



Suffolk County Water Authority

--Budgets--

For The Fiscal Year Ending

May 31, 2012

TABLE OF CONTENTS

TAB	SCHEDULE	
1	1	Highlights of Budget Data
2	2	Revenue Budget
	2A	Revenue Budget Chart
3	3	Operating and Maintenance Budget
	3A	Operating and Maintenance Budget Chart
4	4	Construction Budget
	4A	Construction Budget Chart
Supplemental Information		
5	5	Operating Cash Flow
6	6	Projected Earnings
7	7	Customers Served

**SUFFOLK COUNTY WATER AUTHORITY
HIGHLIGHTS OF BUDGET DATA
FOR FISCAL YEAR ENDING MAY 31,**

	Budget	Projection	Budget	Actual
Authority Budgets	<u>2012</u>	<u>2011</u>	<u>2011</u>	<u>2010</u>
Operating Revenues and Other Income	\$ 167,483,000	\$ 171,223,000	\$ 163,695,000	\$ 153,504,000
Operation and Maintenance Expense	<u>108,561,000</u>	<u>107,284,000</u>	<u>105,482,000</u>	<u>97,072,000</u>
Operating Income Available	<u>\$ 58,922,000</u>	<u>\$ 63,939,000</u>	<u>\$ 58,213,000</u>	<u>\$ 56,432,000</u>
Capital Budget	<u>\$ 57,152,000</u>	<u>\$ 62,188,000</u>	<u>\$ 72,239,000</u>	<u>\$ 68,382,000</u>
Debt-Service	<u>\$ 31,065,000</u>	<u>\$ 35,909,000</u>	<u>\$ 35,909,000</u>	<u>\$ 34,608,000</u>
Debt Coverage				
Senior Debt	2.19	2.20	1.83	1.99
All Debt	1.90	1.78	1.62	1.63

Projection May 31, 2012

Revenues -Actual for 7 months and estimated for 5 months
Expenses -Actual for 7 months and estimated for 5 months
Capital -Figures are based on the latest available information
Active Services -Figures are based on the latest available information

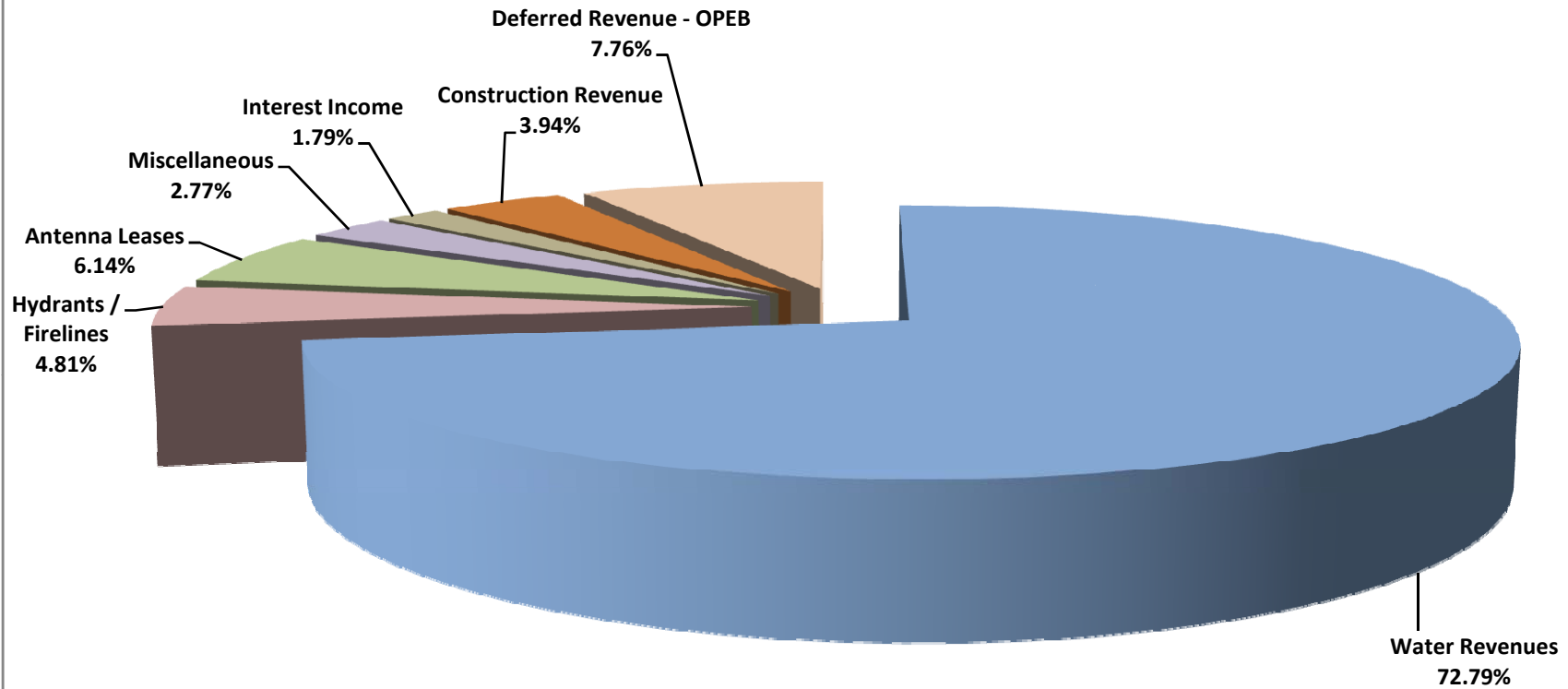
Debt service is net of capitalized interest.

