

**South Central Connecticut Regional Water Authority**  
Via Remote Access\*\*

**AGENDA**

**Regular Meeting of Thursday, September 22, 2022 at 12:30 p.m.**

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- A. Safety Moment
- B. Meet as Audit-Risk Committee: C. LaMarr
  - 1. Approve Minutes – May 26, 2022 meeting
  - 2. Review FY 2022 Audit Results: D. Flint and R. Nossek - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered under Section 1-210 subsection b #5B concerning financial information given in confidence, not required by statute.*
- C. Consent Agenda
  - 1. Approve Minutes – August 25, 2022 meeting
  - 2. Capital Budget Authorization - October 2022
  - 3. Capital Budget Transfer Notifications (no action required) – October 2022
  - 4. Accounts Receivable Update – August 2022
  - 5. Key Performance Indicators
  - 6. RPB Dashboard Report
- D. Finance: R. Kowalski
  - 1. Quarterly Financial Report
- E. RPB Committee assignments and reports on RPB Committee meetings
- F. Report on New Haven Environmental Advisory Council meeting - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters concerning strategy pertinent to RWA's rates covered under section 1-210 subsection b #5B, commercial and financial information..*
- G. Business Updates: L. Bingaman
  - 1. COVID-19: D. Verdisco
  - 2. \*Monthly Business Highlights: L. Bingaman - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(D) to discuss matters concerning strategy pertinent to real estate matters.*
- H. Meet as Commercial Business Committee: K. Curseaden
  - 1. Approve Minutes – June 23, 2022 meeting
  - 2. Commercial Business update: D. Donovan - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210 subsection b #'s 5 A&B, pertaining to economic value, commercial and financial information*
- I. Act on matters arising from committee meetings

<p>** Members of the public may attend the meeting via conference call. For information on attending the meeting and to view meeting documents, please visit <a href="https://tinyurl.com/bvaurs6j">https://tinyurl.com/bvaurs6j</a>. For questions, contact the board office at <a href="mailto:jslubowski@rwater.com">jslubowski@rwater.com</a> or call 203-401-2515.</p>
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\*RPB member (A. Rescigno) will be excused at Item G.2

**SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY**  
(Including Audit-Risk Committee and Commercial Business Committee Meetings)  
Thursday, September 22, 2022 at 12:30 p.m.

Remote Meeting Instructions:

**Call in (*audio only*)**

[+1 469-965-2517,,848499413#](tel:+14699652517848499413) United States, Dallas

Phone Conference ID: 848 499 413#

For questions, contact the board office at 203-401-2515 or by email at [jslubowski@rwater.com](mailto:jslubowski@rwater.com)

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# SAFETY MOMENT

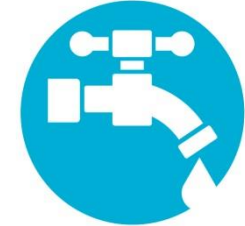
## Fall Driving Dangers & Tips to Stay Safe

With the fall season approaching, it is time to shift gears on driving safety. Fall brings its own set of hazards that can result in damage or injury if you are inattentive when behind the wheel.

**Below are possible threats that require special attention in this season:**

1. Darkness – make sure car headlights are working properly
2. Animals – be aware of deer and other small animals crossing roadways
3. Leaves – wet leaves can cause slippery roads, leave plenty of stopping distance
4. Tires – check tire pressure and traction
5. Dampness – be aware of puddles on the roadway
6. Glare – have sunglasses handy and keep windshields clean
7. Fog – use low beams in addition to headlights

**Tap Into  
Safety**



Regional Water Authority



Service – **Teamwork** – Accountability – **Respect** – Safety

Safety is a core value at the RWA. It is our goal to reduce preventable workplace injuries to zero.

Regional Water Authority

South Central Connecticut Regional Water Authority  
Minutes of the August 25, 2022 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority took place on Thursday, August 25, 2022, via remote access. Chairman Borowy presided.

**Present:** Authority Members present – Messrs. Borowy, Curseaden, DiSalvo and Ms. LaMarr  
Authority Members absent – Ms. Sack  
Management – Mss. Kowalski, Verdisco, Augur, and Messrs. Bingaman, Donovan, Hill, Lakshminarayanan, and Singh  
RPB – Mr. Levine  
The Claire C. Bennett Watershed Fund – Mr. Stone  
Staff – Mrs. Slubowski

Chair Borowy called the meeting to order at 12:30 p.m.

Ms. Verdisco, the RWA’s Chief Human Resources Officer & Vice President of Corporate Service, reviewed the safety moment distributed to members.

At 12:32 p.m. on motion made by Ms. LaMarr, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the regular meeting to meet as the Environmental, Health & Safety Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Absent

At 1:45 p.m. the Authority reconvened and on motion made by Mr. DiSalvo, seconded by Ms. LaMarr, and unanimously carried, the Authority voted to recess the regular meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Absent

At 3:15 p.m., the Authority reconvened.

On motion made by Mr. DiSalvo, seconded by Ms. LaMarr, and unanimously carried, the Authority voted to approve, adopt, or receive, as appropriate the following items in the Consent Agenda:

1. Minutes of the July 28, 2022 meeting.
2. Capital budget authorization for September 2022.

**RESOLVED**, that the Vice President and Chief Financial Officer is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$4,700,000 for the month of September 2022 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved

notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for FY 2023 for all Capital Improvement Projects to be exceeded.

3. Capital Budget Transfer Notifications.
4. Monthly Financial Report for July 2022.
5. Accounts Receivable Update for July 2022.
6. FY 2023 Business Continuity Update.
7. HazWaste Central Update.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Absent

At 3:18 p.m., Messrs. Levine and Stone entered the meeting.

Mr. Stone, President of the Claire C. Bennett Watershed Fund (“Fund”), provided an update of the FY 2022 Fund financials, an overview of approved grant and scholarship awards, and the annual golf tournament.

Mr. Stone also reported that two directors of the Claire C. Bennett Watershed Fund were up for reappointment: Susan S. Addiss and Martha Rice. Both directors have expressed an interest in continuing to serve. Background information was previously provided to the Authority for review. He also reported that two directors have resigned, Scott Jones, appointed by the Authority last year, and Mr. Olejarczyk, who has served as a director and Treasurer for the Fund for 22 years. The Fund will be pursuing interested candidates to fill the director positions in the future. After discussion, Mr. Curseaden moved for approval of the following resolution:

**RESOLVED**, that the following persons be, and hereby are, reappointed as Directors of the Claire C. Bennett Watershed Fund, Inc. to serve in such capacity until the annual meeting of the Sole Member in 2025, or until they otherwise lawfully cease to hold such office: Susan S. Addiss and Martha Rice.

Ms. LaMarr seconded the motion. The Chair called for the vote and the resolution was approved.

Borowy	Aye
Curseaden	Aye
DiSalvo	Abstain
LaMarr	Aye
Sack	Absent

At 3:26 p.m., Mr. Stone withdrew from the meeting.

Authority members reported on recent Representative Policy Board committee meetings.

Ms. Verdisco provided on update on the status of COVID at the RWA.

Mr. Bingaman, the RWA’s President and Chief Executive Officer (“CEO”):

- Reported that bid offers were presented to two prospective businesses. If accepted, they will required RPB approval. Additionally, three candidates in the plumbing industry have also expressed an interest in entering into discussions regarding possible acquisition.
- Stated that Ms. Kowalski, the RWA’s Vice President & Chief Financial Officer, and her team are currently working with auditors on the RWA’s FY 2022 year-end audit. Audited financial statements will be presented to the Authority at its September meeting.
- Reported that Ms. Kowalski and Mr. Lakshminarayanan, the RWA’s Vice President of Engineering and Environmental Services, have been working with members of the Senate to provide the RWA with infrastructure project funding, which could potentially fund up to \$3.4 million to be used for projects related to the Seymour well treatment facility generator replacement and the Lake Gaillard water Treatment Plant HVAC and electrical improvements. However, the funding is not guaranteed.
- Highlighted recent field visits during August including the West River dissolved air floatation building.
- Stated that after six years of remediation work at Hamden Middle School, all required notifications with state and local municipalities and regulatory agencies have been recorded and the final report was submitted to the Department of Energy and Environmental Protection. The six-phase cleanup project is now closed and he thanked the RWA’s Environmental Planning Department for their work in getting the project completed.
- Commented on a recent meeting with the new Dean at Southern Connecticut State University to discuss plans for the Business School and the Utility Management Degree Program.

