

**Finance Committee**  
Representative Policy Board  
South Central Connecticut Regional Water District  
90 Sargent Drive, New Haven, Connecticut

**\*Join by Teams:**

<https://teams.microsoft.com/meet/21929029291104?p=Hoy4CaHaiYDxAHrHCV>

Meeting ID: 219 290 292 911 04

Passcode: aB9AW6r7

Or

**Dial in by phone**

[+1 469-965-2517,342554141#](tel:+14699652517342554141) United States, Northlake

Phone conference ID: 342 554 141#

**AGENDA**

**Regular Meeting of Monday, April 13, 2026 at 5:00 p.m.**

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1. Safety Moment
2. Review and discuss proposed capital and operating budgets for Fiscal Year 2027 (June 1, 2026 – May 31, 2027): R. Kowalski - *Upon 2/3 vote, convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information.*
3. Approval of Minutes – March 9, 2026
4. Quarterly Financial Update
5. RPB Quarterly Dashboard Report
6. Committee member attendance at Authority meetings
  - a. April 23, 2026 – T. Clifford
  - b. May 28, 2026 – J. Jaser
7. Upcoming meetings:
  - a. Consumer Affairs/Land Use Committee special joint meeting – Review of FY 2027 Budget – Thursday, April 16, 2026 at 5:00 p.m. - **All RPB members are invited to attend**
  - b. Finance Committee’s next regular meeting – Monday, May 11, 2026 at 5:00 p.m.
8. New Business
9. Adjourn

\*Members of the public may attend the meeting in person or via remote access using instructions at the top of the agenda. To view meeting documents, please visit [Board Meetings & Minutes](#). For questions, contact the board office at 203-401-2515 or by email at [jslubowski@rwater.com](mailto:jslubowski@rwater.com)

# SAFETY MOMENT

## FLOODED BASEMENTS

Flooded basements pose a severe hazard from electrocution, falling into depressions, open pits, sewage, gasoline spillage, fuel oil spills, chemicals and exposure to other unseen trip hazards.

- **If a Service Line Breaks/Leaks:**
- Never step into a flooded basement or other room if water may be in contact with electrical outlets, appliances or cords. The water could be energized and could shock or electrocute you.
- Never attempt to turn off power at the panel board if you must stand in water to do so. If you can't reach your breaker box safely, call the electric utility to shut off power at the meter
- If water is spraying on to the electrical panel – shut the cellar wall valve and get out. Make one attempt to shut the cellar wall valve, if unsuccessful, get out.
- **Standing water is considered anything other than a wet floor with a few puddles. This includes standing water surrounding a water meter and wet carpets.**
- Never go into a flood-damaged basement or a flooded basement until the utility company, fire department, or a licensed electrician has cut the power to the house or the effected unit.
- Even after the power is confirmed de-energized one should never enter the flooded basement along.

Tap Into  
Safety



Regional Water Authority



Service – Teamwork – Accountability – Respect – Safety

 Regional Water Authority

Representative Policy Board  
**Finance Committee**  
South Central Connecticut Regional Water District  
90 Sargent Drive, New Haven, Connecticut  
and  
Via Remote Access

**MINUTES**

Regular Meeting of Monday, March 9, 2026 at 5:00 p.m.

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**Members Present:** Vincent M. Marino(R), Thomas P. Clifford III, James X. DiCarlo, Jasper Jaser, Carolyn Mancini(R), Michelle Verderame(R), and Jamie Mowat Young

**RPB Members:** Robert E. Harvey, Peter Betkoski(R), Naomi Campbell(R), Charles Havrda(R), Steve Iacuone(R), Mark Levine(R), and Greg Malloy(R)

**Authority:** Todd Cort(R)

**Management:** Sunny Lakshminarayanan, Rochelle Kowalski, Victor Benni, Charles DelVecchio, and Jim Hill(R)

**CliftonLarsonAllen (“CLA”):** David Flint(R) and Gabriel Epstein(R)

**Office of Consumer Affairs:** Atty. Jeffrey Donofrio(R)

**Staff:** Jennifer Slubowski

Chair Marino called the meeting to order at 5:00 p.m. He reviewed the Safety Moment distributed to members.

Mr. Flint of CLA, the RWA’s external auditor, reviewed the required communication letter and Statement of Work concerning the Authority’s audit and objectives for the fiscal year ending May 31, 2026. He also discussed the firm’s scope of engagement, new accounting standards, and expected completion date.

Mr. Flint reported that the overlap in governance for the possible Aquarion transaction (“AWA”) would not have an impact on the FY 2026 audit, as RWA and AWA are two separate and individual entities.

Committee members discussed inherent risk, as noted in the Statement of Work, with Mr. Flint clarifying that such language is standard in all audits given the nature of the business.

At 5:06 p.m., Messrs. Flint and Epstein withdrew from the meeting.

On motion made by Ms. Young and seconded by Mr. DiCarlo, the Committee voted to approve the minutes of its February 9, 2026 meeting, with Mr. Clifford abstaining.

Ms. Kowalski, the RWA’s Senior Vice President, Chief Financial Officer & Head of Corporate Development, reviewed the Quarterly Report on RPB Approved Projects, which included:

Representative Policy Board  
Finance Committee  
March 9, 2026

- Lake Gaillard Water Treatment Plant HVAC and Electrical Improvements
- Lake Whitney Dam & Spillway Improvements Phase I – Initial Design Project
- Lake Whitney Water Treatment Plant Chemical Feed Improvements
- Lake Gaillard and Lake Saltonstall Water Treatment Plants Electrical Upgrades
- North Branford Tank Replacement
- Route 80 Control Valve Replacement

Chair Marino reviewed committee volunteer attendance at upcoming Authority meetings.

There was no new business to report.

