

**Representative Policy Board
Finance Committee
South Central Connecticut Regional Water District
Via Remote Access

AGENDA

Regular Meeting of Monday, July 19, 2021 at 5:00 p.m.

1. Safety Moment
2. Approval of Minutes – June 14, 2021 meeting
3. Quarterly Financial Report and Year-End Distributions for FY ended May 31, 2021
4. RPB Quarterly Dashboard Update
5. New Business
6. Elect Committee Chair for 2021-2022
7. Adjourn

****Members of the public may attend the meeting via conference call, videoconference or other technology. For information on attending the meeting via remote access, and to view meeting documents, please visit <https://www.rwater.com/about-us/our-boards/board-meetings-minutes?year=2021&category=1435&meetype=&page=>. For questions, contact the board office at jslubowski@rwater.com or call 203-401-2515.**

Note: As a reminder, the next meeting of the Finance Committee will be held on Monday, August 9, 2021 at 5:00 p.m. (regular meeting).

Topic: RPB Finance Committee Meeting

Time: Jul 19, 2021 05:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/82687072456?pwd=T2drQUsrVERjeHB6UIM3bmQwN21gdz09>

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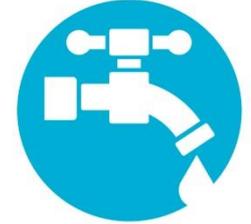
SAFETY MOMENT

Bicycle Safety

Bicycling is one of the best ways to get exercise, see the sights and reduce your carbon footprint. However, bicyclists face a host of hazards. They often must share the road with vehicles, and injuries can happen, even on a designated path. How can you stay safe:

- Inspect your bike prior to riding
- Wear a helmet
- Get acquainted with traffic laws; bicyclists must follow the same rules as motorists
- Ride single-file in the direction of traffic
- Remain alert; watch for opening card doors and other hazards
- Use hand signals and take extra care at intersections
- Never hitch onto cars

Tap Into
Safety



Regional Water Authority



Service – Teamwork – Accountability – Respect – Safety

 Regional Water Authority

UNAPPROVED DRAFT

**Representative Policy Board
Finance Committee
South Central Connecticut Regional Water District
Via remote access**

MINUTES

**Regular Meeting of the Finance Committee
Monday, June 14, 2021 at 5:00 p.m.**

ATTENDEES: **Finance Committee Members:** Tim Slocum, Tom Clifford, Charles Havrda, Jasper Jaser, and Vincent Marino
FMA: David Borowy, Catherine LaMarr, and Suzanne Sack
Alliance for Water Efficiency: Mary Ann Dickinson
Management: Larry Bingaman, Rochelle Kowalski and Prem Singh
OCA: Jeffrey Donofrio
RPB Staff: Jennifer Slubowski

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

On motion made by Mr. Marino, and seconded by Mr. Havrda, and unanimously carried, the committee voted to approve the minutes of its May 10, 2021 meeting.

Ms. Dickinson, Technical Advisor for the Alliance for Water Efficiency (“AFWE”), provided a presentation on the AFWE’s water conservation program, to assist utilities experiencing increasing costs as a result of declining demand, which included:

- Revenue stability
- Consumer Price Index trends
- Water flow and flow of economic logic
- Conservation tracking tool
- Key concepts and problems
- Financing
- Building an efficiency-oriented rate structure
- Rate Model for forecasting sales
- Affordability and drought pricing
- Communications
- Public engagement

At 5:25 p.m., Mr. Clifford withdrew from the meeting.

Discussion took place regarding board responsibility and political structures, and long range planning.

At 5:46 p.m., Ms. Dickinson withdrew from the meeting.

Mr. Bingaman, the RWA's President and Chief Executive Officer, reported that at the end of fiscal year 2021 the RWA has continued to maintain a good financial status. As such, retroactive merit increases were paid out to RWA employees. He stated that it would be appropriate for the RPB's currently held retroactive compensation increase, held from January 1, 2020 to December 31, 2020, be distributed.

Ms. Kowalski, the RWA's Vice President of Financial Reporting and Analysis, stated that the RWA has provided for the amount in the FY 2022 budget, which is approximately \$7,350.

On motion made by Mr. Jaser, seconded by Mr. Marino, and unanimously carried, the committee voted to recommend to the RPB that the compensation increase currently held from January 1, 2020 to December 31, 2020, be released to RPB members and paid in accordance with the payment of the second quarter 2021 compensation in July.

Ms. Kowalski reported on the status of the RWA's zero percent interest rate reduction program ("Program"), which expired May 31, 2021. Management is requesting that the Program be extended through July 20, 2021, with management's discretion to extend the Program in the event the Governor's executive orders extend due to emergency. She stated that the extension is consistent with other water utilities in the area and will have a minimal financial impact.