Ms. Kowalski provided an update on the RWA’s pension funding level. She reported that due to market conditions funding levels were down as of the audited date of May 31<sup>st</sup> but are slowly climbing. However, funding levels based on August market values will be incorporated into the Ten-Year Model, and planning over the next few years, to meet the fully funded level at the end of FY 2025.

Mr. Bingaman provided a video presentation of the status of the work being completed at the Derby Tank site.

Mr. Bingaman requested an executive session be added to discuss a last-minute confidential real estate matter.

At 3:49 p.m., Mr. Levine withdrew from the meeting and on motion made by Mr. DiSalvo, seconded by Ms. LaMarr, and unanimously carried, the Authority voted to go into executive session to discuss real estate matters. Present in executive session were Authority members, Mss. Kowalski, Verdisco, Augur, Slubowski and Messrs. Bingaman, Donovan, Hill, Lakshminarayanan, and Singh.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Absent

At 4:00 p.m., the Authority came out of executive session, and on motion made by Ms. LaMarr, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Absent

Respectfully submitted,

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Kevin Curseaden, Secretary



South Central Connecticut Regional Water Authority  
90 Sargent Drive, New Haven, Connecticut 06511-5966 203.562.4020  
<http://www.rwater.com>

**MEMORANDUM**

**TO:** David J. Borowy  
Kevin J. Curseaden  
Anthony DiSalvo  
Catherine E. LaMarr  
Suzanne C. Sack

**FROM:**  Rochelle Kowalski  
Vice President & Chief Financial Officer

**DATE:** September 16, 2022

**SUBJECT:** Capital budget authorization request for October 2022

Attached for your meeting on September 22, 2022 is a copy of the resolution authorizing expenditures against the capital improvement budget for October 2022. The amount of the requested authorization, for funds held by the trustee, is \$4,800,000.

In addition, from the Growth Fund, approximately \$55,000 is expected to be used for the Commercial Billing (Non-Core) project.

This would result in projected expenditures through October 2022 of \$15,532,092 or 27.0% of the total 2023 fiscal year capital budget, including State and Redevelopment.

Attachment

**RESOLVED**

That the Vice President & Chief Financial Officer is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$4,800,000 for the month of October 2022 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for fiscal year 2023 for all Capital Improvement Projects to be exceeded.

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

TO: David J. Borowy  
 Kevin J. Curseaden  
 Anthony DiSalvo  
 Catherine E. LaMarr  
 Suzanne C. Sack

FROM:  Rochelle Kowalski

DATE: September 16, 2022

SUBJECT: Capital Budget Transfers

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The status of all capital projects are reviewed on a monthly basis. In an effort to obtain efficiencies in our capital program, any anticipated unspent funds are reallocated to support reprioritized projects or existing projects. Below is a summary of the attached capital budget transfers and amendments.

	Available Funds	Reallocation of Project/Funds
Lake Gaillard Water Treatment Plant Sodium Hypochlorite Tanks Replacement	\$90,000	Lake Gaillard Water Treatment Plant Raw Water Flow Control Valve Replacement
Lake Whitney Dam & Spillway Improvements	\$70,000	Critical Pump Station & Transmission Facility Upgrades

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	9/12/2022	Type	Log	Mo/Yr
Requesting Division:	Engineering & Environmental Services	B1	23-12	Sep 22
Requested By:	Orville Kelly			

<b>Transfer From:</b>	
Account Number:	001-001-107132-116124
Project Description:	Lake Gaillard Water Treatment Sodium Hypochlorite Tanks Replacement
A) Original Budget	\$ 600,000
B) Total Previous Transfers (In or Out)	\$ 150,000
C) This Transfer	\$ 90,000
D) Revised Budget (A+/-B-C)	\$ 360,000
E) Estimated Project Costs	\$ 300,000
F) Remaining Funds Available for Transfer, if any (D-E)	\$ 60,000
Explanation why funds are available: Project work for FY 2023 is expected to completed under budget, as a result of more work being completed in FY 2022 than originally anticipated.	

<b>Transfer To:</b>	
Account Number:	001-000-107132-116120
Project Description:	Lake Gaillard Water Treatment Plant Raw Water Flow Control Valve Replacement
A) Original Budget	\$ 390,000
B) Previous Transfers (In or Out)	\$ -
C) Revised Budget (A+/-B)	\$ 390,000
D) Amount to be Transferred	\$ 90,000
E) Proposed Revised Budget (C+D)	\$ 480,000
Explanation why funds are needed: This project was initiated in FY 22 to replace failing valves in the raw water building at the Lake Gaillard Water Treatment Plant. This additional funding is required to complete the installation of the valves.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>approved at CMC</i>	9/8/2022
2) Donor Vice President/Director	<i>approved at CMC</i>	9/8/2022
3) Vice President - Finance	<i>approved at CMC</i>	9/8/2022
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	9/12/2022	Type	Log	Mo/Yr
Requesting Division:	Operations	B2	23-13	Sep 22
Requested By:	Dan Peschell			

<b>Transfer From:</b>	
Account Number:	
Project Description:	Lake Whitney Dam & Spillway Improvements
A) Original Budget	\$ 2,055,000
B) Total Previous Transfers (In or Out)	\$ 977,000
C) This Transfer	\$ 70,000
D) Revised Budget (A+/-B-C)	\$ 1,008,000
E) Estimated Project Costs	\$ 1,000,000
F) Remaining Funds Available for Transfer, if any (D-E)	\$ 8,000
Explanation why funds are available: As a result of re-evaluation of project approach, expenditures for FY 2023 are anticipated to be under budget.	

<b>Transfer To:</b>	
Account Number:	001-000-107125-000045
Project Description:	Critical Pump Station & Transmission Facility Upgrades
A) Original Budget	\$ 100,000
B) Previous Transfers (In or Out)	\$ -
C) Revised Budget (A+/-B)	\$ 100,000
D) Amount to be Transferred	\$ 70,000
E) Proposed Revised Budget (C+D)	\$ 170,000
Explanation why funds are needed: This amendment will fund the rebuild of the Lake Saltonstall backwash pump #2, which was found to be in need of rehabilitation during preventative maintenance activities. Work also includes rehabilitation of the electric pump motor. Total cost of this work is estimated at \$140,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>approved at CMC</i>	9/8/2022
2) Donor Vice President/Director	<i>approved at CMC</i>	9/8/2022
3) Vice President - Finance	<i>approved at CMC</i>	9/8/2022
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

**South Central Regional Water Authority**

**Analysis of Accounts Receivable ("A/R")**

(\$000 omitted)

Denotes City of New Haven Invoicing (pre-monthly billing)

