Total Operating Revenue	 <u>1,524,141</u>	 <u>385,739</u>	 <u>-</u>	 <u>1,909,880</u>
Operating Expense				
Salaries	161,764	17,949	-	179,713
Employee Benefits	59,999	7,984	-	67,983
Contractual Services	460,620	113,677	-	574,297
Depreciation and Amortization	274,190	144,970	-	419,160
Interest Expense	<u>49,640</u>	<u>-</u>	<u>-</u>	<u>49,640</u>
 Total Operating Expenses	 <u>1,006,213</u>	 <u>284,580</u>	 <u>-</u>	 <u>1,290,793</u>
Operating Transfers In (Out)	<u>510,165</u>	<u>(23,187)</u>	<u>(486,978)</u>	<u>-</u>
Increase (Decrease) in Net Assets	1,028,093	77,972	(486,978)	619,087
Net Assets, Beginning of Year	<u>11,960,596</u>	<u>7,695,808</u>	<u>510,165</u>	<u>20,166,569</u>
Net Assets, Ending of Year	<u>\$ 12,988,689</u>	<u>\$ 7,773,780</u>	<u>\$ 23,187</u>	<u>\$ 20,785,656</u>

TOWN OF WILTON WATER AND SEWER AUTHORITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2011

Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 1,676,230
Cash Paid to Employees, Contractors and Suppliers	<u>(863,434)</u>
Net Cash Provided By Operating Activities	<u>812,796</u>
 Cash Flows from Capital and Related Financing Activities:	
Purchase of Capital Assets	(32,542)
Principal Paid on Capital Debt	(245,000)
Interest Paid on Capital Debt	<u>(54,111)</u>
Net Cash Used In Capital and Related Financing Activities	<u>(331,653)</u>
 Cash Flows from Investing Activities:	
Use of Money and Property	<u>190,399</u>
Net Cash Used In Investing Activities	<u>190,399</u>
 Net Increase in Cash	671,542
 Cash at Beginning of Year	<u>7,246,980</u>
 Cash at End of Year	<u><u>\$ 7,918,522</u></u>
 Reconciliation of Operating Income to Net Cash Provided By Operating Activities:	
Increase in Net Assets	\$ 619,087
Add: Non-Operating Cash Flows	
Interest Expense	54,111
Less: Non-Operating Cash Flows	
Use of Money and Property	<u>(190,399)</u>
Operating Income	482,799
Adjustments to Reconcile Operating Income to Net Cash Provided By Operating Activities:	
Depreciation and Amortization	419,160
Changes in Assets and Liabilities:	
Receivables	(48,801)
Inventories	(9,271)
Prepaid Expenses	(1,998)
Accounts Payable and Accrued Expenses	(34,643)
Deferred Revenue	<u>5,550</u>
 Net Cash Provided By Operating Activities	<u><u>\$ 812,796</u></u>

TOWN OF WILTON WATER AND SEWER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011

1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Town of Wilton Water and Sewer Authority, (the "Authority") provides water supply and distribution and sewer services to customers in portions of the Town of Wilton (the "Town"). Additionally, the Authority is actively pursuing the acquisition of existing water systems to expand its existing distribution capabilities.

The Authority, a public benefit Corporation, was established in 1991 for the purpose of issuing revenue bonds to pay for the purchase, future improvement, and construction of the water and sewer system in the Town of Wilton, New York. Among its powers, the Authority may borrow money, issue debt, and require that the Board charge and collect sufficient rates to pay the costs of operating and financing the water and sewer system. The Authority consists of five members, who are appointed by the Town Board of Wilton. The Town of Wilton's accountability for the Authority does not extend beyond making the appointments.

Basis of Accounting

The accompanying financial statements of the Authority have been prepared on the accrual basis of accounting wherein revenue is recognized when earned and expense recognized when incurred. The Authority applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Authority considers certificates of deposit with maturities six months or less to be cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

Utility Plant in Service

Utility plant in service, acquired through either purchase or construction, is stated at cost. Donated water and sewer infrastructure is valued at its estimated fair value at the date donated. Depreciation is computed using the straight-line method based upon estimated depreciable lives as follows:

<u>Classification of Assets</u>	<u>Years</u>
Water supply systems	50
Water and sewer distribution systems	50
Equipment, furniture and fixtures	5-10
Soft costs	5

TOWN OF WILTON WATER AND SEWER AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2011

**1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Utility Plant in Service (Continued)

Maintenance and repairs are charged to current operations. Major replacements and improvements are capitalized as utility plant.