On motion made by Mr. Havrda, seconded by Mr. Marino, and unanimously carried the committee voted to recommend the extension of the zero interest rate reduction program to July 20, 2021, with management's discretion to extend the date if necessary due to the extension of the Governor's executive orders in an emergency.

Ms. Kowalski reviewed highlights of the Quarterly Report on RPB Approved Projects, which included:

- Ansonia Derby Tank
- RTU Upgrades
- Branford Hill Service Area Improvement
- North Sleeping Giant Wellfield Improvements
- West River Water Treatment Plan Project

Chair Slocum notified members that the July 19, 2021 meeting will include the committee chair election.

As there was no new business, at 6:04 p.m., the meeting adjourned.

Timothy Slocum, Chairman

Note: As a reminder, the next Finance Committee meeting is on Monday, July 19, 2021 at 5:00 p.m. (regular meeting).

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

Timothy Slocum
Thomas P. Clifford III
Charles Havdra
Jasper J. Jaser
Vincent Marino
Michelle Verderame

FROM:  Rochelle Kowalski

DATE: July 14, 2021

SUBJECT: Quarterly financial statements for fiscal year 2021 (ending May 31, 2021)

Attached are the following preliminary financial reports regarding the fiscal year ended May 31, 2021, ("FY 2021") including the following:

- Statement of net position as of May 31, 2021 and May 31, 2020;
- Schedule A: Statements of revenues, expenses and changes in net position as of May 31, 2021, 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

Please recall that management will refine these figures as we proceed to close out FY 2021 and as we go through the Authority's annual audit with CliftonLarsonAllen (CLA).

**REGIONAL WATER AUTHORITY
STATEMENTS OF NET POSITION
AS OF MAY 31, 2021 AND 2020**

Assets	FY 2021	FY 2020	Y/Y Variance
Utility plant			
Property, plant and equipment in service	\$ 903,078,627	\$ 891,642,301	\$ 11,436,326
Accumulated depreciation	(385,621,897)	(361,941,227)	(23,680,670)
Utility plant in service	517,456,730	529,701,074	(12,244,344)
Land	27,993,988	28,090,328	(96,340)
Construction work in progress	26,103,315	19,664,155	6,439,160
Total utility plant, net	571,554,034	577,455,557	(5,901,524)
Nonutility land, at cost	64,983,522	64,983,522	-
Goodwill	14,423,704	14,423,704	-
Current assets			
Cash and cash equivalents	53,852,136	35,451,356	18,400,779
Investments	-	-	-
Accounts receivable, less allowance for doubtful accounts	15,049,703	13,784,791	1,264,912
Accrued revenue	18,622,307	18,159,742	462,565
Accrued interest receivable	4,437	94,563	(90,126)
Materials and supplies	1,900,639	1,676,190	224,450
Prepaid expenses and other assets	3,571,009	3,461,143	109,865
Total current assets	93,000,232	72,627,786	20,372,446
Long-Term Note Receivable	500,000	500,000.0	-
Pension Assets	-	-	-
OPEB Assets	-	-	-
Restricted assets	104,753,988	121,046,235	(16,292,247)
Regulatory assets	9,819,180	10,589,880	(770,700)
Total assets	859,034,659	861,626,683	(2,592,025)
Deferred Outflows of Resources			
Deferred charge on refunding	17,200,567	18,555,951	(1,355,384)
Deferred charge on pension plans	3,163,189	5,578,762	(2,415,573)
Deferred charge on OPEB plans	878,175	1,218,060	(339,885)
Total	\$ 880,276,589	\$ 886,979,457	\$ (6,702,867)