**Total Accounts Receivable Aging (in days)**

	Aug 2022	July 2022	June 2022	May 2022	April 2022	March 2022	Feb 2022	Jan 2022	Dec 2021	Nov 2021	Oct 2021	Sept 2021	Aug 2021
Under 30	\$ 7,220	\$ 8,465	\$ 6,543	\$ 5,880	\$ 6,441	\$ 4,820	\$ 6,617	\$ 10,706	\$ 6,974	\$ 8,276	\$ 7,638	\$ 8,164	\$ 6,789
31-60	2,481	2,216	1,620	1,819	1,493	1,855	3,164	2,930	3,312	2,042	2,743	1,990	2,081
61-90	882	731	1,002	737	1,002	1,573	1,501	919	1,093	1,436	686	842	1,465
91-180	1,476	1,714	1,737	2,062	1,965	1,756	1,589	1,561	1,652	1,775	1,881	1,946	1,705
181-360	2,201	1,889	1,606	1,531	1,644	1,918	1,891	2,179	2,145	2,071	2,120	2,149	2,212
More than 1 year	4,991	5,085	5,169	5,123	5,311	5,368	5,217	5,255	5,238	5,111	5,341	5,388	5,134
Sub Total	19,251	20,100	17,677	17,152	17,856	17,290	19,979	23,550	20,414	20,711	20,409	20,479	19,386
Interest due	1,561	1,502	1,458	1,464	1,430	1,433	1,388	1,337	1,224	1,112	1,014	1,026	1,055
Total Gross A/R plus interest	\$ 20,812	\$ 21,602	\$ 19,135	\$ 18,616	\$ 19,286	\$ 18,723	\$ 21,367	\$ 24,887	\$ 21,638	\$ 21,823	\$ 21,423	\$ 21,505	\$ 20,441

**Aged Accounts Receivable Focus of Collection Efforts**

	Aug 2022	July 2022	June 2022	May 2022	April 2022	March 2022	Feb 2022	Jan 2022	Dec 2021	Nov 2021	Oct 2021	Sept 2021	Aug 2021
Greater than 60 days:													
A/R	\$ 10,956	\$ 10,666	\$ 10,702	\$ 10,643	\$ 11,067	\$ 11,724	\$ 11,281	\$ 10,927	\$ 11,093	\$ 11,360	\$ 11,012	\$ 11,334	\$ 11,554
Less: Multi-Tenants	(2,762)	(2,690)	(2,496)	(2,508)	(2,694)	(2,640)	(3,052)	(2,799)	(2,981)	(3,104)	(2,569)	(2,831)	(2,941)
Receiverships	(1,952)	(1,962)	(1,900)	(1,962)	(1,704)	(1,983)	(1,992)	(2,029)	(1,995)	(1,971)	(1,985)	(2,008)	(1,961)
Liens	(2,105)	(2,210)	(2,455)	(2,435)	(2,545)	(2,469)	(2,370)	(2,212)	(2,220)	(2,189)	(2,196)	(2,281)	(2,472)
Total	\$ 4,137	\$ 3,804	\$ 3,851	\$ 3,738	\$ 4,124	\$ 4,632	\$ 3,867	\$ 3,887	\$ 3,897	\$ 4,096	\$ 4,262	\$ 4,214	\$ 4,180
	38%	36%	36%	35%	37%	40%	34%	36%	35%	36%	39%	37%	36%

**Collection Efforts**

	Aug 2022	July 2022	June 2022	May 2022	April 2022	March 2022	Feb 2022	Jan 2022	Dec 2021	Nov 2021	Oct 2021	Sept 2021	Aug 2021
Shuts *	\$ 2	\$ 1	\$ 6	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ 76	\$ 113	\$ 15	\$ -	\$ -
Red Tags **	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivers	27	17	30	41	22	14	27	12	35	8	33	6	5
Top 100 Collection Calls	834	385	683	496	726	649	588	98	78	38	257	334	142
Other <sup>(1)</sup>	576	1,441	922	1,204	1,496	1,082	1,310	1,573	1,091	1,576	1,404	1,217	1,344
Total	\$ 1,439	\$ 1,844	\$ 1,641	\$ 1,743	\$ 2,244	\$ 1,745	\$ 1,925	\$ 1,683	\$ 1,280	\$ 1,735	\$ 1,709	\$ 1,557	\$ 1,491

\* Number of shuts

1	1	3	4	-	-	-	-	155	211	24	-	-
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\*\* Number of Red tags

-	-	-	-	-	-	-	-	-	-	-	-	-
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<sup>(1)</sup> Includes: Notices and letters and legal initiatives.

**South Central Connecticut Regional Water Authority**  
90 Sargent Drive, New Haven, Connecticut 06511-5966 203.562.4020  
<http://www.rwater.com>

## **MEMORANDUM**

**TO:**

David J. Borowy  
Kevin J. Curseaden  
Anthony DiSalvo  
Catherine E. LaMarr  
Suzanne C. Sack

**FROM:** Larry Bingaman

**DATE:** September 22, 2022

**SUBJECT:** Key Performance Indicator (KPI) Report for Fiscal 2023 First Quarter (June – August 2022)

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Attached is the Key Performance Indicator (KPI) Report for Fiscal 2023 First Quarter (June – August 2022).

Fiscal 2023 KPI's are tracked quarterly and are essentially on target.

All initiatives sustain key strategies that connect back to the 2025 Strategic Plan and Fiscal 2023 objectives, and are based on the four perspectives of the Balanced Scorecard.

Attachment

Key Performance Indicators FY23 Q1 Update | September 22, 2022

KPI Name	Level	Description	GAR	FY23 Target	FY23 Q1 Commentary
Customer Satisfaction	Global	Address four areas for improvement identified in 2019 Customer Satisfaction Survey by developing and deploying cross-departmental plans and programs.		4 Areas of Improvement	Employees from Customer Care, Communications, Field Operations and Field Services met with GreatBlue Research to review the results of the 2019 Customer Satisfaction Survey. As a result, specific improvement initiatives are being evaluated and prioritized for selection and subsequent improvement plans. We are projecting to meet this target.
Safety	Global	Continue the safety journey toward achieving zero preventable injuries.		0 Preventable Injuries	There were no preventable injuries recorded in the first quarter of FY23. We continue to lead new safety initiatives, like the planned introduction of an enterprise-wide Safety Ambassador program, and promoting a culture of prevention and self care. We are aggressively striving to meet this target.
DE&I and Employee Engagement	Global	Address two areas of improvement in response to recent employee surveys about DE&I and engagement.		2 Opportunities for Improvement	To address two areas of improvement opportunities identified in employee surveys 1) employee engagement; 2) employee well-being, we held a companywide Safety Cookout to promote workplace safety and encourage employee engagement, and our DE&I employee affinity group, TIDE, launched an employee wellbeing campaign called the Step Challenge to encourage healthy habits and connect with fellow employees. We are projecting to exceed this target.
Cybersecurity	Global	Achieve 100% compliance with four phishing campaigns supported by real-time training to keep network and critical data secure.		100% Compliance	IT Department completed a first-quarter phishing campaign with 99% success rate; a second campaign is scheduled for the second quarter. We are projecting to meet this target.
Process Improvements	Global	Implement at least four process improvements to bolster efficiency and productivity across the enterprise.		4 Process Improvements	The Leadership Team is collaborating on identifying the four areas of process improvement for FY23. We have classified capital budget spending as the first one. We are projecting to meet this target.
Discretionary Funds	Global	Achieve in excess of 114% coverage without a draw from discretionary funds.		>114% Coverage	We are projecting to exceed 114% coverage with no draw.
Capital Efficiencies	Global	Certify 96% of capital budget is put to work efficiently for the benefit of our customers.		96% of Capital Budget	While capital spending is behind, we are anticipating meeting this target. We are monitoring supply chain impacts and may need to reserve funds due to supply chain challenges and/or accelerate projects into FY23.
Commercial Services Revenue	Executive	Achieve commercial businesses EBITDA of \$7.0M in FY23 to support overall target of \$9.2M for FY25.		\$7.0 Million in Revenue	We have sent two indicative bid offers and are in conversations with other prospects; engaged a firm to help us identify other targets; preparing for a PipeSafe economic adjustment and fully launching the PipeSafe expansion program. We are aggressively working toward meeting this stretch target.
Manage and Maintain Core Utility	Executive	Utilize the Risk Mitigation Team to target five new risk perspectives and deploy action plans.		5 Action Plans	The Risk Mitigation Team is evaluating and prioritizing the top five Risk Register perspectives and developing plans for action. We are projecting to meet this target.
Water Quality	Executive	Maintain 100% compliance with drinking water standards by ensuring that 90% of disinfection by-product tests are at least 10% below maximum drinking water thresholds.		100% Compliance	There were no near-misses for THMs and HAAs during our last compliance sampling period. DBP research and management activities are ongoing. We are projecting to meet this target.
Customer Self Service	Executive	Increase the number of customers who receive their bill electronically.		35% Participation Rate	As of September 1, 2022, 37,048 customers have enrolled in e-Billing, that's a 31.9% adoption rate. We are projecting to meet this target.



