



**ANNUAL  
REPORT  
1984**

**BOARD OF WATER SUPPLY, MOUNT VERNON, N.Y.**





CITY OF MOUNT VERNON, N. Y.  
BOARD OF WATER SUPPLY

**DAVID A. FORD, SR.**  
WATER COMMISSIONER

**RICHARD MAURNO**  
WATER SUPERINTENDENT

**ANNUAL REPORT**  
**COVERING OPERATIONS OF THE BOARD OF WATER SUPPLY FOR THE**  
**YEAR BEGINNING JANUARY 1, 1984**  
**AND**  
**ENDING DECEMBER 31, 1984**

To the Honorable Mayor Ronald A. Blackwood  
and the City Council  
of the City of Mount Vernon, New York

Dear Mayor Blackwood:

We respectfully submit, herewith, our Annual Report for the year ending  
December 31, 1984.

Five (5) new fire hydrants and two (2) new valves were installed in the system  
during the year 1984.

**DETAILS OF IMPROVEMENTS MADE TO  
THE PIPE SYSTEM**

	ADDITIONS				DELETIONS			
	Size	Length	Valves	Hydrants	Size	Length	Valves	Hydrants
1. Install valve So. Columbus c/o Sandford Blvd. (N/S)	8"		1					
2. Install valve So. Columbus Ave. bet. Sandford Blvd. & E. Fifth St.	8"		1					
3. Replace valve So. Columbus Ave. c/o E. Fifth St.	8"		1		8"		1	
4. Replace valve So. Columbus Ave. c/o Elliot St. (S/S)	10"		1		10"		1	
5. Replace valve So. Columbus Ave. c/o E. 4th St. (S/S)	10"		1		10"		1	
6. Replace valve So. Columbus Ave. c/o Greendale Ave. (N/S)	10"		1		10"		1	
7. Install valve So. Columbus Ave. c/o Grandview Ave. (N/S)	6"		1					
8. Replace valve E. 3rd St. c/o Langdon Ave. (W/S)	10"		1		10"		1	
9. Replace valve E. 3rd St. c/o Pease St. (W/S)	10"		1		10"		1	
10. Replace valve E. 3rd St. c/o So. Columbus (W/S)	10"		1		10"		1	
11. Replace valve So. Fulton Ave. c/o E. 5th St. (N/S)	6"		1		6"		1	
12. Replace valves So. Fulton Ave. c/o Jackson St. (S/S)(N/S)	6"		2		6"		2	
13. Replace valve So. Fulton Ave. c/o E. 4th St. (N/S)	6"		1		6"		1	
14. Replace valves So. Fulton Ave. c/o Monroe St. (S/S) (N/S)	6"		2		6"		2	
15. Install valve So. Fulton Ave. c/o Beekman Ave. (S/S)	6"		1					
16. Install valve Grandview Ave. c/o So. Columbus (E/S)	10"		1					
17. Replace valve E. 4th St. c/o So. Fulton Ave. (E/S)	6"		1		6"		1	
18. Replace valve E. 4th St. c/o Langdon Ave. (E/S) (W/S)	6"		2		6"		2	
19. Replace valve E. 4th St. c/o Tecumseh Ave. (W/S)	6"		1		6"		1	
20. Replace valve E. 4th St. c/o Nuber Ave. (E/S)	6"		1		6"		1	