**SUFFOLK COUNTY WATER AUTHORITY
REVENUE
FOR FISCAL YEAR ENDED MAY 31,**

	Budget Year Ending 2012	Projected Year Ending 2011	Budget Year Ending 2011	Actual Year Ending 2010
Water Revenues	\$ 121,904,000	\$ 124,774,000	\$ 116,465,000	\$ 106,791,000
Hydrants / Firelines	8,063,000	8,306,000	7,933,000	7,789,000
Antenna Leases	10,289,000	9,990,000	9,548,000	9,783,000
Miscellaneous	<u>4,633,000</u>	<u>4,723,000</u>	<u>4,108,000</u>	<u>5,207,000</u>
Total Operating Revenues	<u>144,889,000</u>	<u>147,793,000</u>	<u>138,054,000</u>	<u>129,570,000</u>
Interest Income	3,000,000	3,340,000	5,000,000	3,470,000
Deferred Revenue - OPEB	13,000,000	13,000,000	13,000,000	12,409,000
Construction Revenue	<u>6,594,000</u>	<u>7,090,000</u>	<u>7,641,000</u>	<u>8,056,000</u>
Total Revenues	<u>\$ 167,483,000</u>	<u>\$ 171,223,000</u>	<u>\$ 163,695,000</u>	<u>\$ 153,505,000</u>

SUFFOLK COUNTY WATER AUTHORITY

Revenue Components:



Revenue Budget for f/y/e May 31, 2012: \$167,483,000

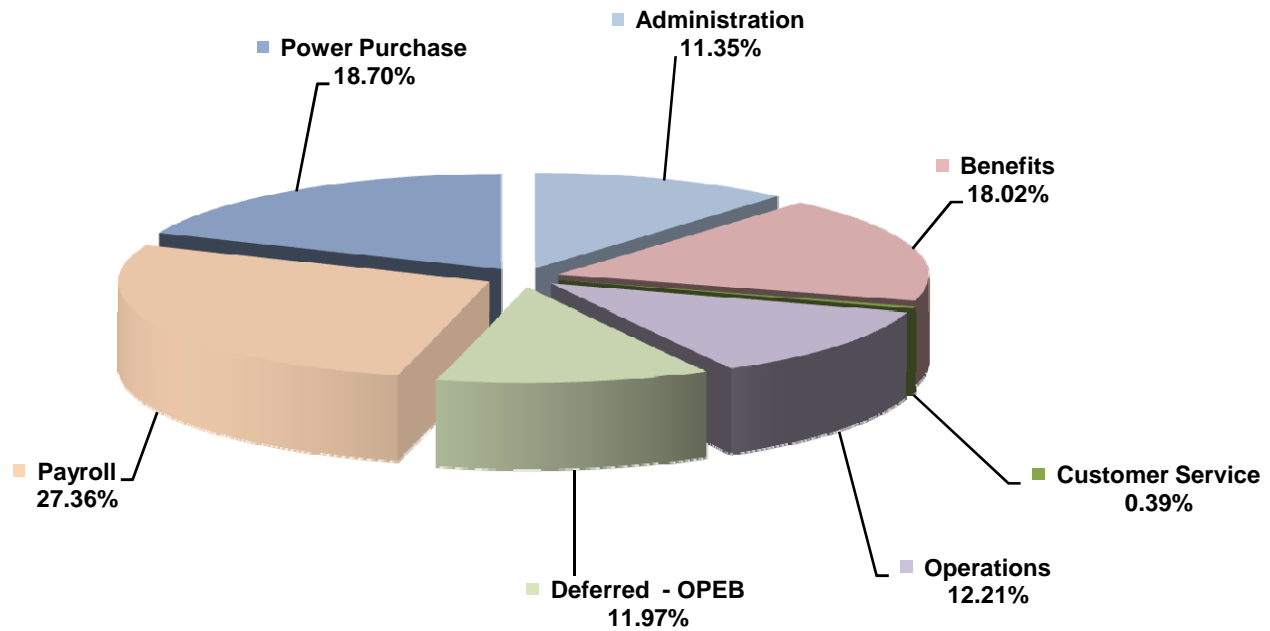
**SUFFOLK COUNTY WATER AUTHORITY
OPERATING AND MAINTENANCE BUDGET
FOR FISCAL YEAR ENDING MAY 31,**