**Representative Policy Board  
Dashboard Metric - 1Q FY23**

Metrics	Quarter ended 8/31/21 (1Q FY 2022)	Quarter ended 5/31/22 (4Q FY 2022)	Quarter ended 8/31/22 (1Q FY 2023)
<b>Customer/Stakeholders</b>			
<i>Combined Customer Satisfaction &amp; Reputation (Note 1)</i>	Target: 96% +/-2%	Target: 96% +/-2%	Target: 96% +/-2%
	Results: 93.1%*	Results: 93.1%*	Results: 93.1%*
	*Period ending March 2020, most recent available	*Period ending March 2020, most recent available	*Period ending March 2020, most recent available
<i>Underlying Credit Rating</i>	<b>S&amp;P rating AA-</b> , affirmed 10/2019	<b>S&amp;P rating AA-</b> , affirmed 12/2021	<b>S&amp;P rating AA-</b> , affirmed 12/2021
	<b>Moody's rating Aa3</b> , affirmed 10/2019	<b>Moody's rating Aa3</b> , affirmed 12/2021	<b>Moody's rating Aa3</b> , affirmed 12/2021
<i>Water Rates</i>	Update to be provided with the next Official Statement	Update to be provided with the next Official Statement	Update to be provided with the next Official Statement (update was provided in 2Q FY 2022)
<b>Financial Metrics (Note 2)</b>			
<i>Accrued Metered Water Revenues to Budget (000 omitted)</i>	Budget: \$28.384 million	Budget: \$104.060 million	Budget: \$29.159 million
	Result: <b>\$30.324 million</b>	Result: <b>\$106.964 million</b>	Result: <b>\$33.339 million</b>
<i>Other Net Revenues to Budget (Note 2)</i>	Budget: \$1.409 million	Budget: \$5.916 million	Budget: \$1.297 million
	Result: <b>\$1.470 million</b>	Result: <b>\$5.539 million</b>	Result: <b>\$1.484 million</b>
<i>O&amp;M Expenditures to Budget (Note 3)</i>	Budget: \$14.750 million	Budget: \$59.741 million	Budget: \$16.337 million
	Result: <b>\$13.335 million</b>	Result: <b>\$57.595 million</b>	Result: <b>\$13.913 million</b>
<i>Capital Expenditures to Budget (Note 4)</i>	Budget: \$4.749 million	Budget: \$30.792 million	Budget: \$7.246 million
	Result: <b>\$3.986 million</b>	Result: <b>\$29.581 million</b>	Result: <b>\$5.616 million</b>
<i>Cash Collections (Water and Fire Service)</i>	Budget: \$30.247 million	Budget: \$116.629 million	Budget: \$32.351 million
	Result: <b>\$32.896 million</b>	Result: <b>\$125.810 million</b>	Result: <b>\$34.704 million</b>
<i>Coverage</i>	Budget: 1.14 w/draw	Budget: 1.14 w/draw	Budget: 1.14 w/o draw
	Projected: <b>1.14 w/o draw</b>	Projected: <b>1.40 w/o draw</b>	Projected: <b>1.16 w/o draw</b>

**Representative Policy Board  
Dashboard Metric - 1Q FY23**

Metrics	Quarter ended 8/31/21 (1Q FY 2022)	Quarter ended 5/31/22 (4Q FY 2022)	Quarter ended 8/31/22 (1Q FY 2023)
<i>Draw Requirement</i>	Budget: \$922 thousand	Budget: \$922 thousand	Budget: \$0 million
	Projected: <b>\$0 million</b>	Projected: <b>\$0 million</b>	Projected: <b>\$0 million</b>
<b>System Metrics</b>			
<i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 5)</i>	Prior Year: 56.883 MGD	Prior Year: 45.181 MGD	Prior Year: 53.416 MGD
	Result: <b>53.416 MGD</b>	Result: <b>43.329 MGD</b>	Result: <b>55.730 MGD</b>
<i>Disinfection By-products (6)</i>	Target: 90%	Target: 100%	Target: 100%
	Result: <b>100%*</b>	Result: <b>100%*</b>	Result: <b>100%*</b>
	* As of June 30, 2021, updated	* As of March 31, 2022, updated	* As of June 30, 2022, updated
<i>Net Unaccounted For Water (annualized)</i>	Target: 10.0%	Target: 10.0%	Target: 10.0%
	Result: <b>11.64%</b> for the annualized period of June 2020 to May 2021	Result: <b>13.52%</b> for the annualized period of March 2021 to February 2022	Result: <b>13.85%</b> for the annualized period of June 2021 to May 2022
<i>Reservoir Levels (% full)</i>	<b>92% vs. 74% LTA</b>	<b>96% vs. 93% LTA</b>	<b>74% vs. 74% LTA</b>

Notes:

Note 1: Metric is Northeast Average for Customer Billing & Payment

Note 2: Excludes impact of governmental accounting standards for pension and opeb and may include expenses from non-revenue fund sources

Note 3: Does not include common "non-core" expense or RWA subsidiaries


Note 4: Excludes State and Redevelopment, Growth Fund, and contingency

Note 5: FY 2022 and FY 2023 is vs. prior year

Note 6: Target is 100% representing being at least 10% below the maximum drinking water thresholds on annual rolling average

**South Central Connecticut Regional Water Authority**  
90 Sargent Drive, New Haven, Connecticut 06511-5966 203.562.4020  
<http://www.rwater.com>

TO: David J. Borowy  
Kevin J. Curseaden  
Anthony DiSalvo  
Catherine E. LaMarr  
Suzanne C. Sack

FROM:  Rochelle Kowalski  
Vice President & Chief Financial Officer

DATE: September 16, 2022

SUBJECT: Quarterly financial statements for fiscal year 2023 (ending May 31, 2023)

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Attached are the following financial reports regarding the first quarter of fiscal year 2023. i.e., the quarter ended August 31, 2022:

- Statements of net position as of August 31, 2022 and August 31, 2021;
- Schedules A-1 & A-2: Statements of revenues, expenses and changes in net position as of August 31, 2022, 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 2022 through August 2022. For the remainder of fiscal year 2023, the reports include the projections shown on schedules A-2 and B which use the assumptions explained below.

**South Central Connecticut Regional Water Authority**  
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<http://www.rwater.com>

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

### Section of page entitled "Three Months Ended August 31"

The figures shown present June through August 31 as well as comparative budget vs. actual results for the three months ended August 31, 2022.

### Section of page entitled "Year Ending May 31, 2023"

The "budget" column is the budget for fiscal year 2023, as approved by the Five-Member Authority.

#### Assumption 1

The column labeled *Assumption 1* presents earned metered water revenues that reflect three months (June through August 2022) of consumption and nine months of budgeted consumption for (September 2022 through May 2023).

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

#### Assumption 2

The column labeled *Assumption 2* projects consumption for the months of September 2022 through May 2023 at 4% above budget. Operating expense for "pump power" and chemicals for these same months is adjusted to reflect the 4% increase.

#### Assumption 3

The column labeled *Assumption 3* projects consumption for the months of September 2022 through May 2023 at 4% below budget. Operating expense for "pump power" and chemicals for these same months is adjusted to reflect the 4% decrease.