Income Taxes

The Authority is a municipal entity, which, under federal and state law, is not subject to any income taxes at the federal, state and local levels.

Contributed Capital

Contributed capital is recorded at the estimated fair value of the donated water and sewer infrastructure at the date donated. Depreciation on contributed fixed assets is allocated to contributed capital using the straight-line method over 50 years.

Other Postemployment Benefits

The Authority does not provide postemployment benefits.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported therein. Due to the inherent uncertainty involved in making estimates, actual results reported could differ from the estimates.

2. CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK

The Authority's written investment policy was adopted by the Authority's Board and is governed by State statutes. Authority monies must be deposited in FDIC insured commercial banks or trust companies located within the State. Authorized investments include demand accounts, certificates of deposit, obligations of the United States of America, obligations guaranteed by agencies of the United States of America, obligations of the State of New York, local municipalities, school districts or district corporations, public authorities and certificates of participation. Collateral is required for demand accounts and certificate of deposits at 100 percent of all deposits not covered by federal deposit insurance.

The carrying amount of checking and time deposits at December 31, 2011 totaled \$7,918,522, with corresponding bank balances of \$7,915,456 which were covered by Federal depository insurance or by collateral held by the Authorities agent in the Authorities name.

TOWN OF WILTON WATER AND SEWER AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2011

3. RESTRICTED ASSETS AND RESTRICTED NET ASSETS

Restricted assets consist of cash, certificates of deposit and related accrued interest for the following purposes:

Replacement Reserve - Water Fund	\$ 2,636,217
Replacement Reserve - Sewer Fund	1,221,387
Capital Reserve - Sewer Fund	<u>1,132,904</u>
 Total Restricted	 <u>\$ 4,990,508</u>

4. UTILITY PLANT IN SERVICE

Utility plant in service is comprised of the following:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Water and sewer supply, distribution and collection systems	\$ 8,578,696	\$ 373,928	\$ -	\$ 8,952,624
Donated infrastructure	3,033,443	6,499,723	-	9,533,166
Equipment, furniture and fixtures	440,156	23,167	-	463,323
Construction in progress	<u>-</u>	<u>-</u>	<u>23,187</u>	<u>23,187</u>
	12,052,295	6,896,818	23,187	18,972,300
Less: accumulated depreciation	<u>(3,393,232)</u>	<u>(1,689,487)</u>	<u>-</u>	<u>(5,082,719)</u>
	<u>\$ 8,659,063</u>	<u>\$ 5,207,331</u>	<u>\$ 23,187</u>	<u>\$ 13,889,581</u>

The purchase price of the original system and all related equipment, furniture and fixtures have been accounted for in the water supply, distribution, and collection systems category. Utility plant additions incurred subsequent to the original purchase of the system are classified by asset category.

Included in construction in progress is the Exit 15 sewer upgrade and is expected to be completed in 2012.

Depreciation and amortization was \$419,160 for the year ended December 31, 2011.

5. BONDS PAYABLE

In 2006, the Authority issued \$2,500,000 in revenue bonds for the construction of the Jones Road Water Plant, with interest at 3.65%.

The bonds are due as follows:

<u>Year</u>	<u>Principal Payable</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 255,000	\$ 44,986	\$ 299,986
2013	265,000	35,496	300,496
2014	270,000	25,732	295,732
2015	280,000	15,695	295,695
2016	<u>290,000</u>	<u>5,293</u>	<u>295,293</u>
	<u>\$ 1,360,000</u>	<u>\$ 127,202</u>	<u>\$ 1,487,202</u>

Interest expense was \$49,640 for the year ended December 31, 2011.

TOWN OF WILTON WATER AND SEWER AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2011

6. PENSION PLAN

Pension Description

The Authority participates in the New York State and Local Employees' Retirement System (ERS), and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing multiple-employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, Gov. Alfred E. Smith State Office Building, Albany, NY 12244.