## DETAILS OF IMPROVEMENTS MADE TO THE PIPE SYSTEM (continued)

	ADDITIONS				DELETIONS			
	Size	Length	Valves	Hydrants	Size	Length	Valves	Hydrants
21. Replace valves E. 4th St. c/o So. Columbus Ave. (E/S) (N/S)	6"		2		6"		2	
22. Replace valve E. 5th St. c/o So. Fulton Ave. (E/S)	10"		1		10"		1	
23. Replace valve E. 5th St. c/o Hancock Ave. (W/S)	10"		1		10"		1	
24. Replace valve E. 5th St. c/o Cedar Ave. (E/S)	10"		1		10"		1	
25. Replace valve E. 5th St. c/o Tecumseh Ave. (W/S)	10"		1		10"		1	
26. Replace valve E. 5th St. c/o Nuber Ave. (E/S)	10"		1		10"		1	
27. Replace valves E. 5th St. c/o So. Columbus Ave. (E/S) (W/S)	10"		2		10"		2	
28. Install valve E. 5th St. c/o Dunham Ave. (E/S)	10"		1					
29. Replace valve E. 5th St. c/o Garden Ave. (W/S)	10"		1		10"		1	
30. Replace valve E. 5th St. c/o Egmont Ave. (W/S)	10"		1		10"		1	
31. Replace valve E. 5th St. c/o McClellan Ave. (W/S)	10"		1		10"		1	
32. Replace valve E. 5th St. c/o Highland Ave. (W/S)	10"		1		10"		1	
33. Replace valve Highland Ave. c/o E. 5th St. (N/S)	6"		1		6"		1	
34. Replace valve Seneca Ave. c/o E. 4th St. (S/S)	6"		1		6"		1	
35. Replace hydrant & valve E. 5th St. and Hancock Ave.	6"	12'	1	1	6"	12'	1	1
36. Replace hydrant & valve E. 5th St. & Cedar Ave.	6"	7'	1	1	6"	7'	1	1
37. Replace hydrant & install valve E. 5th St. & Dunham Ave.	6"	9'	1	1	6"	9'	1	1
38. Replace hydrant & install valve So. Columbus Ave. & Grandview Ave.	6"	5'	1	1	6"	5'		1
39. Replace valve So. Fulton Ave. c/o E. 4th St. (S/S)	6"		1		6"		1	

**DETAILS OF IMPROVEMENTS MADE TO THE PIPE SYSTEM (continued)**

	ADDITIONS				DELETIONS			
	Size	Length	Valves	Hydrants	Size	Length	Valves	Hydrants
40. Replace hydrant Vernon Pl. c/o E. Grand St.	6"	3'		1	6"			1
41. Replace hydrant E. Devonia Ave. c/o Hayward Ave.	6"			1	6"			1
42. Replace hydrant So. 10th Ave. c/o W. 5th St.	6"			1	6"			1
43. Replace hydrant & install valve bet. E. 4th & E. 5th St.-Garden Ave.	6"	8'	1	1	4"	8'		1
44. Replace hydrant & install valve Garden Ave. & E. 4th St.	6"	8'	1	1	4"	8'		1
45. Replace hydrant & install valve Highland Ave. & Vernon Ave.	6"	15'	1	1	4"	15'		1
46. Relocate hydrant Pearsall Dr. c/o E. Lincoln Ave.	6"	35'	1	1	6"			1
47. Install 10" valve Pearsall Dr. south of Gate House	10"	7'	1		10"	7'		
48. Replace hydrant So. 4th Ave. bet. E. 1st St. & E. 2nd St.	6"	7'		1	4"	7'		1
49. Replace hydrant Nuber Ave. c/o Greendale Ave.	6"			1	6"			1
50. Relocate main & hydrant Brookside Ave. & Warwick Ave.	6"	150'	2	1	6"	200'	1	1
51. Extend main D.E. of Marion Ave.	6"	77'	1					
52. Loop main from Newton Pl. to Kimball Pl.	6"	600'	1		6"	600'	2	

**PIPE IN TRANSMISSION AND DISTRIBUTION SYSTEMS**

As of December 31, 1984

Diameter (Inches)	Length (Feet) 12/31/83	New Pipe Laid (Feet)	Pipe Abandoned (Feet)	Length (Feet) 12/31/84
4	414		38	376
6	257,406	936	833	257,509
8	89,153			89,153
10	114,589	7	7	114,589
12	62,767			62,767
16	12,100			12,100
20	554			554
24	11,174			11,174
30	5,401			5,401
36	1,251			1,251
<b>TOTAL</b>	<b>554,809</b>	<b>943</b>	<b>878</b>	<b>554,874</b>

**VALVES IN TRANSMISSION AND DISTRIBUTION SYSTEMS**

As of December 31, 1984

Diameter (Inches)	In System 12/31/83	Installed	Removed	In System 12/31/84
4	144			144
6	1,879	30	21	1,888
8	398	3	1	400
10	440	20	17	443
12	290			290
16	46			46
20	4			4
24	33			33
36	2			2
<b>TOTAL</b>	<b>3,236</b>	<b>53</b>	<b>39</b>	<b>3,250</b>

**FIRE HYDRANTS IN SYSTEM**

As of December 31, 1984

Diameter (Inches)	In System 12/31/83	Installed	Removed	In System 12/31/84
4	209		4	205
6	927	14	10	931
<b>TOTAL</b>	<b>1,136</b>	<b>14</b>	<b>14</b>	<b>1,136</b>

## SERVICE CONNECTIONS

The number of active metered services connected to the distribution system has been increased during the past year by forty two (42) services. The number of active unmetered fire line services increased by seven (7), making the total increase in service connections forty nine (49) as of December 31, 1984.