Liabilities and Net Assets	FY 2021	FY 2020	Y/Y Variance
Liabilities			
Revenue bonds payable, less current portion	\$ 495,615,000	\$ 516,180,000	\$ (20,565,000)
Net premiums and discounts from revenue bonds payat	41,072,922	45,498,431	(4,425,509)
DWSRF loans payable, less current portion	25,603,073	21,117,737	4,485,336
Net pension liability	19,071,269	19,071,269	-
Net OPEB obligation	18,344,539	18,344,539	-
Total noncurrent liabilities	599,706,804	620,211,976	(20,505,172)
Current liabilities			
Current portion of revenue bonds payable	20,565,000	19,765,000	800,000
Current portion of DWSRF loans payable	1,033,618	1,033,618	-
Accounts payable	4,116,825	3,728,919	387,906
Notes payable	50,500	5,848,723	(5,798,223)
Customer deposits and advances	1,853,494	1,214,980	638,514
Other accrued liabilities	7,977,506	8,377,678	(400,173)
Total current liabilities	35,596,942	39,968,918	(4,371,976)
Liabilities payable from restricted assets			
Accounts payable for construction	1,463,586	1,865,412	(401,826)
Accrued interest payable	7,209,198	7,473,554	(264,357)
Customer deposits and advances	1,493,232	762,447	730,785
Total liabilities payable from restricted assets	10,166,015	10,101,413	64,602
Other liabilities	-	114,000	(114,000)
Total liabilities	645,469,761	670,396,307	(24,926,546)
Deferred inflows of resources			
Deferred inflows related to pensions	136,766	880,143	(743,377)
Deferred inflows related to OPEB	3,228,008	4,113,856	(885,848)
Net Assets			
Invested in capital assets, net of related debt	84,214,212	65,975,225	18,238,987
Restricted assets	95,087,973	111,444,822	(16,356,849)
Unrestricted assets	52,139,870	34,169,103	17,970,767
Total net assets	231,442,055	211,589,150	19,852,904
Total liabilities and net assets	\$ 880,276,589	\$ 886,979,457	\$ (6,702,867)

REGIONAL WATER AUTHORITY
REVIEW OF FINANCIAL DATA
May 31, 2021 (FY 2021)

SCHEDULE A-1 - COMMENTARY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY21 revenue for water, including wholesale and fire service, is over budget by \$5,347k (approx. 4.6%) primarily due to higher than anticipated consumption. Metered water revenue is over budget by \$5,134 (approx. 5.0%)

Total net other revenue is \$412k above budget primarily due to higher other water revenue and lower other water expense.

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.	\$ (1,153,000)
Employee Benefits are over budget primarily due to the additional pension contribution and O&M/non-O&M mix, largely offset by lower medical expense.	121,000
Administrative Building is over budget primarily due to custodial services and other higher than anticipated costs.	121,000
Utilities & Fuel is over budget primarily due to electric service and communications.	238,000
Pump Power remained under budget for the fiscal year.	(81,000)
Postage is under budget primarily due to lower than anticipated costs.	(84,000)
Business Improvement is under budget. However, this under run is offset in other proprietary expenses.	(210,000)
Outside Services are above budget primarily due to the use of external resources to help cover key vacancies and other initiatives.	252,000
Insurance Premiums are over budget primarily due to reserve requirements and O&M/non-O&M mix.	78,000
Worker's Compensation, Pre-Captive is under budget due to a reimbursement and lower reserve requirements.	(74,000)
Training and continued education is under budget primarily due to lower tuition reimbursement.	(90,000)
RPB Fees are under budget due to lower than anticipated consulting and meeting fees.	(66,000)
Central Lab/Water Quality is under budget primarily due to the mix between internal and outside lab services.	(72,000)
Info. Technology Licensing & Maintenance Fees are under budget primarily due to lower than anticipated costs.	(173,000)
Maintenance & Repairs are over budget due to tornado and COVID-19 expenditures, valve repairs, and other higher than anticipated costs.	479,000
All Other	(181,000)
	<u>\$ (895,000)</u>

Interest Income

Interest Income is under budget due to lower investment earnings and interest in arrears.

PROJECTED MAINTENANCE TEST

The projected coverage is 1.26 without a shortfall. The budgeted shortfall is \$12.045 million.

REGIONAL WATER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTHS ENDING MAY 31, 2021

Schedule A-1

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	(Under)Over Budget
Operating revenues				
Metered water revenues	\$ 103,686	\$ 102,878	\$ 108,012	\$ 5,134
Fire service	12,054	12,074	12,155	80
Wholesale	871	846	978	132
Other revenue - water	3,656	2,889	3,306	416
Other revenue - proprietary	10,146	9,306	9,683	377
Total operating revenues	130,412	127,993	134,133	6,140
Operating expenses				
Operating and maintenance expense	55,585	56,200	55,305	(895)
Pension Expense	(1,219)			
OPEB Expense	(422.85)			
Expense associated with other revenue - water	1,716	1,900	1,679	(221)
Expense associated with other revenue - proprietary	3,901	3,438	4,040	602
Provision for uncollectible accounts	1,096	975	900	(75)
Depreciation	24,228	25,200	25,204	4
Payment in lieu of taxes	8,388	8,700	8,530	(170)
Amortization Pension Outflows/Inflows	449	1,674	1,672	(2)
Amortization OPEB Outflows/Inflows	(546)	(546)	(546)	0
Total operating expenses	93,175	97,541	96,784	(757)
Operating income	37,237	30,452	37,349	6,898
Nonoperating income and (expense)				
Interest income	3,925	1,910	252	(1,658)
(Loss) Gain on disposal of assets	30		(803)	(803)
Realized and unrealized (losses) gains on investments	43		15	15
Interest expense	(24,026)	(22,370)	(22,240)	130
Amortization of bond discount, premium, issuance cost and deferred losses	3,368	2,670	2,650	(20)
Intergovernmental revenue	180		825	825
Total nonoperating income and (expense)	(16,482)	(17,789)	(19,301)	(1,511)
Income (expense) before contributions	20,755	\$ 12,662	18,048	\$ 5,387
Capital contributions	2,503		1,805	
Change in net assets	23,259		19,853	
Total net assets - beginning of fiscal year	188,331		211,589	
Total net assets - end of reporting month	\$ 211,590		\$ 231,442	