The next regular meeting is Monday, April 13, 2026 at 5:00 p.m., via hybrid, and will include a review of the FY 2027 budget. All RPB members are invited to attend.

Chair Marino stated that if members are unable to attend the next meeting, they can review the FY 2027 budget at the joint meeting of the Consumer Affairs and Land Use Committees on Thursday, April 16, 2026 at 5:00 p.m., via hybrid.

Mr. Levine, Chair of the RPB Land Use Committee (“LUC”), reported that the next LUC meeting on March 11, 2026 will take place at the Whitney Water Center, in person. All RPB members are invited to attend.

At 5:14 p.m., on motion made by Mr. Clifford and seconded by Mr. DiCarlo, the Committee voted to adjourn the meeting.

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Vincent M. Marino, Chair

(R) = Attended remotely.

**South Central Connecticut Regional Water Authority**  
90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020  
<http://www.rwater.com>

TO: RPB Finance Committee Members

Vincent M. Marino  
Thomas P. Clifford III  
James X. DiCarlo  
Jasper J. Jaser  
Carolyn Mancini  
Michelle Verderame  
Jamie Mowat-Young

FROM:  Rochelle Kowalski

DATE: April 9, 2026

SUBJECT: Quarterly financial statements for fiscal year 2026 (ending May 31, 2026)

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Attached are the following financial reports regarding the third quarter of fiscal year 2026. i.e., the quarter ended February 28, 2026:

- Statements of net position as of February 28, 2026 and February 28, 2025;
- Schedule A-1 & A-2: Statements of revenues, expenses and changes in net position as of February 28, 2026, maintenance test, and commentary;
- Schedule B: Operating and maintenance expenses;
- Schedule C: Capital budget report;
- Schedule D: Investment earnings report - comparison of investment rates of return

The reports bulleted above incorporate the Authority's experience from June 2025 through February 2026. For the remainder of fiscal year 2026, the reports include the projections shown on schedules A-2 and B which use the assumptions explained below.

## **Schedule A-2: Statements of Revenues, Expenses and Changes in Net Position**

### Section of page entitled "Nine months Ended February 28, 2026"

The figures shown present June 2025 to February 2026 as well as comparative budget vs. actual results for the nine months ended February 28, 2026.

### Section of page entitled "Year Ending May 31, 2026"

The "budget" column is the budget for fiscal year 2026, as approved by the Authority board.

#### Assumption 1

The column labeled *Assumption 1* presents earned metered water revenues that reflect nine months (June 2025 through February 2026) of consumption and three months of budgeted consumption for (March 2026 through May 2026).

Other revenues and expenses shown in this column reflect nine months of results and three months, as projected.

#### Assumption 2

The column labeled *Assumption 2* projects consumption for the months of March 2026 through May 2026 at 5% below budget. Operating expenses for "pump power" and chemicals for these same months are adjusted to reflect the 5% decrease.

#### Assumption 3

The column labeled *Assumption 3* projects consumption for the months of March 2026 through May 2026 at 5% above budget. Operating expenses for "pump power" and chemicals for these same months are adjusted to reflect the 5% increase.

### Section of page entitled "Maintenance Test"

The maintenance test reflects the same three assumptions described above except that water sales are not accrued revenue, but cash collections from June 2025 through February 2026, plus projected cash collections for March 2026 through May 2026. Management projects cash collections by applying historical collection patterns to billings. Management assumes that the billings are collected over the course of the subsequent twelve months.

REGIONAL WATER AUTHORITY  
STATEMENTS OF NET POSITION  
AS OF FEBRUARY 28, 2026 AND 2025

Assets	FY 2026	FY 2025	Y/Y Variance	Liabilities and Net Assets	FY 2026	FY 2025	Y/Y Variance
Utility plant				Liabilities			
Property, plant and equipment in service	1,032,264,844	1,013,782,484	18,482,359	Revenue bonds payable, less current portion	447,265,000	479,100,000	(31,835,000)
Accumulated depreciation	(469,773,829)	(466,846,704)	(2,927,125)	Net premiums and discounts from revenue bonds paya	36,843,512	39,643,080	(2,799,568)
Utility plant in service	562,491,015	546,935,781	15,555,234	DWSRF loans payable, less current portion	38,076,815	37,165,234	911,581
Land	28,127,494	28,172,373	(44,879)	Net pension liability	8,795,429	11,622,449	(2,827,020)
Construction work in progress	42,383,914	60,260,365	(17,876,451)	Net OPEB obligation	15,181,074	16,145,432	(964,358)
RTU and SBITA, net	22,364,784	4,598,642	17,766,142	Lease Liability	67,439	102,816	(35,377)
Intangible Assets, Net	4,536,124	5,123,152	(587,028)	SBITA Liability	5,661,670	3,221,293	2,440,377
Total utility plant, net	659,903,331	645,090,313	14,813,018	Total noncurrent liabilities	551,890,939	587,000,304.04	(35,109,365)
Nonutility land, at cost	66,063,004	65,847,546	215,457	Current liabilities			
Current assets				Current portion of revenue bonds payable	25,720,000	24,930,000	790,000
Cash and cash equivalents	60,279,856	58,638,644	1,641,212	Current portion of DWSRF loans payable	2,336,427	2,182,470	153,957
Investments	-	-	-	Accounts payable	9,723,905	9,208,574	515,331
Accounts receivable, less allowance for doubtful accounts	12,942,040	11,025,768	1,916,273	Notes payable	50,500	50,500	-
Accrued revenue	8,707,332	8,766,208	(58,876)	Customer deposits and advances	2,684,550	1,820,354	864,196
Accrued interest receivable	171,906	433,166	(261,260)	Current Lease Liability	38,646	38,646	-
Materials and supplies	3,500,713	3,526,914	(26,200)	Current SBITA Liability	1,027,437	1,296,063	(268,626)
Prepaid expenses and other assets	6,739,193	6,875,919	(136,726)	Other accrued liabilities	11,521,600	11,118,804	402,796
Total current assets	92,341,040	89,266,618	3,074,422	Total current liabilities	53,103,065	50,645,412	2,457,653
Note Receivable	500,000	500,000	-	Liabilities payable from restricted assets			
Lease Receivable	1,277,874	1,310,890	(33,016)	Accounts payable for construction	4,044,896	3,363,526	681,370
Restricted assets	144,520,986	151,587,909	(7,066,923)	Accrued interest payable	1,704,113	1,867,966	(163,853)
Regulatory assets	29,593,962	16,092,839	13,501,124	Customer deposits and advances	1,442,971	1,663,785	(220,814)
Total assets	994,200,197	969,696,115	24,504,082	Total liabilities payable from restricted assets	7,191,980	6,895,277	296,703
Deferred Outflows of Resources				Other liabilities			
Deferred charge on refunding	4,891,251	11,436,659	(6,545,408)	Total liabilities	612,183,983	644,540,992	(32,355,009)
Deferred Outflows - Goodwill	15,269,485	16,206,912	(937,427)	Deferred inflows of resources			
Deferred charge on pension plans	356,129	969,607	(613,477)	Deferred inflows related to pensions	2,063,008	33,100	2,029,907
Deferred charge on OPEB plans	1,189,461	1,860,250	(670,790)	Deferred inflows related to OPEB	1,784,443	2,194,227	(409,785)
Total	1,015,906,523	1,000,169,544	15,736,979	Deferred inflows related to Leases	1,337,115	1,372,086	(34,971)
				Net Position			
				Invested in capital assets, net of related debt	169,729,135	145,602,649	24,126,486
				Restricted assets	148,424,393	138,463,703	9,960,691
				Unrestricted assets	80,382,447	67,962,787	12,419,660
				Total net assets	398,535,975	352,029,138	46,506,836
				Total liabilities and net assets	1,015,906,523	1,000,169,544	15,736,979