Active Metered Services, December 31, 1984	9,950	
Active Metered Services, December 31, 1983	9,918	
	Increase	42
Unmetered Fire Line Services, December 31, 1984	253	
Unmetered Fire Line Services, December 31, 1983	246	
	Increase	7
	TOTAL (increase)	49

## WATER METERS

The City of Mount Vernon's consumer supply is 100% metered with the exception of service to fire sprinkler systems.

The metered services are shown in detail below:

Meter Size (Inches)	Owned by Board of Water Supply	In Service 12/31/84
5/8	8,356	7,792
3/4	1,180	1,054
1	668	571
1½	233	216
2	263	234
3	56	41
4	24	20
6	13	13
8	4	3
10	1	1
12	1	1
20	1	1
24	3	3
TOTAL	10,803	9,950





## WATER PURCHASED

During the year ending December 31, 1984, water obtained by gravity from the New York City's Catskill-Delaware supply and purchased at a cost of \$103.72 per million gallons by the City of Mount Vernon from New York City, aggregated 3,974,990,000 gallons compared with a total purchase for the preceding year of 3,745,130,000 gallons.

This is an average increase of 599,998 gallons per day compared with the average daily consumption in 1983 as shown in detail below:

### AMOUNT PURCHASED FROM NEW YORK CITY (incl. West Co. Water Dist. #1) (in Gallons)

Month	1983	1984	
		Hillview Conn.	W.C.W.D. #1
January	300,440,000	83,240,000	247,790,000
February	269,960,000	80,400,000	226,350,000
March	299,620,000	99,320,000	228,920,000
April	291,160,000	94,500,000	219,380,000
May	300,800,000	101,610,000	229,520,000
June	318,010,000	100,240,000	246,590,000
July	344,690,000	100,170,000	243,170,000
August	337,440,000	96,400,000	261,940,000
September	328,460,000	95,450,000	238,320,000
October	320,440,000	100,800,000	238,080,000
November	306,560,000	90,190,000	232,090,000
December	327,550,000	107,770,000	212,750,000
Sub Total		1,150,090,000	2,824,900,000
Total	3,745,130,000		3,974,990,000

### AVERAGE DAILY CONSUMPTION

YEAR — 1984	10,860,628 Gallons per day
YEAR — 1983	10,260,630 Gallons per day
INCREASE	599,998 Gallons per day

Highest Daily Consumption      13,650,000 Gallons  
June 9, 1984

Lowest Daily Consumption      9,190,000 Gallons  
November 24, 1984

**PER CAPITA CONSUMPTION**

Year	Average Daily Consumption	Per Capita Consumption
1984	10,860,628 Gallons	163 Gallons
1983	10,260,630 Gallons	154 Gallons

**WATER PURCHASED AND SOLD  
FOR THE PAST FIVE YEARS (*in gallons*)**

Year	Purchased	Sold
1984	3,974,990,000	3,341,082,000
1983	3,745,130,000	3,176,844,000
1982	3,798,610,000	3,113,292,000
1981	3,703,870,000	3,101,669,250
1980	4,158,320,000	3,310,593,250

The unaccounted for water represents the water used from fire hydrants for the extinguishing of fires, for flushing streets and sewers, flushing water mains, water lost through leakage in mains and service pipes, and water lost by slippage in meter registration.

During 1984, there were eleven (11) broken mains as compared with sixteen (16) in 1983 in the distribution and transmission system. These breaks were repaired by our maintenance force.

Two hundred and nine (209) "street-side" service leaks were found on house service pipes as compared with one-hundred and eighty-nine (189) the previous year. These leaks were repaired by the Department maintenance crew. There were ninety-two (92) "house-side" leaks which were repaired by plumbers hired by property owners.

Twenty-eight (28) fire hydrants were struck and damaged during the year by vehicles involved in accidents. It is our practice to hold the person causing the damage to City property responsible for the cost of the repairs.

Nine (9) service lines were replaced due to consumer complaints of lack of pressure and volume. In each case, the consumer also replaced the "house-side" portion of the service line.

Sixty-three (63) curb boxes were dug and repaired for various reasons, such as making them operational in case of emergency.

All of the municipally owned buildings, schools and recreation fields have received water supply free of charge during the past year.