### 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 through August 2022, plus projected cash collections for September 2022 through May 2023. Management assumes that the billings are collected over the course of twelve months.

**South Central Connecticut Regional Water Authority**  
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<http://www.rwater.com>

### **Schedule B: Operating and Maintenance Expense**

This schedule provides details of the operating and maintenance expense for the first quarter of fiscal year 2023, as well as projections for September 2022 through May 2023 under the three assumptions presented above.

### **Schedule C: Capital Budget Report**

This schedule shows capital expenditures for June through August 2022, as well as projections for the full fiscal year 2023.

### **Schedule D: Interest Earned**

Compared here are “budgeted” versus “actual” interest rates earned on the Authority’s invested funds.

Attachments

**REGIONAL WATER AUTHORITY  
STATEMENTS OF NET POSITION  
AS OF AUGUST 31, 2022 AND 2021**

<b>Assets</b>	<b>FY 2023</b>	<b>FY 2022</b>	<b>Y/Y Variance</b>
Utility plant			
Property, plant and equipment in service	\$ 939,193,760	\$ 904,362,599	\$ 34,831,161
Accumulated depreciation	(409,599,716)	(390,672,362)	(18,927,354)
Utility plant in service	529,594,044	513,690,236	15,903,807
Land	27,993,743	27,993,988	(245)
Construction work in progress	23,130,658	29,866,909	(6,736,251)
Total utility plant, net	<u>580,718,444</u>	<u>571,551,133</u>	<u>9,167,311</u>
Nonutility land, at cost	<u>64,983,522</u>	<u>64,983,522</u>	<u>-</u>
Goodwill	10,693,435	10,942,120	(248,685)
Current assets			
Cash and cash equivalents	48,629,191	46,283,671	2,345,520
Investments	-	-	-
Accounts receivable, less allowance for doubtful accounts	16,119,083	15,838,632	280,452
Accrued revenue	11,105,440	18,743,039	(7,637,599)
Accrued interest receivable	77,798	10,507	67,291
Materials and supplies	2,082,152	2,107,175	(25,023)
Prepaid expenses and other assets	5,293,560	4,415,673	877,887
Total current assets	<u>83,307,225</u>	<u>87,398,697</u>	<u>(4,091,472)</u>
Note Receivable	500,000	500,000	-
Pension Assets	-	-	-
OPEB Assets	-	-	-
Restricted assets	135,943,210	94,969,048	40,974,163
Regulatory assets	9,507,986	9,681,375	(173,390)
Total assets	<u>885,653,823</u>	<u>840,025,895</u>	<u>45,627,927</u>
Deferred Outflows of Resources			
Deferred charge on refunding	14,921,354	16,861,720	(1,940,367)
Deferred charge on pension plans	2,881,429	2,409,277	472,152
Deferred charge on OPEB plans	1,821,926	2,150,565	(328,640)
<b>Total</b>	<u><b>\$ 905,278,531</b></u>	<u><b>\$ 861,447,458</b></u>	<u><b>\$ 43,831,072</b></u>

<b>Liabilities and Net Assets</b>	<b>FY 2023</b>	<b>FY 2022</b>	<b>Y/Y Variance</b>
Liabilities			
Revenue bonds payable, less current portion	\$ 489,365,000	\$ 474,140,000	\$ 15,225,000
Net premiums and discounts from revenue bonds payable	45,778,540	40,027,707	5,750,833
DWSRF loans payable, less current portion	25,162,085	25,011,512	150,573
Net pension liability	16,601,369	9,651,739	6,949,630
Net OPEB obligation	17,176,905	17,772,589	(595,684)
Total noncurrent liabilities	<u>594,083,899</u>	<u>566,603,547</u>	<u>27,480,352</u>
Current liabilities			
Current portion of revenue bonds payable	22,565,000	21,475,000	1,090,000
Current portion of DWSRF loans payable	1,319,633	1,287,078	32,555
Accounts payable	3,796,084	3,610,158	185,925
Notes payable	50,500	50,500	-
Customer deposits and advances	1,311,437	2,536,176	(1,224,739)
Other accrued liabilities	7,363,253	7,639,408	(276,155)
Total current liabilities	<u>36,405,906</u>	<u>36,598,321</u>	<u>(192,415)</u>
Liabilities payable from restricted assets			
Accounts payable for construction	2,446,828	1,864,129	582,700
Accrued interest payable	1,833,130	1,730,049	103,081
Customer deposits and advances	1,287,500	1,299,133	(11,634)
Total liabilities payable from restricted assets	<u>5,567,457</u>	<u>4,893,311</u>	<u>674,146</u>
Other liabilities	11,000.00	45,000	(34,000)
Total liabilities	<u>636,068,262</u>	<u>608,140,179</u>	<u>27,928,084</u>
Deferred inflows of resources			
Deferred inflows related to pensions	-	6,098,625	(6,098,625)
Deferred inflows related to OPEB	3,783,515	4,465,198	(681,683)
Net Position			
Invested in capital assets, net of related debt	99,065,331	89,540,450	9,524,882
Restricted assets	108,192,984	92,439,867	15,753,118
Unrestricted assets	58,168,439	60,763,141	(2,594,702)
Total net assets	<u>265,426,754</u>	<u>242,743,457</u>	<u>22,683,297</u>
<b>Total liabilities and net assets</b>	<u><b>\$ 905,278,531</b></u>	<u><b>\$ 861,447,458</b></u>	<u><b>\$ 43,831,072</b></u>

**REGIONAL WATER AUTHORITY**  
**REVIEW OF FINANCIAL DATA**  
**August 31, 2022 (FY 2023)**

**SCHEDULE A-1 - COMMENTARY**

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

**Operating Revenues**

FY23 revenue for water, including wholesale and fire service, is over budget by \$4,283k (approx. 13%).  
 Metered water revenue is over budget by \$4,180k (approx. 14%).

Total net other revenue is \$286k over budget due to both other water and other proprietary revenues being higher than budget and expenses for being under budget.

**Operating Expenses**

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

Payroll is under budget primarily due to head count under runs.	\$ (149,000)
Employee Benefits are under budget primarily due to lower medical and dental benefits	(276,000)
Administrative Building is under budget primarily related to telephone service.	(60,000)
General & Admin is under budget primarily due to timing of expenses.	(146,000)
Transportation is under budget primarily due to timing.	(95,000)
Utilities & Fuel is under budget primarily related to telephone service and sewer use charge.	(101,000)
Pump Power is under budget primarily due to timing.	(109,000)
Chemicals Expense is under budget for certain chemicals.	(59,000)
Postage is under budget primarily due to timing.	(62,000)
Collection Expense is under budget primarily due to lower year-to-date bank fees.	(181,000)
Business Improvement is under budget primarily due to accelerating certain expenses into fiscal 2022	(98,000)
Public/Customer Information is under budget primarily due to timing.	(58,000)
Outside Services are under budget across multiple areas.	(244,000)
Insurance is under budget due to timing and reserve requirements.	(79,000)
Training and continued education is under budget across multiple areas.	(57,000)
Central Lab/Water Quality is under budget primarily due to the mix between internal and outside lab services and timing.	(104,000)
Maintenance & Repairs are under budget due to the timing of certain expenses budgeted early in the fiscal year.	(429,000)
All Other	<u>(117,000)</u>
<b><u>Interest Income</u></b>	<b>(2,424,000)</b>

Interest Income is above budget due to higher investment earnings.

**PROJECTED MAINTENANCE TEST**

The projected coverage is 1.16 with no shortfall.