**REGIONAL WATER AUTHORITY**

**SCHEDULE A-1 - COMMENTARY**

**REVIEW OF FINANCIAL DATA**

**February 28, 2026 (FY 2026)**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**Operating Revenues**

FY26 revenue for water, including wholesale and fire service, is over budget by \$2,474k (approx. 2.4%).

Metered water revenue is over budget by \$2,199k (approx. 2.3%)

Total net other revenue is \$594k over budget due to other water and proprietary expenses being lower than budget.

**Operating Expenses**

Operating and Maintenance Expenses are currently under budget due to the following:

	<b>Feb-26</b>
Payroll is over budget due to O&M/non-O&M mix. Total gross payroll is under budget.	\$ 344,000
Employee Benefits are over budget due to the O&M/non-O&M mix.	194,000
Administrative Building is under budget due lower custodial and telecommunications related expenses to timing.	(94,000)
General & Administrative is under budget primarily due to lower than anticipated costs.	(268,000)
Utilities & Fuel is over budget due primarily due to timing.	51,000
Pump Power is under budget primarily due to timing.	(405,000)
Postage is under budget due to a vendor credit and lower than anticipated costs.	(187,000)
Collection Expense is over budget primarily due to payment processing fees.	84,000
Business Improvement is under budget primarily due to lower than anticipated costs.	(273,000)
Insurance is over budget due to O&M/non-O&M mix and other factors.	378,000
Outside Services is under budget across multiple areas.	(1,369,000)
Central Lab/Water Quality is under budget primarily due lower than anticipated costs associated with internal services and timing.	(65,000)
Training and continued education is under budget due to lower than anticipated costs and timing.	(187,000)
Info. Technology Licensing & Maintenance Fees are under budget due to lower than anticipated costs and timing.	(206,000)
Maintenance & Repairs are under budget due to lower than anticipated costs and timing.	(287,000)
All Other	(117,000)
<b><u>Interest Income</u></b>	<b>(2,407,000)</b>

Interest Income is above budget primarily due to higher investment earnings.

**PROJECTED MAINTENANCE TEST**

The projected coverage is 1.30 with no shortfall.



**REGIONAL WATER AUTHORITY  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE MONTHS ENDING FEBRUARY 28, 2026**

Schedule A-1

	FY 2025 Actual	FY 2026 Budget	FY 2026 Actual	(Under)Over Budget
<b>Operating revenues</b>				
Metered water revenues	\$ 89,804	\$ 93,849	\$ 96,048	\$ 2,199
Fire service	10,355	10,718	10,736	19
Wholesale	877	679	935	256
Other revenue - water	3,961	3,032	2,903	(129)
Other revenue - proprietary	12,651	12,961	12,232	(729)
Total operating revenues	117,649	121,238	122,854	1,616
<b>Operating expenses</b>				
Operating and maintenance expense	52,023	55,882	53,475	(2,407)
Expense associated with other revenue - water	2,204	1,669	1,243	(425)
Expense associated with other revenue - proprietary	5,856	6,788	5,761	(1,027)
Provision for uncollectible accounts	(89)	375	360	(15)
Depreciation and amortization	19,505	20,063	20,063	0
Payment in lieu of taxes	6,724	7,259	7,135	(124)
Amortization Pension Outflows/Inflows	163	1,361	1,361	(0)
Amortization OPEB Outflows/Inflows	(428)	(64)	(64)	(0)
Total operating expenses	85,958	93,331	89,333	(3,998)
Operating income	31,691	27,907	33,521	5,615
<b>Nonoperating income and (expense)</b>				
Interest income	7,831	4,969	6,692	1,723
(Loss) Gain on disposal of assets	468	(750)	(16)	734
Realized and unrealized (losses) gains on investments	-	-	-	-
Interest expense	(16,097)	(16,263)	(15,946)	316
Amortization of bond discount, premium, issuance cost and deferred losses	2,214	2,223	2,199	(24)
Amortization of Goodwill	-	-	-	-
Intergovernmental revenue	1,500	-	8,087	8,087
Contributions to related entities	-	-	-	-
Total nonoperating income and (expense) before capital contribution	(4,084)	(9,820)	1,016	10,836
Income (expense) before contributions	27,607	\$ 18,086	34,536	\$ 16,451
<b>Capital contributions</b>	1,930	-	4,255	-
Change in net assets	29,537	-	38,792	-
Total net assets - beginning of fiscal year	322,492	-	359,744	-
Total net assets - end of reporting month	352,029	-	\$ 398,536	-