Below is given a summary of the free services and the value of same if the water had been charged for at our established rates:

**SUMMARY OF WATER SUPPLIED FREE OF CHARGE  
TO THE CITY FOR THE YEAR 1984**

Location	Consumption (Cubic Feet)	Total Cost
City Buildings, City Parks & Fields	782,900	\$ 3,914.50
Schools (Buildings & Athletic Fields)	2,901,600	14,558.00
Schools (Fire Sprinkler Service)		1,125.80
Recreation Commission (Playgrounds & Ball Fields)	551,600	2,758.00
Fire Department Stations	93,600	468.00
<b>TOTAL</b>	<b>4,329,700</b>	<b>\$22,824.30</b>

## STATEMENT OF REVENUES AND EXPENSES

	Year ended December 31,	
	1983	1984
<b>OPERATING REVENUES:</b>		
Water revenues:		
Metered private service	\$1,515,513	\$1,771,967
Metered charges unbilled	128,000	88,000
Unmetered fire protection	11,855	12,947
Total water revenues	1,655,368	1,872,914
Miscellaneous revenue	5,266	121,042
Total operating revenue	1,660,634	1,993,956
<b>OPERATING EXPENSES:</b>		
Water purchased	386,492	407,916
Operating and maintenance	596,954	744,393
Administrative and general	365,822	361,378
Total operating expenses	1,349,268	1,513,687
Operating income	311,366	480,269
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Interest income:		
Arrears	29,298	30,010
Investments	25,032	26,431
Interest expense	(28,268)	(26,390)
Total non-operating income	26,062	30,051
Net income	337,428	510,320
<b>LESS:</b>		
Reserved for additions, betterments and replacements	(75,000)	(75,000)
Reserved for liability and casualty claims	(25,000)	(60,000)
Redemption of serial bonds	(29,000)	(24,000)
Reserved for maintenance of water lines	( 742)	( 693)
Total	(129,742)	(159,693)
<b>EXCESS REVENUES - for the year</b>	<b>\$ 207,686</b>	<b>\$ 350,627</b>

### WATER RENTS RECEIVABLE

December 31, 1980 through December 1984

Year	Meter Charges	Acc'ts Receivable	
		Billed as of December 31st	Liens Filed** No.      Amount
1984	\$1,771,967	\$218,787	96      \$24,852
1983	1,515,513	147,538	63      \$16,378
1982	1,480,664	180,534	91      16,122
1981	1,478,323	179,959	77      23,540
1980	1,526,127	158,393	56      30,583

\*\* Water rents more than one year in arrears are required by law to be reported on current City tax rolls.

## **RESUME**

The Board of Water Supply cleaned and cement lined 11,256 linear feet of 6", 8" and 10" heavily tuberculated water mains on So. Columbus Ave., So. Fulton Ave., East 3rd St., East 4th St. and East 5th St. The total cost of the project, awarded to Spiniello Construction Company of Morristown, New Jersey was \$434,633.

A "Cross Connection Control Program" was instituted. This program is designed to prevent contamination of the city's water supply system.

A "Hydrant Flushing Program" was instituted and approximately 250 hydrants were operated. This program is designed to flush and clean out the sediment that has accumulated in the water mains through the years and reduce "dirty water" complaints.

Health Consultants, Inc. conducted a "Water Leakage Survey" of 42.5 miles of the City water mains. They detected twenty-six (26) leaks. Each leak was classified according to severity in order to facilitate a repair schedule. The leaks were estimated to represent 70,430,400 gallons per year.

A "Valve Exercising Program" was instituted and approximately 350 valves were operated. The program is designed to recondition and repair the 3,200 valves in the water system, thus assuring their operation in an emergency.

Two new vehicles were purchased through Competitive New York State Bids, one (1) 1984 Dodge Sedan and one (1) GMC Dump Truck.

The Department placed 606 new meters in service during the year and removed 573 meters for servicing and scrapping. These meters range in size from 5/8" to 8".

## RECOMMENDATIONS

During the year 1985 the Board of Water Supply recommends:

1. The Department proposes to engage a Consulting Engineering Firm to perform a detailed computerized model of the water system. This report will establish a City-Wide Water System Master Plan that will pinpoint deficiencies and possible improvements needed through-out the system. Estimated project cost — \$60,000.
2. The cleaning and cement lining of approximately 11,000 linear feet of water mains on East and West 4th St. between So. 6th Ave. and So. Fulton Ave.; So. Fulton Ave. between East 3rd St. and Sandford Blvd.; No. 8th Ave. between Sidney Ave. and Valentine St.; So. McQuesten Pkwy. between Oak St. and South St. and South St. between So. McQuesten Pkwy. and West 1st St. These mains are heavily tuberculated and lack proper intersection valves. It is anticipated that \$450,000 in Community Development Program funds will be available to implement this project.
3. Phase II of the "Cross Connection Control Program" which develops an implementation time-table for those facilities that have been inspected and require backflow prevention equipment.
4. Continuation of the "Hydrant Flushing Program." The program is designed to flush and clean out the sediment that has accumulated in the water mains through the years, and reduce "dirty water" complaints.
5. Continuation of the "Water Leakage Survey Program." A private consultant will survey a twenty-five (25) mile section and locate and pinpoint leaks. Leak Surveillance is an ongoing operation and is a major contribution in lowering the "unaccounted for water."
6. Continuation of the "Valve Exercising Program." This program is designed to recondition and repair the 3,200 valves in the water system, thus assuring their operation in an emergency.
7. Continuation of the Department's program of replacing hydrants whose laterals are four (4) inches in diameter and lack branch valves.
8. A program to permanently restore and replace previously excavated trenches throughout the City.
9. Replacement of a portable air compressor used daily for maintenance and repair of service leaks.
10. Replacement of one (1) 1975 Chevrolet van and one (1) 1978 Ford Pinto.
11. Amendment of the "Water-Act" of 1911, by the City Council to allow the Board of Water Supply's Capital Reserve Fund to accumulate to an amount which would allow the department to proceed with Capital Improvements at current market prices.

## SANITATION

The Board of Water Supply has regularly maintained an adequate sampling program throughout the year, with weekly bacteriological tests made of our city water supply to obtain standard quality control and health protection.

Laboratory reports of the tests have indicated that our water supply is safe, potable quality throughout the City.

## **AUDIT REPORT**

As customary each year, our accounts have been audited by certified public accountants engaged by the Board and have been found in good order. A complete report of their audit for the year ending December 31, 1984 will be forwarded upon submission of their audit.

## **CONCLUSION**

The water being furnished to consumers is of safe quality; the general physical condition of the plant is good, and the system is functioning satisfactorily in all aspects.

Respectfully submitted,

**BOARD OF WATER SUPPLY**  
City of Mount Vernon, New York

*David A. Ford, Sr.*  
Water Commissioner

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

REPORT ON FINANCIAL STATEMENTS  
(with supplemental material)

YEARS ENDED DECEMBER 31, 1984 AND 1983



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January 25, 1985

Board of Water Supply of the  
City of Mount Vernon, New York

We have examined the balance sheets of the Board of Water Supply of the City of Mount Vernon, New York as of December 31, 1984 and 1983, and the related statements of revenues and expenses, fund equity and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As discussed in Note 1 to the financial statements, no depreciation has been recorded on property and equipment and the respective accounts have not been reduced for assets replaced or retired. These practices are not in accordance with generally accepted accounting principles. The amount by which the financial statements would change, if these items were reflected, is not presently determinable.

In our opinion, except for the effects of adjustments resulting from the matters referred to in the preceding paragraph, the financial statements mentioned present fairly the financial position of the Board of Water Supply of the City of Mount Vernon, New York at December 31, 1984 and 1983, and the results of its operations and changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations of the basic financial statements were made for the purpose of forming an opinion on those statements taken as a whole. The accompanying supplemental material, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Board of Water Supply of the City of Mount Vernon, New York. Such information has been subjected to the auditing procedures applied in the examinations of the basic financial statements and, in our opinion, except for the qualifications mentioned in the preceding paragraph, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Seidman & Seidman*

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

BALANCE SHEETS

	-- -- 1984	December 31, 1983
<u>ASSETS</u>		
Cash (including cash equivalents of \$225,343 and \$338,911)	\$ 554 232	\$ 402 606
Water rents receivable	647 639	479 915
Other receivables	2 185	2 752
Inventories of materials and supplies	58 219	59 632
Property and equipment	6 505 444	6 260 291
Total Assets	<u>\$7 767 719</u>	<u>\$7 205 196</u>
<u>LIABILITIES</u>		
Accounts payable-water purchases	\$ 189 772	\$ 89 910
Accruals:		
Provision for unbilled retirement - (Note 2)	163 000	157 000
Due to City of Mount Vernon	11 750	10 945
Other	96 066	29 721
Serial bonds payable	348 000	372 000
Total Liabilities	<u>808 588</u>	<u>659 576</u>
<u>FUND EQUITY</u>		
Capital:		
Investment in property and equipment	6 318 800	6 049 647
Retained earnings:		
Reserved for additions, betterments and replacements	64 741	122 394
Reserved for liability and casualty claims	174 963	116 586
Reserved for maintenance of water lines	50 000	49 307
Excess revenues to be remitted to City of Mount Vernon (Note 3)	350 627	207 686
Total Fund Equity	<u>6 959 131</u>	<u>6 545 620</u>
Total Liabilities and Fund Equity	<u>\$7 767 719</u>	<u>\$7 205 196</u>

See accompanying notes to financial statements.