SCHEDULE 3

	<u>2012</u>	<u>2011</u>
Construction Maintenance	\$ 3,803,000	\$ 3,791,000
Customer Service	220,000	260,000
Engineering	4,096,000	4,032,000
Facilities Management	1,237,000	1,225,000
Finance	3,233,000	3,315,000
Benefits	19,564,000	15,039,000
Information Technology	1,100,000	900,000
Laboratory	625,000	675,000
Stores	300,000	300,000
Payroll	29,700,000	30,600,000
Office of the CEO	85,000	131,000
Transportation	1,845,000	1,918,000
Meter Shop	200,000	300,000
Communications	213,000	199,000
Power Purchase	20,300,000	21,537,000
Production Control	4,735,000	4,050,000
Risk Management & Human Resources	3,196,000	3,069,000
Safety	135,000	135,000
Telecommunications	974,000	1,006,000
Deferred - OPEB	<u>13,000,000</u>	<u>13,000,000</u>
	<u>\$ 108,561,000</u>	<u>\$ 105,482,000</u>

SUFFOLK COUNTY WATER AUTHORITY

O&M Components:



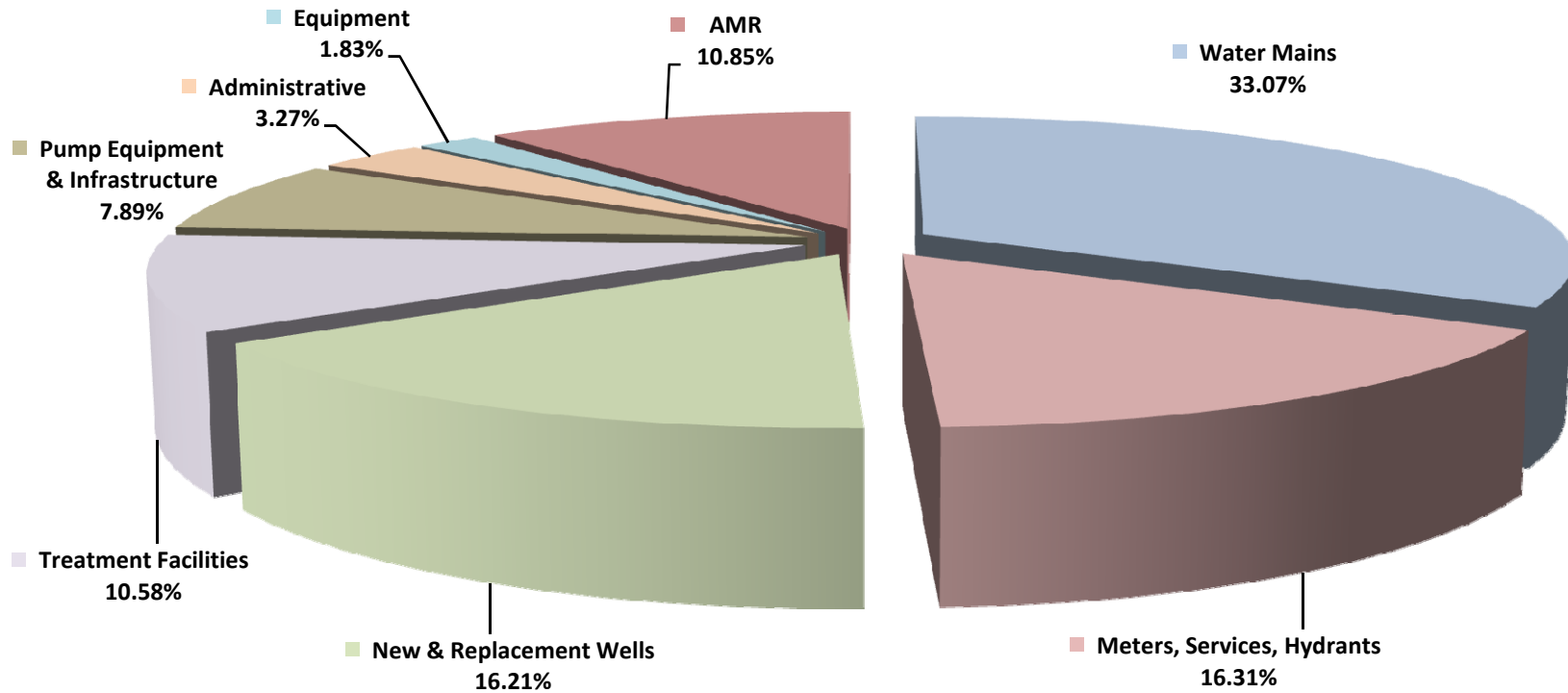
O&M Budget For f/y/e May 31, 2012: \$108,561,000.