**FY 2026 MAINTENANCE TEST  
(Budget vs. Projected)**

	Budget FY 2026 @114%	Projected FY 2026 @114%	(Under)Over FY 2026 @114%
<b>Revenue Collected:</b>			
Water sales	135,906	139,381	3,475
Interest Income	3,658	4,608	950
BABs Subsidy	616	616	-
Other Net	9,759	9,852	93
Common Non-Core	(300)	(150)	150
Total	149,639	154,307	4,668
<b>Less:</b>			
Operating and maintenance expenses	(74,062)	(73,772)	290
Depreciation	(10,750)	(10,750)	-
PILOT (A)	(9,623)	(9,000)	623
Net Avail for Debt Service (B)	\$ 55,204	\$ 60,785	\$ 5,581
Debt Service Payments (C)	\$ 47,494	46,733	\$ (761)
Debt Service @ 114% (D)	\$ 54,143	53,275	\$ (868)
Difference (B-D)	\$ 1,061	\$ 7,510	-
R.S.F. Growth and/or General Fund (D)	-	-	-
Coverage	116%	130%	-

REGIONAL WATER AUTHORITY  
Fiscal Year 2026  
(6000 - Omitted)

SCHEDULE A-2

STATEMENTS OF REVENUES, EXPENSES,

AND CHANGES IN NET ASSETS

	Nine Months Ending February 28		FY 2026 Actual	FY 2026 Budget	FY 2026 Actual	(Under/Over Budget)
	FY 2025 Actual	FY 2025 Budget				
Operating Revenues						
Mixed Water Revenues	\$ 89,804	\$ 91,849	\$ 96,048	\$ 2,199		
Fire Service	10,355	10,716	10,726	19		
Wholesale Water	877	679	935	256		
Other revenue - water	3,961	3,032	2,903	(129)		
Other revenue - proprietary	12,651	12,961	12,232	(729)		
Total Operating Revenues	117,649	121,238	122,854	1,616		
Operating Expenses						
Operating and Maintenance	52,023	55,882	53,425	(2,457)		
Expenses associated with other revenue-water	2,704	1,669	1,343	(1,265)		
Expenses associated with other revenue-proprietary	5,856	6,788	5,701	(1,087)		
Provision for uncollectible accounts	(89)	375	300	(15)		
Depreciation & Amortization	19,305	20,063	20,063	0		
Payment in lieu of taxes	6,724	7,239	7,135	(104)		
Amortization Pension Outflows/Inflows	163	1,361	1,361	(0)		
Amortization OPEB Outflows/Inflows	(428)	(64)	(64)	(0)		
Total Operating Expenses	85,958	93,331	89,333	(3,998)		
Operating Income	31,691	27,907	33,521	5,614		
Nonoperating income and (expense)						
Interest Income	7,831	4,969	6,692	1,723		
(Loss)/Gain on disposal of asset	468	(730)	(16)	734		
Interest Expense	(16,097)	(16,263)	(15,946)	316		
Amortization of bond discount, premium issuance cost and deferred losses						
Amortization of Goodwill						
Intergovernmental revenue						
Contributions to/from related entities	2,214	2,223	2,199	(24)		
Total nonoperating income & (expense)	1,500	-	8,087	8,087		
Total nonoperating income & (expense)	(4,084)	(9,820)	1,016	10,836		
(Expense) income before contributions	27,607	\$ 18,086	\$ 34,536	\$ 16,451		
Capital contributions	1,910		4,255			
Change in net assets	29,517		38,792			
Total net assets - beginning of fiscal year	322,492		359,744			
Total net assets - end of reporting month	\$ 352,009		\$ 398,536			

MAINTENANCE TEST

Revenue Collected	
Water Sales	\$ 135,906
Interest Income	3,658
BABs Subsidy	616
Other Net	9,759
Common Non-Core	(300)
Total	149,639
Less:	
Operating and Maintenance Expenses	(74,062)
Depreciation	(10,750)
PILOT (A)	(9,000)
Net Avail for Debt Service (B)	60,783
Debt Service payments (C)	\$ 46,733
Debt Service @ 1.14% (D)	\$ 53,275
Difference (B-D)	\$ 7,510
RSF, Growth and/or General Fund (D)	\$ -
Coverage	116%
Required Coverage	114%

Twelve Months Ending May 31

	Twelve Months Ending May 31		Projection - Consumption 5% Below	Projection - Consumption 5% Above
	Projection Assumption 1	Projection Assumption 2		
Budget				
\$ 122,108	\$ 124,307	\$ 123,352	\$ 123,262	\$ 123,262
14,291	14,310	14,310	14,310	14,310
886	1,142	1,142	1,142	1,142
4,015	3,808	3,808	3,808	3,808
17,317	16,490	16,490	16,490	16,490
158,616	160,056	159,101	159,101	161,011
74,062	73,772	73,681	73,681	73,863
2,326	1,839	1,839	1,839	1,839
9,020	8,141	8,141	8,141	8,141
500	500	500	500	500
24,500	24,500	24,500	24,500	24,500
9,623	9,000	9,000	9,000	9,000
1,726	1,726	1,726	1,726	1,726
(46)	(46)	(46)	(46)	(46)
123,623	123,343	123,342	123,342	123,524
32,994	36,624	35,760	35,760	37,488
6,407	7,407	7,407	7,407	7,407
(1,500)	(1,500)	(1,500)	(1,500)	-
(21,490)	(21,271)	(21,271)	(21,271)	(21,271)
3,045	3,021	3,021	3,021	3,021
(937)	(937)	(937)	(937)	(937)
9,087	9,087	9,087	9,087	9,087
\$ (4,194)	\$ (4,194)	\$ (4,194)	\$ (4,194)	\$ (2,694)
\$ 18,518	\$ 32,430	\$ 31,566	\$ 31,566	\$ 34,794