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

STATEMENT OF REVENUES AND EXPENSES  
=====

	<u>Year ended</u> <u>1984</u>	<u>December 31,</u> <u>1983</u>
<b>OPERATING REVENUES:</b>		
Water revenues:		
Metered private service	\$1 859 967	\$1 515 513
Unmetered fire protection	12 947	11 855
Total water revenues	<u>1 872 914</u>	<u>1 527 368</u>
Miscellaneous revenues	8 542	5 266
Total operating revenues	<u>1 881 456</u>	<u>1 532 634</u>
<b>OPERATING EXPENSES:</b>		
Water purchases	407 916	386 492
Operating and maintenance	744 391	596 954
Administrative and general	363 003	365 822
Total operating expenses	<u>1 515 310</u>	<u>1 349 268</u>
Operating income	<u>366 146</u>	<u>183 366</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Grant from Community Development Fund	225 000	-
Interest income:		
Arrears	30 010	29 298
Investments	26 431	25 032
Interest expense	(26 390)	(28 268)
Total nonoperating income	<u>255 051</u>	<u>26 062</u>
Net income	<u>621 197</u>	<u>209 428</u>
<b>LESS:</b>		
Utilization of grant for construction	(112 500)	-
Reserved for additions, betterments and replacements	(75 000)	(75 000)
Reserved for liability and casualty claims	(58 377)	(25 000)
Redemption of serial bonds	(24 000)	(29 000)
Reserved for maintenance of water lines	(693)	(742)
Total	<u>(270 570)</u>	<u>(129 742)</u>
<b>EXCESS REVENUES - for the year</b>	<u>\$ 350 627</u>	<u>\$ 79 686</u>

See accompanying notes to financial statements.

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

STATEMENT OF FUND EQUITY

=====

	<u>Total</u>	<u>Capital Investment in Property and Equipment</u>
BALANCE, January 1, 1983	\$6 537 123	\$5 943 041
REMITTED TO CITY OF MOUNT VERNON	(200 931)	-
NET INCOME	209 428	-
TRANSFERS - net	<u>          -</u>	<u>106 606</u>
BALANCE, December 31, 1983	6 545 620	6 049 647
REMITTED TO CITY OF MOUNT VERNON	(207 686)	-
NET INCOME	621 197	-
TRANSFERS - NET	<u>          -</u>	<u>269 153</u>
BALANCE, December 31, 1984	<u>\$6 959 131</u>	<u>\$6 318 800</u>

<u>Retained Earnings - Reserved</u>			
<u>Additions, Betterments and Replacements</u>	<u>Liability and Casualty Claims</u>	<u>Maintenance of Water Lines</u>	<u>Excess Revenues</u>
\$125 000	\$ 91 586	\$48 565	\$328 931
-	-	-	(200 931)
-	-	-	209 428
<u>(2 606)</u>	<u>25 000</u>	<u>742</u>	<u>(129 742)</u>
122 394	116 586	49 307	207 686
-	-	-	(207 686)
-	-	-	621 197
<u>(57 653)</u>	<u>58 377</u>	<u>693</u>	<u>(270 570)</u>
<u>\$ 64 741</u>	<u>\$174 963</u>	<u>\$50 000</u>	<u>\$350 627</u>

see accompanying notes to financial statements.

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

STATEMENT OF CHANGES IN FINANCIAL POSITION  
=====

	<u>Year ended</u> <u>1984</u>	<u>December 31,</u> <u>1983</u>
SOURCE OF CASH:		
Total provided from operations-net income	\$621 197	\$209 428
Increase in accruals	73 150	67 088
Decrease in water rents receivable	-	32 791
Increase in accounts payable	99 862	19 914
Decrease in other receivables	567	1 342
TOTAL	<u>794 776</u>	<u>330 563</u>
USE OF CASH:		
Payment to City of Mount Vernon of excess revenues	207 686	200 931
Purchases of property and equipment	245 153	77 606
Increase in water rents receivable	167 724	-
Repayment of serial bonds	24 000	29 000
Increase (decrease) in inventories of materials and supplies	(1 413)	4 087
	<u>643 150</u>	<u>311 624</u>
INCREASE IN CASH	151 626	18 939
CASH BALANCE, at beginning of year	<u>402 606</u>	<u>383 667</u>
CASH BALANCE, at end of year	<u>\$554 232</u>	<u>\$402 606</u>

See accompanying notes to financial statements.