Funding Policy

The Systems are noncontributory except for employees who joined the New York Employees' Retirement System after July 27, 1976 who contribute 3% of their salary for the first ten years of service credit and employees who joined on or after January 1, 2010 who generally contribute 3% of their salary for their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Authority is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were \$25,197 for 2011, \$18,397 for 2010 and \$10,374 for 2009. The Authority's contribution made to the System was equal to 100% of the contribution required for the year.

7. INTERFUND TRANSACTIONS

During the course of normal operations, the Authority has transactions between funds including expenditures and transfers. These transactions are recorded as interfund revenues, interfund transfers and expenditures in the respective funds.

Individual interfund receivable and payable balances at December 31, 2011 arising from these transactions were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Water Fund	\$ 65	\$ 150,288
Sewer Fund	151,288	2,127
Capital Projects	<u>2,127</u>	<u>1,065</u>
	<u>\$ 153,480</u>	<u>\$ 153,480</u>

TOWN OF WILTON WATER AND SEWER AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2011

8. VACATION, PERSONAL AND SICK LEAVE

Permanent employees are granted vacation, personal sick leave in varying amounts. A maximum of five days of unused vacation may be carried over to a subsequent year. Sick leave may be accumulated to 1,000 hours, however, sick leave is not a vested benefit and is not payable to the employee at termination. No provision has been made in the financial statements for any accumulated leave as of December 31, 2011 that was carried over to 2012 because it is considered by management to be immaterial.

9. LEASE PAYMENTS

The Authority has entered into a lease agreement with the Town of Wilton whereby the Authority has agreed to pay \$6,360 in 2011 with a 3% compounded increase each year beginning in January 2012 with no set expiration date. Rent expense of \$6,360 has been recognized in the year ended December 31, 2011.

10. COMMITMENTS

In February 2007, the Authority entered into a contract with the Saratoga County Water Authority ("SCWA") to purchase at least 300,000 gallons of potable water per day for a ten year period commencing from the date the SCWA possesses the operational capacity and ability to deliver the water. The contract commenced February 22, 2010. For the year ended December 31, 2011, the Authority paid SCWA \$223,946 and received a credit of \$55,965 for water usage under the 27,300,000 gallons that was not able to be delivered by SCWA.

TOWN OF WILTON WATER AND SEWER AUTHORITY
STATEMENT OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
DECEMBER 31, 2011

	<u>Original Budget</u>	<u>Modified Budget</u>	<u>Actual</u>	<u>Variance</u>
Operating Revenue				
Water Rent Revenue	\$ 1,117,996	\$ 1,117,996	\$ 1,173,819	\$ 55,823
Sewer Rent Revenue	243,696	243,696	247,403	3,707
Use of Money	131,573	131,573	142,750	11,177
Use of Property	48,359	48,359	47,649	(710)
Developer Fee Revenue	135,950	136,120	291,190	155,070
Sale of Meters	5,000	5,000	6,600	1,600
Miscellaneous Revenue	<u>-</u>	<u>-</u>	<u>469</u>	<u>469</u>
Total Operating Revenue	<u>1,682,574</u>	<u>1,682,744</u>	<u>1,909,880</u>	<u>227,136</u>
Operating Expense				
Salaries	180,829	180,889	179,713	1,176
Employee Benefits	86,953	91,903	67,983	23,920
Contractual Services	720,738	770,556	574,297	196,259
Depreciation and Amortization *	-	-	-	-
Interest Expense	54,112	54,112	49,640	4,472
Contingency	58,071	24,413	-	24,413
Operating Transfer to Capital Projects	<u>-</u>	<u>483,369</u>	<u>23,187</u>	<u>460,182</u>
Total Operating Expenses	<u>1,100,703</u>	<u>1,605,242</u>	<u>894,820</u>	<u>710,422</u>
Increase in Net Assets	581,871	77,502	<u>\$ 1,015,060</u>	<u>\$ 937,558</u>
Capital and Replacement				
Reserve Funding	(277,518)	(1,491,368)		
Bond Principal Payment	(245,000)	(245,000)		
Capital Asset Acquisition	<u>(18,500)</u>	<u>(18,500)</u>		
Change in Net Assets	<u>\$ 40,853</u>	<u>\$ (1,677,366)</u>		

* Actual depreciation and amortization has been adjusted to zero to agree to the budgetary basis of accounting.