Twelve Months Ending May 31

	Twelve Months Ending May 31		Projection - Consumption 5% Below	Projection - Consumption 5% Above
	Projection Assumption 1	Projection Assumption 2		
Budget				
\$ 135,906	\$ 139,381	\$ 138,795	\$ 139,967	\$ 139,967
3,658	4,608	4,608	4,608	4,608
616	616	616	616	616
9,759	9,852	9,852	9,852	9,852
(300)	(150)	(150)	(150)	(150)
149,639	154,307	153,721	154,493	154,493
(74,062)	(73,772)	(73,681)	(73,681)	(73,863)
(10,750)	(10,750)	(10,750)	(10,750)	(10,750)
(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
60,783	60,783	60,290	61,280	61,280
\$ 46,733	\$ 46,733	\$ 46,733	\$ 46,733	\$ 46,733
\$ 53,275	\$ 53,275	\$ 53,275	\$ 53,275	\$ 53,275
\$ 7,510	\$ 7,510	\$ 7,015	\$ 8,005	\$ 8,005
\$ -	\$ -	\$ -	\$ -	\$ -
116%	130%	129%	131%	131%
114%	114%	114%	114%	114%

REGIONAL WATER AUTHORITY  
OPERATING AND MAINTENANCE EXPENSES

Fiscal Year 2026  
(\$000 Omitted)

SCHEDULE B

	NINE MONTHS ENDING FEB 28				YEAR ENDED MAY 31, 2026			
	FY 2025 Actual	FY 2026 Budget	FY 2026 Actual	(Under) Over	Budget	Assump 1	Assump 2	Assump 3
1 Payroll	\$ 20,008	\$ 20,695	\$ 21,039	\$ 344	27,559	27,916	27,916	27,916
2 Employee Benefits Allocation	3,864	7,340	7,534	194	9,471	9,529	9,529	9,529
Pension	2,168	1,982	1,982	-	2,855	3,355	3,355	3,355
3 Administrative Building Space Alloc	784	920	826	(94)	1,202	1,208	1,208	1,208
4 General & Administrative	1,212	1,169	901	(268)	1,547	1,177	1,177	1,177
5 Transportation Allocation	720	774	736	(38)	1,032	1,050	1,050	1,050
6 Tools & Stores Allocation	287	324	305	(19)	438	417	417	417
7 Utilities & Fuel	1,525	1,748	1,800	51	2,331	2,298	2,298	2,298
8 Material From Inventory	250	262	310	47	359	340	340	340
9 Pump Power Purchased	3,149	3,592	3,187	(405)	4,754	4,728	4,674	4,782
10 Chemicals	2,462	2,478	2,437	(41)	3,251	3,359	3,322	3,396
11 Road Repairs	138	187	235	48	320	300	300	300
14 Postage	515	567	380	(187)	756	603	603	603
15 Printing & Forms	25	53	24	(29)	73	50	50	50
17 Collection Expense	750	871	956	84	1,159	1,304	1,304	1,304
18 Business Improvement	197	491	218	(273)	654	303	303	303
19 Public/Customer Information	158	181	147	(34)	303	236	236	236
20 Outside Services	3,332	3,285	1,916	(1,369)	4,316	3,243	3,243	3,243
21 Insurance Premiums	1,581	1,590	1,967	378	2,136	2,537	2,537	2,537
22 Worker's Compensation, pre-Churc	45	34	(4)	(38)	44	25	25	25
23 Damages	28	56	61	4	75	85	85	85
24 Training & Cont. Education	321	365	178	(187)	497	349	349	349
25 Authority Fees	105	139	155	17	185	210	210	210
26 Consumer Counsel	47	45	39	(6)	60	60	60	60
27 RPB Fees	185	187	214	27	250	290	290	290
28 Organizational Dues	91	94	74	(20)	126	71	71	71
29 Donations	34	38	27	(11)	49	100	100	100
34 Central Lab/Water Quality	273	298	234	(65)	395	353	353	353
40 Environmental Affairs	156	152	127	(26)	216	217	217	217
44 Info. Technology Licensing &								
Maintenance Fees	2,635	2,928	2,722	(206)	3,506	3,437	3,437	3,437
45 Maintenance and Repairs	2,525	2,862	2,575	(287)	3,911	3,820	3,820	3,820
46 Regulatory Asset Amortization	175	175	175	-	233	302	302	302
	<u>\$ 49,744</u>	<u>\$ 55,882</u>	<u>\$ 53,475</u>	<u>\$ (2,407)</u>	<u>\$ 74,062</u>	<u>\$ 73,272</u>	<u>\$ 73,181</u>	<u>\$ 73,363</u>