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

NOTES TO FINANCIAL STATEMENTS  
=====

Note 1 - ACCOUNTING PRINCIPLES AND METHODS

The accounting policies of the Board of Water Supply conform to generally accepted accounting principles as applicable to proprietary enterprise funds, except for the methods of accounting for property and equipment. The following is a summary of significant policies.

Bases of Accounting

The accrual basis of accounting is followed. Revenues are recognized in the period in which they are earned and become measurable and expenses are recognized in the period incurred.

Property and Equipment

The Board of Water Supply records property and equipment additions at cost.

However, property and equipment accounts are not reduced for assets replaced or retired and no depreciation is provided on property and equipment. These practices are not in conformity with generally accepted accounting principles.

Retained Earnings

Under the guidelines of the Water Act, the Board maintains funds reserved for the following:

- (a) Reserved for additions, betterments and replacements -  
The Board may appropriate \$75,000 per year from operations for additions, betterments or replacements of property and equipment and can retain up to \$125,000 as a reserve.
- (b) Reserved for liability and casualty claims -  
The Board is self-insured for the first \$250,000 of liability per action. At December 31, 1984, there are no actions outstanding against the Board.
- (c) Reserved for maintenance of water lines -  
The Board may appropriate \$132,000 for 1984 and \$120,000 for 1983 from operations for maintenance of service lines and can retain up to \$50,000 as a reserve.



BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

NOTES TO FINANCIAL STATEMENTS  
(continued)

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Note 1 - ACCOUNTING PRINCIPLES AND METHODS (continued)

(d) Excess revenues - As provided in the Water Act, excess revenues (after reserved amounts and serial bond redemptions) are remitted to the City of Mount Vernon.

Note 2 - RETIREMENT LIABILITIES

The Board of Water Supply provides retirement benefits for substantially all its regular full-time employees through contributions to the New York State Employees' Retirement System (the "System"). The System provides various plans and options some of which require employee contributions.

The Board of Water Supply records retirement liabilities on an accrual basis. At December 31, 1984 and 1983 the total estimated liability of \$163,000 and \$157,000, respectively, has been provided. Retirement expense was \$87,896 and \$127,259 for 1984 and 1983, respectively.

Under the funding requirements of the System, the Board's contribution (\$81,896 in 1984 and \$80,259 in 1983) relating to the System's years ended March 31, 1983 and March 31, 1982 was paid in 1984 for 1983 liabilities and 1983 for 1982 liabilities.

A comparison of accumulated plan benefits and plan net assets (unaudited) for the System retirement plan is presented below:

	March 31, 1984	1983
	(\$ millions)	(\$ millions)
Actuarial present value of accumulated plan benefits:		
Vested	\$22 745.8	\$20 632.9
Non-vested	1 885.1	1 845.7
	<u>\$24 630.9</u>	<u>\$22 478.6</u>
 Net assets available for benefits	 <u>\$23 904.9</u>	 <u>\$21 732.2</u>

Amortization of deficiencies of vested benefits over plan assets is determined for the entire system and is not determined for each participating municipality. The weighted average assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 7½% for 1984 and 1983.

SUPPLEMENTAL MATERIAL

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

PROPERTY AND EQUIPMENT

YEAR ENDED DECEMBER 31, 1984

=====

	<u>Balance December 31, 1983</u>	<u>Additions During 1984</u>	<u>Balance December 31, 1984</u>
Purchase price of property - June 4, 1920	\$1 187 500	\$ -	\$1 187 500
Additions June 5, 1920 to August 31, 1922	<u>39 207</u>	<u>-</u>	<u>39 207</u>
Total cost of property - August 31, 1922	<u>1 226 707</u>	<u>-</u>	<u>1 226 707</u>
Additions September 1, 1922 to December 31, 1983:			
General assets, tangible	30 376	4 833	35 209
General assets, intangible	105 659	-	105 659
Tools and work equipment	43 808	-	43 808
Pumping station	26 566	-	26 566
Pumping equipment	6 903	-	6 903
Transmission mains	1 064 218	-	1 064 218
Distribution mains and accessories	2 760 917	217 897	2 978 814
Hydrants and accessories	112 773	6 191	118 964
Meters	831 173	16 232	847 405
Transportation equipment	41 950	-	41 950
Services	241	-	241
Water treatment equipment	9 000	-	9 000
Total additions	<u>5 033 584</u>	<u>245 153</u>	<u>5 278 737</u>
 TOTAL PROPERTY AND EQUIPMENT	 <u>\$6 260 291</u>	 <u>\$ 245 153</u>	 <u>\$6 505 444</u>