**REGIONAL WATER AUTHORITY  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE MONTHS ENDING AUGUST 31, 2022**

Schedule A-1

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Actual</b>	<b>(Under)Over Budget</b>
<b>Operating revenues</b>				
Metered water revenues	\$ 30,324	\$ 29,159	\$ 33,339	\$ 4,180
Fire service	3,033	3,226	3,255	29
Wholesale	253	244	319	75
Other revenue - water	1,127	1,000	1,090	90
Other revenue - proprietary	2,547	2,360	2,440	80
Total operating revenues	<u>37,284</u>	<u>35,989</u>	<u>40,443</u>	<u>4,454</u>
<b>Operating expenses</b>				
Operating and maintenance expense	13,335	16,337	13,913	(2,424)
Expense associated with other revenue - water	552	565	531	(34)
Expense associated with other revenue - proprietary	1,123	1,073	991	(82)
Provision for uncollectible accounts	189	190	41	(149)
Depreciation	6,150	6,033	6,033	(0)
Payment in lieu of taxes	2,250	2,232	2,211	(21)
Amortization Pension Outflows/Inflows	213	635	635	0
Amortization OPEB Outflows/Inflows	(157)	(150)	(150)	0
Total operating expenses	<u>23,654</u>	<u>26,916</u>	<u>24,206</u>	<u>(2,710)</u>
Operating income	<u>13,629</u>	<u>9,074</u>	<u>16,237</u>	<u>7,165</u>
<b>Nonoperating income and (expense)</b>				
Interest income	27	545	1,187	642
(Loss) Gain on disposal of assets	-	-	-	-
Realized and unrealized (losses) gains on investments	-	-	-	-
Interest expense	(5,467)	(5,696)	(5,696)	(0)
Amortization of bond discount, premium, issuance cost and deferred losses	623	799	790	(9)
Amortization of Goodwill	-	-	-	-
Intergovernmental revenue	-	-	490	490
Contributions to related entities	-	-	-	-
Total nonoperating income and (expense) before capital contributions	<u>(4,818)</u>	<u>(4,352)</u>	<u>(3,230)</u>	<u>1,122</u>
Income (expense) before contributions	<u>8,812</u>	<u>\$ 4,722</u>	<u>13,007</u>	<u>\$ 8,286</u>
<b>Capital contributions</b>				
Change in net assets	718	-	400	-
Total net assets - beginning of fiscal year	9,529	-	13,407	-
Total net assets - end of reporting month	<u>233,214</u>	<u>233,214</u>	<u>252,019</u>	<u>18,805</u>
	<u>\$ 242,743</u>	<u>\$ 242,743</u>	<u>\$ 265,427</u>	<u>\$ 22,684</u>

	<b>Budget FY 2023</b>	<b>Projected FY 2023 @114%</b>	<b>(Under)Over FY 2023 @114%</b>
<b>FY 2023 MAINTENANCE TEST (Budget vs. Projected)</b>			
Revenue Collected:			
Water sales	124,093	124,093	-
Interest Income	213	1,000	787
BABs Subsidy	657	657	-
Other Net	6,946	6,946	-
Common Non-Core	(300)	(300)	-
Total	<u>131,609</u>	<u>132,395</u>	<u>787</u>
Less:			
Operating and maintenance expenses	(63,492)	(63,492)	-
Depreciation	(7,500)	(7,500)	-
PILOT (A)	(8,901)	(8,851)	50
Net Avail for Debt Service (B)	<u>\$ 51,718</u>	<u>\$ 52,553</u>	<u>\$ 835</u>
Debt Service Payments (C)	<u>\$ 45,366</u>	<u>\$ 45,314</u>	<u>\$ (52)</u>
Debt Service @ 114% (D)	<u>\$ 51,717</u>	<u>\$ 51,658</u>	<u>\$ (60)</u>
Difference (B-D)	<u>\$ 0</u>	<u>\$ 895</u>	
RSF, Growth and/or General Fund (D)	-	-	-
Coverage	<u>114%</u>	<u>116%</u>	



REGIONAL WATER AUTHORITY  
Fiscal Year 2023  
(\$000 Omitted)

SCHEDULE A-2

STATEMENTS OF REVENUES, EXPENSES

AND CHANGES IN NET ASSETS	Three Months Ending August 31				Twelve Months Ending May 31			
	FY 2022	FY 2023	FY 2023	(Under)Over	Budget	Projection	Projection -	Projection -
	Actual	Budget	Actual	Budget		Assumption 1	Consumption 4% Above	Consumption 4% Below
Operating Revenues								
Metered Water Revenues	\$ 30,324	\$ 29,159	\$ 33,339	\$ 4,180	\$ 108,610	\$ 110,120	\$ 112,323	\$ 107,917
Fire Service	3,033	3,226	3,255	29	12,906	12,934	12,934	12,934
Wholesale Water	253	244	319	75	802	877	877	877
Other revenue - water	1,127	1,000	1,090	90	3,703	3,793	3,793	3,793
Other revenue - proprietary	2,547	2,360	2,440	80	9,465	9,465	9,465	9,465
Total Operating Revenues	37,284	35,989	40,443	4,454	135,486	137,189	139,392	134,986
Operating Expenses								
Operating and Maintenance	13,335	16,337	13,913	(2,424)	63,491	63,492	63,647	63,337
	552	565	531	(34)				
Expenses associated with other revenue-proprietary	1,123	1,073	991	(82)	3,359	3,359	3,359	3,359
Provision for uncollectible accounts	189	190	41	(149)	600	600	600	600
Depreciation	6,150	6,033	6,033	(0)	23,200	23,200	23,200	23,200
Payment in lieu of taxes	2,250	2,232	2,211	(21)	8,910	8,889	8,889	8,889
	213	635	635	0				
Amortization OPEB Outflows/Inflows	(157)	(150)	(150)	0	(598)	(598)	(598)	(598)
Total Operating Expenses	23,654	26,916	24,206	(2,710)	103,051	103,030	103,185	102,875
Operating Income	13,629	9,074	16,237	7,165	32,436	34,160	36,208	32,112
Nonoperating Income and (expense)								
Interest Income	27	545	1,187	642	2,155	2,904	2,904	2,904
(Loss)/Gain on disposal of assets	-	-	-	-	(1,000)	(1,000)	(1,000)	(1,000)
Interest Expense	(5,467)	(5,696)	(5,696)	(0)	(22,289)	(22,282)	(22,282)	(22,282)
Amortization of bond discount, premium issuance cost and deferred losses	623	799	790	(9)	3,093	3,093	3,093	3,093
Amortization of Goodwill	-	-	490	490	(249)	(249)	(249)	(249)
Intergovernmental revenue	-	-	-	-	490	490	490	490
Contributions to/from related entities	-	-	-	-	-	-	-	-
Total nonoperating income & (expense)	(4,818)	(4,352)	(3,230)	1,122	\$ (18,290)	\$ (17,044)	\$ (17,044)	\$ (17,044)
(Expense) income before contributions	8,812	\$ 4,722	13,007	\$ 8,286	\$ 14,146	\$ 17,116	\$ 19,164	\$ 15,068
Capital contributions	718	-	400	-	-	-	-	-
Change in net assets	9,529	-	13,407	-	-	-	-	-
Total net assets - beginning of fiscal year	233,214	-	252,019	-	-	-	-	-
Total net assets - end of reporting month	\$242,743	-	\$265,427	-	-	-	-	-

MAINTENANCE TEST

	Twelve Months Ending May 31			
	Budget	Projection Assumption 1	Projection - Consumption 3% Above Assumption 2	Projection - Consumption 3% Below Assumption 3
Revenue Collected:				
Water Sales	\$ 124,093	\$ 124,093	\$ 126,069	\$ 122,117
Interest Income	213	1,000	1,000	1,000
BABs Subsidy	657	657	657	657
Other Net	6,946	6,946	6,946	6,946
Common Non-Core	(300)	(300)	(300)	(300)
Total	131,609	132,395	134,371	130,419
Less:				
Operating and Maintenance Expenses	(63,492)	(63,492)	(63,647)	(63,337)
Depreciation	(7,500)	(7,500)	(7,500)	(7,500)
PLOT (A)	(8,901)	(8,851)	(8,851)	(8,851)
Net Avail for Debt Service (B)	51,717	52,553	54,374	50,732
Debt service payments (C)	\$ 45,366	\$ 45,314	\$ 45,314	\$ 45,314
Debt Service @ 114% (D)	\$ 51,717	\$ 51,658	\$ 51,658	\$ 51,658
Difference (B-D)	\$ (0)	\$ 895	\$ 2,716	\$ (926)
RSF, Growth and/or General Fund (D)	\$ -	\$ -	\$ -	\$ 926
Coverage	114%	116%	120%	114%
Required Coverage	114%	114%	114%	114%