SCHEDULE C  
QTR 3

	Period Ending February 28, 2026		Period Ending May 31, 2026	
	Budget	Expenditures (Under)/Over	Budget	Projected (Under)/Over
<b>I. NATURAL RESOURCES</b>				
Watershed Protection	38	9	50	-
Land Management	39	2	50	-
Lake Whitney Dam & Spillway Improvements	230	190	1,180	(980)
Peat Swamp Dam Modifications	60	89	150	-
Lake Chamberlain Dam Improvements	30	22	50	-
Lake Watrous & Lake Glen Aeration System Improvements	18	85	400	-
Tunnel Diversion Raw Water Main Rehabilitation Program	50	66	100	47
Bridge Refurbishments	140	98	275	-
Rose's Brook Water Quality Improvements	40	6	100	21
Furnace Pond Water Quality Improvements	96	28	96	-
Natural Resources Access Road Improvements	65	23	100	(80)
Miscellaneous Natural Resources	133	42	175	19
Prior Year	-	26	-	26
<b>TOTAL</b>	<b>938</b>	<b>686</b>	<b>2,726</b>	<b>1,779</b>
		<b>(252)</b>		<b>(947)</b>
<b>II. TREATMENT</b>				
Filter Media Replacement	455	445	1,255	1,100
LGWTP-Clarifiers Recycle & Building Improvements	224	323	300	340
LGWTP-HVAC Upgrades	2,537	2,352	3,300	2,900
LGWTP Filter Underdrain Replacement	200	199	275	275
LGWTP Roof Replacement	1,855	525	3,200	3,200
LGWTP Local Control Console Upgrade	515	54	300	200
LGWTP Chemical Feed Improvements	163	193	215	215
LGWTP Improvements	100	171	200	200
Lake Gaillard Hydroturbine	2	-	100	100
LSWTP Electrical Upgrades	65	32	50	50
LGWTP Electrical Upgrades	65	48	50	50
LSWTP HVAC Upgrades	950	866	1,065	900
LSWTP Improvements - Gravity Thickener	1,441	1,433	1,891	1,891
LSWTP Improvements (Miscellaneous)	100	34	200	200
LWWTP Chemical Feed Improvements	1,120	969	1,920	2,000
LWWTP Ozone and DAF Controls	200	206	200	206
LWWTP Control Room Upgrades	10	1	100	100
LWWTP Geothermal Systems Improvements	15	6	450	450
West River Drying Bed Improvements	295	87	480	300
WRWTP Salt Storage	545	512	545	513
WRWTP Improvements (Miscellaneous)	85	125	200	200
Water Treatment Plant Valve Replacement Program	100	63	300	100
Treatment Plant Buried Valve Improvements	-	-	100	-
Seymour Wellfield Generator Replacement	740	478	831	625
Wellfield Facility Improvements - North Cheshire Wellfield	130	364	1,500	1,500
Well Rehabilitation Program	345	205	500	500
Well Replacements	13	171	1,000	900
Miscellaneous Wellfield Improvements	4	13	25	25
South Cheshire Wellfield Facilities Improvements	5	2	75	75
Mt. Carmel Wellfield Facilities Improvements	2	2	75	75
Future Regulatory Treatment Compliance	120	289	500	450
Treatment Facility Roof Replacements	75	17	127	150
		<b>(58)</b>		<b>24</b>

	Period Ending February 28, 2026		Period Ending May 31, 2026	
	Budget	Expenditures (Under)/Over	Budget	Projected (Under)/Over
WRWTP Rooftop Air Handling Unit	150	109 (41)	150	150
Wellfield Facility Improvements - Derby	700	691 (9)	700	703 3
Miscellaneous Treatment	50	- (50)	50	50
Prior Year	-	33 33	-	33
<b>TOTAL</b>	<b>13,773</b>	<b>11,039 (2,734)</b>	<b>22,228</b>	<b>20,726 (1,502)</b>
<b>III. TRANSMISSION AND DISTRIBUTION</b>				
Pipe	6,782	6,230 (552)	8,653	8,785 132
Valve Replacements	280	179 (101)	400	400
Service Connections	1,375	1,678 303	1,900	1,900
Capital Pipe Service Connections	675	369 (306)	700	700
Meters	465	442 (23)	650	650
Hydrants and Connections	95	33 (62)	125	125
Lead Service Line Replacements	740	836 96	1,200	1,200
Brook Lane Transmission Main, North Branford	1,500	1,234 (266)	1,391	1,391
Brook Lane/Sunset, North Branford	100	6 (94)	600	600
Raw Water/Transmission Main Replacement & Redundancy	75	7 (68)	103	100 (3)
George Street Pipe Relocation, New Haven	-	-	-	-
Cleaning & Cement Lining - Cheshire	34	15 (19)	600	600
Service Area Improvements-East/West Transmission Main	143	4 (139)	200	200
Pipe Bridge Rehabilitation Program	10	24 14	50	50
North Branford Tank Replacement	50	98 48	100	150 50
York Hill Tank No. 1 Painting & Stairs	1,260	706 (554)	1,206	1,206 (0)
Ford Street Tank #1 Painting and Stairs	1,513	38 (1,475)	42	42
Route 80 Throttling Valve Relocation	600	718 118	750	815 65
Variable Frequency Drive Replacement Program	150	52 (98)	250	250
Critical Pump Station & Transmission Facilities Upgrades	535	381 (154)	650	550 (100)
Lake Gaillard Pump Station Improvements	237	- (237)	300	300
Spring Street Pump Station Replacement	30	28 (2)	50	25 (25)
Rayham Hill Pump Station Improvements	-	1 (1)	50	2 (48)
Armory Pump Station Chimney Rehabilitation	19	2 (17)	50	35 (15)
Devonwood Drive Booster Pump Station	45	- (45)	-	-
Pump Station Generator Replacement	400	32 (368)	725	725
Pump Station Roof Replacements	25	81 56	199	199
Pump Station Bypass Improvements	30	- (30)	50	50
MCC Hill Street Pump Station, Ansonia	50	29 (21)	50	50
MCC Mill Rock Basin Electrical Gear, Hamden	25	15 (10)	50	50
Sanitary Survey Results	50	1 (49)	-	80 80
Water Quality Improvements Program	155	103 (52)	645	645
Miscellaneous Transmission & Pumping	73	148 75	95	193 98
Prior Year	-	390 390	-	390
<b>TOTAL</b>	<b>17,521</b>	<b>13,882 (3,638)</b>	<b>21,833</b>	<b>22,457 624</b>
<b>IV. GENERAL PLANT</b>				
GIS (Customer Information Services)	522	541 18	522	541 18
GIS Enhancements	-	-	150	150
HRIS Replacement (Human Resources Information Systems)	38	19 (18)	150	50 (100)
Work & Asset Management Solutions (Formerly InforEAM GIS Data Integ)	46	6 (40)	50	6 (44)