**SUFFOLK COUNTY WATER AUTHORITY
CAPITAL BUDGET AS REQUESTED/AMENDED
FOR FISCAL YEAR ENDING MAY 31, 2012**

		2012	2011
<u>PROJECT DEFINITION</u>		<u>PROPOSED</u>	<u>AMENDED</u>
EXTENSION OF WATER MAINS FOR NEW CUSTOMERS	005-12	\$ 3,400,000	\$ 4,600,000
REPLACEMENT OF WATER MAIN	010-12	12,000,000	10,175,000
DISTRIBUTION SYSTEM IMPROVEMENTS	015-12	2,000,000	4,200,000
BLOWOFFS & VAULT CONVERSIONS	020-12	200,000	200,000
HYDRANTS	025-12	1,305,000	1,305,000
SERVICES	030-12	5,500,000	5,500,000
CONSTRUCTION CONTRACTS	035-12	1,500,000	2,000,000
NEW WELLS	040-12	6,275,000	3,550,000
REPLACEMENT OF EXISTING WELLS	045-12	2,990,000	4,061,000
TANK MAINTENANCE AND CONSTRUCTION	050-12	2,560,000	1,600,000
MISCELLANEOUS TREATMENT FACILITIES	055-12	3,010,000	4,450,000
INSTRUMENTATION - NEW OR REPLACEMENT	060-12	475,000	575,000
NEW PUMP STATION INFRASTRUCTURE	065-12	1,440,000	1,400,000
REPLACEMENT OF PUMP STATION INFRASTRUCTURE	070-12	2,115,000	1,763,000
SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM	075-12	555,000	395,000
BAY SHORE PUMP STATION/TECH/SHAPEUP	080-12	400,000	750,000
FIELD COMMUNICATIONS	085-12	50,000	50,000
TRANSPORTATION	095-12	582,000	100,000
GENERAL SERVICE SITE WORK	100-12	206,500	606,000
LANDSCAPING	110-12	5,000	20,000
LABORATORY EQUIPMENT	120-12	300,000	300,000
OFFICE FURNITURE AND EQUIPMENT	125-12	36,500	28,500
METERS	130-12	2,315,000	2,238,000
INFORMATION TECHNOLOGY EQUIPMENT	140-12	392,500	505,800
DEPARTMENT EQUIPMENT	145-12	58,500	40,925
ACQUISITION OF LAND FOR WELL AND TANK SITES	150-12	1,000,000	1,785,000
FIELD EQUIPMENT	155-12	256,000	289,900
RIVERSIDE WATER DISTRICT	160-12	25,000	25,000
EFWD	161-12	-	3,000,000
AMR	170-12	<u>6,200,000</u>	<u>6,675,000</u>
TOTAL SCWA CAPITAL BUDGET		<u>\$ 57,152,000</u>	<u>\$ 62,188,125</u>

SUFFOLK COUNTY WATER AUTHORITY

Capital Components:



Capital Budget for f/y/e May 31, 2012: \$57,152,000

**SUFFOLK COUNTY WATER AUTHORITY
OPERATING - CASH FLOW
FOR FISCAL YEAR ENDING MAY 31,**

	Budget <u>2012</u>	Projection <u>2011</u>	Budget <u>2011</u>	Actual <u>2010</u>
Operating Revenue	\$ 144,889,000	\$ 147,282,000	\$ 138,054,000	\$ 129,569,000
Investment Earnings	3,000,000	3,300,000	5,000,000	3,470,000
Deferred Revenue - OPEB	13,000,000	13,000,000	13,000,000	12,409,000
Construction Revenue	<u>6,594,000</u>	<u>7,641,000</u>	<u>7,641,000</u>	<u>8,056,000</u>
Total Revenue:	167,483,000	171,223,000	163,695,000	153,504,000
 <u>Less:</u>				
Operating and Maintenance Expense	95,561,000	94,284,000	92,482,000	84,663,000
Deferred Expenses - OPEB	<u>13,000,000</u>	<u>13,000,000</u>	<u>13,000,000</u>	<u>12,409,000</u>
Total O&M:	<u>108,561,000</u>	<u>107,284,000</u>	<u>105,482,000</u>	<u>97,072,000</u>
 Net Operating Income Available for Debt Service				
	58,922,000	63,939,000	58,213,000	56,432,000
 <u>Less:</u>				
Debt Service				
a) Interest on Long-Term Debt	26,200,000	29,259,000	29,259,000	26,846,000
b) Bond Principal	3,865,000	6,450,000	6,450,000	9,755,000
c) Interest on Notes	<u>1,000,000</u>	<u>200,000</u>	<u>200,000</u>	<u>185,000</u>
Total Debt Service:	<u>31,065,000</u>	<u>35,909,000</u>	<u>35,909,000</u>	<u>36,786,000</u>
 Operating Funds Available for Capital				
	<u>\$ 27,857,000</u>	<u>\$ 28,030,000</u>	<u>\$ 22,304,000</u>	<u>\$ 19,646,000</u>

**SUFFOLK COUNTY WATER AUTHORITY
PROJECTED EARNINGS
FOR FISCAL YEAR ENDING MAY 31,**

	Budget Year Ending 2012	Budget Year Ending 2011	Actual Year Ending 2010
	<hr/>	<hr/>	<hr/>
REVENUES:			
Operating	\$ 144,889,000	\$ 138,054,000	\$ 129,569,000
Construction	6,594,000	7,641,000	8,056,000
Deferred Revenue - OPEB	13,000,000	13,000,000	12,409,000
Interest	<u>3,000,000</u>	<u>5,000,000</u>	<u>3,470,000</u>
Total Revenues:	167,483,000	163,695,000	153,504,000
OPERATING & MAINTENANCE EXPENSE:			
Operating & Maintenance Expenses	95,561,000	92,482,000	84,663,000
Deferred Expenses - OPEB	<u>13,000,000</u>	<u>13,000,000</u>	<u>12,409,000</u>
Total O&M:	<u>108,561,000</u>	<u>105,482,000</u>	<u>97,072,000</u>
Net earnings before Interest and Depreciation (Available for Debt-Service)	58,922,000	58,213,000	56,432,000
Operating Ratio	64.8%	64.4%	63.2%
OTHER DEDUCTIONS:			
Interest on Long-Term Debt	26,200,000	24,070,000	26,846,000
Interest on Notes	<u>1,000,000</u>	<u>50,000</u>	<u>185,000</u>
	<u>27,200,000</u>	<u>24,120,000</u>	<u>27,031,000</u>
PROJECTED EARNINGS	<u>\$ 31,722,000</u>	<u>\$ 34,093,000</u>	<u>\$ 29,401,000</u>
DEPRECIATION & AMORTIZATION	\$ 35,100,000	\$ 33,500,000	\$ 34,200,000

**SUFFOLK COUNTY WATER AUTHORITY
CUSTOMERS SERVED**

SUFFOLK COUNTY WATER AUTHORITY CUSTOMERS	368,205
Net of Operating Agreements and Wholesale Water Customers	
Customers Served by Operating Agreements	
Stony Brook Water District	1,620
Brentwood Water District	6,477
Fair Harbor Water District	488
Riverside Water District	583
East Farmingdale Water District	<u>2,401</u>
Total Operating Agreement Customers	<u>11,569</u>
Customers Served by Wholesale Water	
Smithtown Water District	5,915
St. James Water District	3,100
Village of Greenport	<u>900</u>
Total Water District Customers	<u>9,915</u>
CUSTOMERS ESTIMATED AT MAY 31, 2012	<u>389,689</u>