REGIONAL WATER AUTHORITY  
 OPERATING AND MAINTENANCE EXPENSES  
 Fiscal Year 2023  
 (\$000 Omitted)

SCHEDULE B

	THREE MONTHS ENDING AUGUST 31				YEAR ENDED MAY 31, 2023			
	FY 2022	FY 2023	FY 2023	(Under)	Budget	Assump 1	Assump 2	Assump 3
	Actual	Budget	Actual	Over				
1 Payroll	\$ 5,609	\$ 6,113	\$ 5,964	\$ (149)	24,531	24,531	24,531	24,531
2 Employee Benefits Allocation	1,613	1,939	1,663	(276)	7,793	7,793	7,793	7,793
Pension	675	667	667	-	2,632	2,632	2,632	2,632
3 Administrative Building Space Allo	272	272	212	(60)	1,033	1,033	1,033	1,033
4 General & Administrative	271	368	222	(146)	1,537	1,537	1,537	1,537
5 Transportation Allocation	148	217	122	(95)	854	854	854	854
6 Tools & Stores Allocation	82	85	42	(43)	308	308	308	308
7 Utilities & Fuel	334	370	269	(101)	1,506	1,506	1,506	1,506
8 Material From Inventory	58	82	61	(21)	302	302	302	302
9 Pump Power Purchased	801	882	773	(109)	2,939	2,939	3,020	2,858
10 Chemicals	595	796	737	(59)	2,695	2,695	2,769	2,621
11 Road Repairs	73	100	53	(47)	299	299	299	299
14 Postage	40	119	57	(62)	474	474	474	474
15 Printing & Forms	18	17	7	(10)	71	71	71	71
17 Collection Expense	154	418	237	(181)	1,702	1,702	1,702	1,702
18 Business Improvement	11	104	6	(98)	346	346	346	346
19 Public/Customer Information	18	94	36	(58)	417	417	417	417
20 Outside Services	625	888	644	(244)	3,935	3,935	3,935	3,935
21 Insurance Premiums	384	432	352	(79)	1,747	1,747	1,747	1,747
22 Worker's Compensation, pre-Chur	(9)	11	10	(0)	45	45	45	45
23 Damages	13	16	5	(11)	65	65	65	65
24 Training & Cont. Education	19	74	16	(57)	337	337	337	337
25 Authority Fees	35	41	33	(8)	164	164	164	164
26 Consumer Counsel	3	15	9	(6)	60	60	60	60
27 RPB Fees	27	42	36	(6)	169	169	169	169
28 Organizational Dues	23	28	48	20	108	108	108	108
29 Donations	2	9	4	(5)	36	36	36	36
34 Central Lab/Water Quality	19	112	8	(104)	441	441	441	441
40 Environmental Affairs	23	21	14	(6)	100	100	100	100
44 Info. Technology Licensing & Maintenance Fees	686	636	661	25	2,696	2,696	2,696	2,696
45 Maintenance and Repairs	607	1,301	872	(429)	3,872	3,872	3,872	3,872
46 Regulatory Asset Amortization	105	69	69	0	274	274	274	274
	<u>\$ 13,335</u>	<u>\$ 16,337</u>	<u>\$ 13,913</u>	<u>\$ (2,424)</u>	<u>\$ 63,492</u>	<u>\$ 63,492</u>	<u>\$ 63,647</u>	<u>\$ 63,337</u>

	Period Ending August 31, 2022			Period Ending May 31, 2023		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
<b>I. NATURAL RESOURCES</b>						
Watershed Protection	25	2	(23)	100	100	-
Land Management	6	-	(6)	20	20	-
Lake Whitney Dam & Spillway Improvements	10	(18)	(28)	1,078	1,000	(78)
Prospect Dam Improvements	26	23	(3)	250	250	-
Tunnel Diversion Raw Water Main Rehabilitation Program	40	4	(36)	415	415	-
Miscellaneous Natural Resources	53	3	(50)	102	102	(0)
Prior Year	-	-	-	-	-	-
<b>TOTAL</b>	<b>160</b>	<b>14</b>	<b>(146)</b>	<b>1,965</b>	<b>1,887</b>	<b>(78)</b>
<b>II. TREATMENT</b>						
Filter Media Replacement	2	0	(2)	500	510	10
Surface Water In-Line Turbidimeters	-	-	-	136	136	-
Treatment Plant Graphics Upgrades	25	3	(22)	800	650	(150)
LGWTP Local Control Console Upgrade	35	38	3	375	375	-
LGWTP - Clarifiers Recycle & Building Improvements	6	25	19	3,000	3,000	-
LGWTP-Raw Water Flow Control Valve Replacement	-	14	14	390	480	90
LGWTP Sodium Hypochlorite Tanks Replacement	300	204	(96)	450	300	(150)
LGWTP Improvements	2	-	(2)	200	200	-
LSWTP Electrical Upgrades	75	10	(65)	375	375	-
LGWTP Electrical Upgrades	70	46	(24)	200	200	-
LSWTP - Chemical Treatment System Improvements	51	23	(28)	992	992	-
LSWTP Improvements	-	5	5	200	200	-
LWWTP Ozone and DAF Controls	2	-	(2)	250	250	-
WRWTP Improvements (Dissolved Air Flotation, Electrical, Chemical)	1,665	1,282	(383)	10,215	10,215	-
SSG Wellfield Facility Improvements	207	155	(52)	1,310	1,310	-
Seymour Wellfield Generator Replacement	10	-	(10)	800	450	(350)
Wellfield Facility Improvements - Derby	1	1	0	150	150	-
Well Rehabilitation Program	-	20	20	265	265	-
Well Equipment Replace Rehab Hamden and Seymour	2	0	(2)	450	450	-
Derby Wellfield Electrical Upgrade	-	6	6	125	60	(65)
Water Treatment Plant Valve Replacement Program	2	14	12	1,100	1,100	-
LGWTP-HVAC Upgrades	25	86	61	2,000	2,000	-
Miscellaneous Treatment	117	185	68	385	444	58
Prior Year	-	23	23	-	23	23
			(457)	24,666	24,134	(532)
<b>III. TRANSMISSION AND DISTRIBUTION</b>						
Pipe	2,531	1,809	(722)	5,742	5,799	57
Valve Replacements	108	100	(8)	250	250	-
Service Connections	480	412	(68)	1,800	1,800	-
Capital Pipe Service Connections	-	266	266	500	500	-
Meters	10	78	68	485	485	-
Hydrants and Connections	30	20	(10)	125	125	-
Lead Service Line Replacements	25	1	(24)	500	500	-
Sanitary Survey Improvements	-	-	-	200	200	-
Northern Service Area Expansion	-	5	5	100	100	-
Service Area Improvements - East West Transmission System	20	-	(20)	160	160	-
State Street Pipe Bridge	215	294	79	400	400	-
Pipe Bridge Rehabilitation Program	-	1	1	25	45	20
Ansonia-Derby Tank	355	201	(154)	4,380	1,900	(2,480)
Saltonstall Ridge Tank Power Vent	2	22	20	250	250	-
North Branford Tank Structural Improvements & Additional Tank	-	(0)	(0)	150	150	-
Variable Frequency Drive Replacement Program	40	71	31	150	150	-
Raynham Hill Pump Station Improvements	6	22	16	350	350	-
Critical Pump Station & Transmission Facilities Upgrades	40	30	(10)	100	170	70
Spring Street Pump Station Replacement	-	-	-	200	200	-
Burwell Hill Pump Station Equipment Replacement	-	41	41	344	344	-
Pump Station Generator Replacements	35	2	(33)	750	225	(525)
Pump Station Roof Replacements	30	-	(30)	100	100	-
Route 80 Throttling Valve Relocation	10	3	(7)	500	500	-
Water Quality Improvements Program	6	-	(6)	154	154	(0)
Miscellaneous Transmission & Pumping	-	17	17	69	87	17
Prior Year	-	10	10	-	10	10
<b>TOTAL</b>	<b>3,943</b>	<b>3,404</b>	<b>(539)</b>	<b>17,785</b>	<b>14,954</b>	<b>(2,832)</b>
<b>V. GENERAL PLANT</b>						
Work & Asset Management Solutions (Formerly InforEAM GIS Data Integ)	35	-	(35)	350	350	-
SAP Work Management	-	-	-	10	10	-
LIMS Business Enhancements	140	-	(140)	140	140	-
AMI Software Business Enhancements	-	11	11	10	11	1
CIS (Customer Information Services)	-	-	-	5,133	5,133	-
Innovation	-	-	-	-	-	-
Business Analytics Platform	-	-	-	85	85	-
Customer Channels Sales Marketing	-	-	-	150	150	-
Robotic Process Automation/Machine Learning/AI	-	-	-	125	125	-
SAP SQL Upgrade	55	6	(49)	100	100	-
Cyber Security Enhancements	54	-	(54)	110	110	-
SCADA	15	1	(14)	120	120	-
Information Systems	-	-	-	750	699	(51)
Miscellaneous Information Systems	67	1	(66)	428	428	-
Equipment	-	20	20	1,749	1,749	-
Miscellaneous Equipment	37	5	(32)	212	212	-
90 Sargent Drive	112	4	(108)	607	607	-
Miscellaneous 90 Sargent Drive	30	-	(30)	120	120	-
Prior Year	-	10	10	-	10	10
<b>TOTAL</b>	<b>545</b>	<b>58</b>	<b>(488)</b>	<b>10,199</b>	<b>10,159</b>	<b>(40)</b>
<b>VII. CONTINGENCY</b>						
	80	-	(80)	151	3,635	3,484
<b>TOTAL</b>	<b>7,326</b>	<b>5,616</b>	<b>(1,709)</b>	<b>54,769</b>	<b>54,769</b>	<b>0</b>
<b>VIII. STATE &amp; REDEVELOPMENT PIPE</b>						
	800	450	(350)	3,000	3,000	-
<b>IX. NON-CORE BILLING</b>						
	27	-	(27)	100	100	-
<b>TOTAL</b>	<b>8,153</b>	<b>6,067</b>	<b>(2,086)</b>	<b>57,869</b>	<b>57,869</b>	<b>0</b>