SCHEDULE C  
QTR 3

	Period Ending February 28, 2026		Period Ending May 31, 2026	
	Budget	Expenditures (Under)/Over	Budget	Projected (Under)/Over
LIMS Business Enhancements	130	58 (72)	150	70 (80)
AMI Software Business Enhancements	25	- (25)	25	- (25)
Cyber Security Enhancements	144	152 8	155	155 -
GIS Upgrades and Enhancements	20	30 10	25	35 10
Business Analytical Platform	30	66 36	50	66 16
SCADA	110	61 (49)	220	220 -
Data Center Life Cycle Replacements	423	439 16	650	550 (100)
GIS Aerial Mapping	115	117 2	190	155 (35)
Enterprise Data Archive	472	472 (0)	472	472 (0)
Miscellaneous Information Systems Equipment	144	95 (49)	156	135 (21)
Miscellaneous Equipment	1,725	1,679 (46)	2,568	2,648 80
90 Sargent Drive	185	32 (153)	99	91 (8)
Miscellaneous 90 Sargent Drive	270	59 (211)	550	504 (47)
Prior Year	44	19 (25)	70	70 -
<b>TOTAL</b>	<b>4,442</b>	<b>3,858 (584)</b>	<b>6,251</b>	<b>5,929 (322)</b>
<b>SUB-TOTAL</b>	<b>36,674</b>	<b>29,465 (7,209)</b>	<b>53,039</b>	<b>50,892 (2,147)</b>
V. CONTINGENCY	297	- (297)	991	- (991)
V. PROJECT RESERVE	1,667	- (1,667)	8,805	- (8,805)
V. CARRYOVERS	-	-	-	-
<b>SUB-TOTAL</b>	<b>1,964</b>	<b>(1,964)</b>	<b>9,796</b>	<b>(9,796)</b>
<b>VI. STATE &amp; REDEVELOPMENT PIPE</b>	<b>2,250</b>	<b>133 (2,117)</b>	<b>3,000</b>	<b>500 (2,500)</b>
<b>VII. COMMERCIAL</b>	<b>292</b>	<b>220 (72)</b>	<b>455</b>	<b>455 -</b>
<b>TOTAL</b>	<b>41,179</b>	<b>29,818 (11,361)</b>	<b>66,289</b>	<b>51,847 (14,442)</b>

Note: The Project Reserve reflects an anticipated additional \$2,695,000.  
The Contingency amount reflects capital efficiencies achieved on pipe work in the amount of \$396,655.  
While reflected, these above transfers are not yet approved.

Investment Earnings Report  
Comparison of Investment Rates of Return

Fund Type	Balance @ February 28, 2026	Budgeted Return	Rate of Return February 28, 2026	Rate of Return Fiscal Year to Date
<b>Less than Six Months</b>				
Revenue Investment (A)	\$ 35,846,687	3.25%	3.73%	4.13%
Revenue (B)	9,127,292	0.00%	0.21%	0.30%
Rate Stabilization (A)	10,000,000	3.25%	3.73%	4.13%
Operating Reserve (A)	12,343,656	3.25%	3.73%	4.13%
Capital Contingency (A)	6,271,409	3.25%	3.73%	4.13%
Debt Reserve (A)	24,963,034	3.25%	3.73%	4.13%
Debt Service (A)	20,094,502	3.25%	3.73%	4.13%
PILOT (A)	2,740,874	3.25%	3.73%	4.13%
General Fund (A)	13,253,128	3.25%	3.73%	4.13%
<b>Sub-Total</b>	<b>\$ 134,640,582</b>			
<b>Other</b>				
Construction (A)	\$ 67,234,383	3.25%	3.73%	4.13%
Construction (C)	266,723	0.00%	3.15%	3.49%
Construction (D)	1,290	0.00%	0.00%	0.00%
Growth Fund (E)	2,725,561	0.00%	1.53%	1.83%
Interim Financing	969	0.00%	1.50%	1.78%
<b>Sub-Total</b>	<b>\$ 70,228,926</b>			
<b>Total</b>	<b>\$ 204,869,508</b>			

(A) Investments are in the Connecticut Short Term Investment Fund (STIF). The budgeted and actual rate of returns are based on a straight average for the third quarter.

(B) Reflects sweep product with balances fully insured. Balances earn credits to offset bank fees. Percentage based on month-end book balance.

(C) Invested in the First American Government Fund.

(D) Cash Balance as of February 28, 2026.

(E) Balance includes interest earnings.

