



Kent County Water Authority

October 31, 2019

Mrs. Luly Massaro
Commission Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Re: Financial Statements

Dear Mrs. Massaro:

We have enclosed the semi-annual financial reporting forms for the fiscal period ending June 30, 2019, along with a comparative audited financial statement for the same period.

If you have any questions, please do not hesitate to call.

Very truly yours,
Kent County Water Authority

A handwritten signature in black ink that reads "Michael Lanfredi". The signature is written in a cursive, flowing style.

Michael Lanfredi
Director of Finance & Human Resources

TO: R. I. PUBLIC UTILITIES COMMISSION

FROM: Kent County Water Authority

SEMI-ANNUAL FILING OF FINANCIAL AND OPERATING DATA FOR THE

SIX/TWELVE-MONTH PERIOD ENDING: June 30, 2019

10/31/2019

signature

date

title Director of Finance & Human Resources

Index to Schedules:

<u>Schedule</u>	<u>Page</u>
Cost of Service/Operating Results.....	2
Revenue Summary.....	3
Expenditure/Debt Repayment Data.....	4
Debt Service/Capital Leases Payments.....	5
Property Tax Expense Summary.....	6
Personnel Data.....	7
Cash & Investment Account Data.....	8
Restricted Accounts Summary.....	9

COST OF SERVICE/OPERATING RESULTS

For the 12 months ended June 30, 2019

(Note: Please insert whole dollar amounts, do not record cents.)

Revenues

Water Sales (461-466)	\$	25,803,866
Interest Income (419)		584,876
Miscellaneous Income (184,415,416,421,471,473,475)		375,994
Water Quality Protection (474)		45,043
Total Revenues	<u>\$</u>	<u>26,809,779</u>

Expenditures

Operations/Maintenance		-
Source of Supply/Purchased water	\$	4,677,939
Pumping Operations		902,394
Water Treatment		471,796
Transmission & Distribution		1,364,776
Customer Account		474,952
Administrative & General		3,260,498
Taxes/Depreciation/Interest		3,415,637
Total Expenditures	<u>\$</u>	<u>14,567,991</u>

Account Funding

Renewal and Replacement Fund	\$	100,000
Infrastructure	\$	4,152,955
Meter Replacement D 4611	\$	2,300,000
Cash Capital Account D 4611	\$	1,453,819
2012 Debt Service Reserve	\$	2,183,250
2017 Series A Debt Service Reserve	\$	1,847,045
Total Account Funding	<u>\$</u>	<u>12,037,069</u>
Total Expense and Funding	<u>\$</u>	<u>26,605,060</u>
Surplus/(Deficit) from Operations	<u>\$</u>	<u>204,719</u>

REVENUE SUMMARY

Retail Sales		
General	\$	16,151,990
Industrial Commercial		3,645,191
Public Authority		809,945
Sales for Resale		198,556
Fire Service		
Public		1,803,879
Private		194,305
Interest Income		584,876
Miscellaneous Income		200,526
Service & Late Charges		175,468
Water Quality Protection		45,043
TOTAL REVENUE	\$	<u>23,809,779</u>

OTHER FUNDING SOURCES

Loans from Affiliates		
Short-term loan proceeds		
Sale of properties		
Grants		
Surcharge Revenues		
TOTAL	\$	<u>23,809,779</u>

DEBT SERVICE/ CAPITAL LEASE PAYMENTS

	This Report Period	
Bond Issues ¹ :	Principal & Interest	
\$17,290,000 of 2012 Series "A" Refunding Bearing Interest at 4% to 5% and Maturing in 2023	\$	2,141,000
\$12,000,000 of 2017 Series "A" Refunding Bearing Interest at 2.035 and Maturing in 2024		1,845,317
TOTAL	<u>\$</u>	<u>3,986,317</u>

¹ List debt service payments/commitments separately for each bond issue or capital lease; show year of issue, amount, rate, and date of final payment in this column.

PROPERTY TAX EXPENSE SUMMARY

<u>Municipality</u>	<u>Current FY 6/30/19</u>	<u>Prior FY 6/30/18</u>
<u>Coventry</u>	<u>\$ 12,813</u>	<u>\$ 12,813</u>
<u>West Warwick</u>	<u>8,265</u>	<u>8,265</u>
<u>Warwick</u>	<u>64</u>	<u>64</u>
<u>West Greenwich</u>	<u>8,457</u>	<u></u>
 Totals	 <u>\$ 29,599</u>	 <u>\$ 21,142</u>

Note: Property tax expense on this page represents an accrual over a twelve month period.

PERSONNEL DATA

For the current reporting period, record the number authorized and employed as of the last week of the month:

Month	June 2019
Authorized	34
Full time	34
Part-time	
Temporary	
Board	7

CASH & INVESTMENTS ACCOUNT DATA

For the Current fiscal year, report balances for all cash and investments accounts; report separately balances for accounts restricted by PUC orders, grants, etc.

<u>Account Description</u>	Balance June 2019	Balance December 2018	Account Activity
Deposit	263,389	140,418	122,970
Checking	240,475	295,161	(54,686)
Revenue	2,561,054	3,207,354	(646,300)
Debt Service Fund 2012	2,015,790	1,113,994	901,797
Debt Service Reserve	2,425,981	2,398,713	27,268
Debt Service Fund 2017	950,980	1,759,540	(808,561)
Totals	<u>\$ 8,457,669</u>	<u>\$ 8,915,180</u>	<u>\$ (457,512)</u>

RESTRICTED ACCOUNTS SUMMARY

For each account restricted by PUC report and order, list the accounts separately and show account activity for current fiscal period to date of this report. If the last ('Balance') column is for date other than the end of the current reporting period insert that date above the column.

<u>Account Description</u>	Balance June 2019	Balance December 2018	Account Activity
Revenue	2,561,054	3,207,354	(646,300)
Operating Revenue Allowance	1,387,155	1,371,564	15,591
Operation & Maintenance Fund	-	-	-
R&R Reserve	1,503,476	1,486,578	16,898
R&R Fund	103,481	244,528	(141,047)
Infrastructure Fund	2,956,418	2,288,119	668,298
O&M Reserve	2,736,501	2,705,744	30,756
Meter Replacement D 4611	5,085,471	4,187,352	898,118
Cash Capital Account D 4611	9,449,787	8,629,463	820,324
Debt Service Reserve	2,425,981	2,398,713	27,268
Debt Service Fund 2012	2,015,790	1,113,994	901,797
Debt Service Fund 2017	950,980	1,759,540	(808,561)
Totals	<u>31,176,092</u>	<u>29,392,950</u>	<u>1,783,142</u>