**Investment Earnings Report**  
**Comparison of Investment Rates of Return**

<b>Fund Type</b>	<b>Balance @ August 31, 2022</b>	<b>Budgeted Return</b>	<b>Rate of Return August 31, 2022</b>	<b>Rate of Return Fiscal Year to Date</b>
<b>Less than Six Months</b>				
Revenue Investment(A)	\$ 22,472,205	0.15%	2.21%	1.67%
Revenue (B)	4,824,742	0.00%	0.49%	0.24%
Rate Stabilization (A)	10,000,000	0.15%	2.21%	1.67%
Operating Reserve (A)	10,122,613	0.15%	2.21%	1.67%
Capital Contingency (A)	5,575,835	0.15%	2.21%	1.67%
Debt Reserve (A)	8,595,454	0.15%	2.21%	1.67%
Debt Reserve (C)	9,140	0.00%	1.59%	1.00%
Debt Service (A)	4,449,418	0.15%	2.21%	1.67%
PILOT (A)	2,850,048	0.15%	2.21%	1.67%
General Fund (A)	11,728,128	0.15%	2.21%	1.67%
<b>Sub-Total</b>	<b>\$ 80,627,584</b>			
<b>Long Term Investments</b>				
Operating Reserve	\$ 500,000	0.67%	0.51%	0.51%
Capital Contingency	500,000	0.57%	0.38%	0.38%
Debt Reserve (D)	12,512,614	0.72%	1.49%	1.21%
<b>Sub-Total</b>	<b>\$ 13,512,614</b>			
<b>Other</b>				
Construction (A)	\$ 80,268,978	0.15%	2.21%	1.67%
Construction (C)	117,775	0.00%	1.59%	1.00%
Construction (E)	837	0.00%	0.00%	0.00%
Growth Fund	7,996,133	0.00%	1.15%	0.85%
Interim Financing	899	0.00%	1.14%	0.78%
<b>Sub-Total</b>	<b>\$ 88,384,622</b>			
<b>Total</b>	<b>\$ 182,524,819</b>			

(A) Investments are in the Connecticut Short Term Investment Fund (STIF).

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

(C) Investment is in the First American Government Obligation Fund.

(D) Current fiscal year investment purchases (approx. \$3.5M) are earning between 3.0% - 4.0%.

(E) Cash Balance as of August 31, 2022.

<b>Fund</b>	<b>(Cash Basis) as of August 31, 2022</b>	<b>(Cash Basis) as of August 31, 2022</b>	<b>(Under)/ Over</b>
Debt Reserve	13,190	45,530	32,340
Operating Reserve	3,342	30,012	26,670
Capital Contingency	1,919	16,942	15,023
PILOT	1,326	10,336	9,010
Debt Service	11,496	90,786	79,290
Revenue	4,608	77,388	72,780
Rate Stabilization	3,833	42,253	38,420
General	5,032	50,694	45,662
Sub Total	44,746	363,942	319,196
Construction	30,417	223,317	192,900
Growth Fund	-	14,999	14,999
Interim Financing	-	-	-
Total	75,163	602,258	527,095

## RPB COMMITTEE MEETINGS

<b>Month</b>	<b>Meeting</b>	<b>Will Attend</b>
<b>July 2022</b>	<i>Finance Committee (Special Meeting)</i> Tuesday, July 12 at 5:00 p.m.	Catherine
	<i>Land Use Committee</i> Wednesday, July 13 at 5:30 p.m.	David
	<i>Consumer Affairs Committee</i> Monday, July 18 at 5:30 p.m.	Kevin
<b>August 2022</b>	<i>Finance Committee</i> Monday, August 8 at 5:00 p.m.	Kevin
	<i>Land Use Committee</i> Wednesday, August 10 at 4:30 p.m.	Catherine
	<i>Consumer Affairs Committee</i> Monday, August 15 at 5:30 p.m.	Tony
<b>September 2022</b>	<i>Finance Committee</i> Monday, Sept 12 at 5:00 p.m.	Tony
	<i>Land Use Committee</i> Wednesday, Sept 14 at 4:30 p.m.	Kevin
	<i>Consumer Affairs Committee</i> Monday, Sept 19 at 5:30 p.m.	Catherine

## RPB COMMITTEE MEETINGS

<b>Month</b>	<b>Meeting</b>	<b>Will Attend</b>
<b>Oct 2022</b>	<i>Finance Committee</i> Monday, Oct 3 at 5:00 p.m.	
	<i>Land Use Committee (Pizza Dinner)</i> Wednesday, Oct 12 at 4:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, Oct 17 at 5:30 p.m.	
<b>Nov 2022</b>	<i>Finance Committee</i> Monday, Nov 14 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, Nov 9 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, Nov 21 at 5:30 p.m.	
<b>Dec 2022</b>	<i>Finance Committee</i> Monday, Dec 12 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, Dec 14 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, Dec 19 at 5:30 p.m.	