<b>Fund</b>	<b>Budgeted Interest (Cash Basis) as of February 28, 2026</b>	<b>Interest Received (Cash Basis) as of February 28, 2026</b>	<b>(Under)/ Over</b>
Debt Reserve	604,943	789,798	184,855
Operating Reserve	288,995	389,317	100,322
Capital Contingency	169,514	198,662	29,148
PILOT	67,320	124,139	56,819
Debt Service	519,322	601,822	82,500
Revenue	432,000	720,628	288,628
Rate Stabilization	263,333	309,160	45,827
General	368,091	462,114	94,023
Sub Total	<u>2,713,518</u>	<u>3,595,640</u>	<u>882,122</u>
Construction	1,569,542	2,139,917	570,375
Growth Fund	-	78,782	78,782
Interim Financing	-	13	13
Total	<u>4,283,060</u>	<u>5,814,352</u>	<u>1,531,292</u>



Representative Policy Board  
Dashboard Metric - 3Q FY26

Metrics	Quarter ended 2/28/25 (3Q, FY 2025)	Quarter ended 08/31/25 (1Q, FY 2026)	Quarter ended 11/30/25 (2Q, FY 2026)	Quarter ended 2/28/26 (3Q, FY 2026)
<b>Financial Metrics</b>				
Coverage	Budget: 1.14 w/o draw	Budget: 1.14 w/o draw	Budget: 1.14 w/o draw	Budget: 1.14 w/o draw
	Projected: 1.19 w/o draw	Projected: 1.19 w/o draw	Projected: 1.25 w/o draw	Projected: 1.30 w/o draw
Draw Requirement	Budget: \$0 million	Budget: \$0 million	Budget: \$0 million	Budget: \$0 million
	Projected: \$0 million	Projected: \$0 million	Projected: \$0 million	Projected: \$0 million
Capital Expenditures to Budget (Note 1)	Budget: \$53.653 million	Budget: \$61.700 million*	Budget: \$61.700 million*	Budget: \$56.090 million
	Result: \$35.352 million/65.9% of total fiscal year budget	Result: \$11.007 million/17.8% of total fiscal year budget	Result: \$21.071 million/34.2% of total fiscal year budget	Result: \$29.465 million/52.3% of total fiscal year budget
Aged Account Receivables - Total Water (Note 2)	Feb 2020: \$6,659,551	Feb 2020: \$6,659,551	Feb 2020: \$6,659,551	Feb 2020: \$6,659,551
	Feb. 2025 : \$5,135,012 (-22.9%)	Aug 2025 : \$5,413,163 (-18.7%)	Nov 2025 : \$5,260,174 (-21.0%)	Feb 2026 : \$5,147,871 (-22.7%)
Aged Account Receivables - Residential (Note 2)	Feb 2020: \$5,833,160	Feb 2020: \$5,833,160	Feb 2020: \$5,833,160	Feb 2020: \$5,833,160
	Feb. 2025 : \$4,807,653 (-17.6%)	Aug 2025 : \$4,950,885 (-15.1%)	Nov 2025 : \$4,819,456 (-17.4%)	Feb 2026 : \$4,654,858 (-20.2%)
Pension Market Values (Note 3)	Feb 2025 Mkt. Value \$79,178,742	Aug 2025 Mkt. Value \$83,369,359	Nov 2025 Mkt. Value \$85,705,769	Feb 2026 Mkt. Value \$88,523,055
	Dec 2024 Mkt. Value \$78,130,380	June 2025 Mkt. Value \$81,486,887	Sept 2025 Mkt. Value \$84,627,946	Dec 2025 Mkt. Value \$85,553,973
	Dec Return: 10.13% Cal/5.22% Fiscal	June Return: 6.82% Cal / 9.15% Fiscal	Sept Return: 12.00% Cal/8.00% Fiscal	Dec Return: 14.44% Cal/10.32% Fiscal
	Actuarial Return Assumption: 6.75%	Actuarial Return Assumption: 6.75%	Actuarial Return Assumption: 6.75%	Actuarial Return Assumption: 6.75%
<b>System Metrics</b>				
Average Daily Production (Draft) to Budget (MGD)/Prior Year (MGD)	Prior Year: 43.255 MGD	Prior Year: 50.477 MGD	Prior Year: 48.131 MGD	Prior Year: 45.342 MGD
	Result: 45.342 MGD	Result: 56.856 MGD	Result: 52.101 MGD	Result: 48.671 MGD
Disinfection By-products	Target: 100%	Target: 100%	Target: 100%	Target: 100%
	Result: 100%*	Result: 100%	Result: 100%	Result: 100%
	* As of Dec, 2024, updated	* As of June 30, 2025, updated	* As of Sept 30, 2025, updated	* As of Dec, 2025, updated
Net Unaccounted For Water (annualized)	Target: 10.0%	Target: 10.0%	Target: 10.0%	Target: 10.0%
	Result: 13.05% net for the annualized period of Dec 2023 to Nov 2024	Result: 10.62% net for the annualized** period of June 2024 to May 2025	Result: 10.46% net for the annualized** period of September 2024 to August 2025	Result: 10.66% net for the annualized** period of Dec 2024 to Nov 2025
<b>Service Disruptions (Notes 4 and 5): Due to Main Breaks</b>				
Number of Disruptions	Result : 44	Result : 5	Result : 7	Result : 42
Number of Customers Impacted	Result : 791	Result : 63	Result : 162	Result : 483
Avg. Period Customers are w/o Water (hrs.)	Target: 6	Target: 6	Target: 6	Target: 6
	Result: 2.98	Result: 5.5	Result: 3.71	Result: 5.3
<b>Water Quality (Note 5):</b>				
<b>Discolored Water - System/Hydraulics</b>				
Number of Complaints	Result : 71	Result : 348	Result : 169	Result : 124

Notes:  
 Note 1: Excludes State and Redevelopment, Growth Fund, and contingency/reserve. Percentage is of fiscal year budget  
 Note 2: Reflects aged receivables over 90 days - total water and total residential. Comparison is to pre-pandemic level  
 Note 3: Fiscal year-end based on audited financials. Other quarters based on latest available reports and net returns  
 Note 4: This metric may be later expanded to other types of service disruptions with the same statistics  
 Note 5: This metric may be later expanded to include time to resolve and time to respond w/associated targets  
 \* Amendments pending approval  
 \*\* Under review and subject to change