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

ANALYSIS OF SERIAL BONDS PAYABLE  
=====

<u>Bond Issue Number</u>	<u>Issued</u>	<u>Matures Serially To</u>	<u>Annual Interest Rate</u>	<u>December 31,</u>	
				<u>1984</u>	<u>1983</u>
12	1975	2000	7.25	\$ <u>348 000</u>	\$ <u>372 000</u>

ANALYSIS OF FUTURE ANNUAL MATURITIES OF SERIAL BONDS  
AND  
INTEREST PAYABLE TO MATURITY ON SERIAL BONDS

DECEMBER 31, 1984  
=====

<u>Year</u>	<u>Serial Bonds Payable</u>	<u>Interest Payable to Maturity on Serial Bonds</u>
1985	\$ 24 000	\$ 25 230
1986	24 000	23 490
1987	24 000	21 750
1988	24 000	20 010
1989	24 000	18 270
1990	24 000	16 530
1991	24 000	14 790
1992	20 000	13 050
1993	20 000	11 600
1994	20 000	10 150
1995	20 000	8 700
1996	20 000	7 250
1997	20 000	5 800
1998	20 000	4 350
1999	20 000	2 900
2000	<u>20 000</u>	<u>1 450</u>
<b>Totals</b>	<b>\$<u>348 000</u></b>	<b>\$<u>205 320</u></b>

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

ANALYSIS OF OPERATING AND MAINTENANCE EXPENSES  
=====

	<u>Year ended December 31,</u> <u>1984</u>	<u>1983</u>
<b>SOURCES OF SUPPLY PLANT EXPENSES:</b>		
Operation of sources of supply plant	\$ <u>46 874</u>	\$ <u>27 178</u>
<b>WATER TREATMENT EXPENSES</b>		
Operation and maintenance of water treatment equipment	1 472	549
Water treatment supplies and expenses	12 519	7 671
Operation and maintenance of water treatment building	<u>16 654</u>	<u>19 024</u>
	<u>30 645</u>	<u>27 244</u>
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>		
Operation of mains, services and storage facilities	71 442	52 147
Removing and resetting meters	19 591	40 264
Maintenance of mains and accessories	224 581	3 287
Maintenance of services	120 467	119 257
Maintenance of meters	28 819	27 949
Maintenance of hydrants and accessories	26 129	40 923
Rehabilitation of 48" Kensico-Bronx pipeline	<u>286</u>	<u>92 960</u>
	<u>491 315</u>	<u>376 787</u>
<b>CUSTOMERS' ACCOUNTING AND COLLECTING EXPENSES:</b>		
Meter reading	62 507	56 586
Billing, accounting and collecting	<u>113 050</u>	<u>109 159</u>
	<u>175 557</u>	<u>165 745</u>
Total	<u>\$744 391</u>	<u>\$596 954</u>

BOARD OF WATER SUPPLY  
OF THE CITY OF MOUNT VERNON, NEW YORK

ANALYSIS OF ADMINISTRATIVE AND GENERAL EXPENSES  
=====

	<u>Year ended December 31,</u> <u>1984</u>	<u>1983</u>
Salaries	\$ 84 953	\$70 939
General office supplies and expenses	2 347	2 461
Outside services employed	5 500	5 000
Insurance expenses:		
Compensation	5 424	6 572
Employee benefits:		
State retirement fund contribution	81 896	80 259
Provision for unbilled retirement	6 000	47 000
Federal social security coverage contribution	34 387	31 455
State health insurance contribution	62 246	53 427
Contribution to City dental plan	7 451	5 737
Transportation expenses	41 131	33 191
Miscellaneous general expenses	6 374	5 101
Operation and maintenance of general property:		
Office, stores, shops and garage	17 321	19 923
Miscellaneous property and equipment	<u>7 973</u>	<u>4 757</u>
Total	<u>\$363 003</u>	<u>\$365 822</u>