	Budget FY 2021 @114%	Projected FY 2021 @114%	(Under)Over FY 2021 @114%	(Under)Over FY 2021 Original Budget
FY 2021 MAINTENANCE TEST (Budget vs. Projected)				
Revenue Collected:				
Water sales	101,381	117,333	\$ 15,952	131
Interest Income	986	258	(728)	(1,065)
BABs Subsidy	656	664	8	
Other Net	6,302	6,850	549	(188)
Common Non-Core	(200)	(244)	(44)	(44)
Total	109,124	124,860	15,736	(1,166)
Less:				
Operating and maintenance expenses	(56,200)	(55,305)	895	5,746
Common Non-Core	100		(100)	(100)
Depreciation	(6,500)	(6,500)	-	
PILOT (A)	(8,700)	(8,550)	150	150
Net Avail for Debt Service (B)	\$ 37,824	\$ 54,505	\$ 16,681	\$ 5,796
Debt Service Payments (C)	\$ 43,745	43,262	\$ (483)	\$ (506)
Debt Service @ 114% (D)	\$ 49,869	49,319	\$ (551)	\$ (577)
Difference (B-D)	\$ (12,045)	\$ 5,187		
RSF, Growth and/or General Fund (D)	12,045			
Coverage (A+D/C)	114%	126%		

**REGIONAL WATER AUTHORITY
OPERATING AND MAINTENANCE EXPENSE
MAY 31, 2021**

Schedule B

PERIOD ENDING MAY 31, 2021

	FY 2020	FY 2021	FY 2021	(Under)
	Actual	Budget	Projected	Over
1 Payroll	\$ 22,389	\$ 23,088	\$ 21,935	\$ (1,153)
2 Employee Benefits	7,905	8,182	7,416	(765)
Pension Contributions	3,932	2,661	3,547	886
3 Administrative Building	1,121	928	1,049	121
4 General & Administrative	1,363	1,347	1,340	(6)
5 Transportation	511	673	648	(25)
6 Tools & Stores	294	305	325	21
7 Utilities & Fuel	1,254	1,253	1,491	238
8 Material From Inventory	295	239	265	25
9 Pump Power Purchased	2,620	2,970	2,889	(81)
10 Chemicals	1,771	1,855	1,814	(41)
11 Road Repairs	188	200	160	(40)
14 Postage	332	288	204	(84)
15 Printing & Forms	102	83	62	(20)
17 Collection Expense	610	648	600	(48)
18 Business Improvement	401	366	155	(210)
19 Public/Customer Information	278	289	247	(42)
20 Outside Services	2,583	2,485	2,737	252
21 Insurance Premiums	1,237	1,540	1,618	78
22 Worker's Compensation, pre-Churchill	314	54	(21)	(74)
23 Damages	40	60	68	8
24 Training & Cont. Education	176	214	124	(90)
25 Authority Fees	132	157	131	(25)
26 Consumer Counsel	24	63	27	(35)
27 RPB Fees	90	169	103	(66)
28 Organizational Dues	170	102	100	(1)
29 Donations	24	19	23	5
34 Central Lab/Water Quality	422	433	361	(72)
40 Environmental Affairs	87	93	139	46
44 Info. Technology Licensing & Maintenance Fees	1,991	2,293	2,120	(173)
45 Maintenance and Repairs	2,928	2,726	3,205	479
46 Regulatory Asset Amortization		422	421	(1)
	<u>\$ 55,585</u>	<u>\$ 56,200</u>	<u>\$ 55,305</u>	<u>\$ (895)</u>

	Period Ending May 31, 2021			Period Ending May 31, 2021		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
I. NATURAL RESOURCES						
Hamden Middle School Remediation	160	137	(23)	160	137	(23)
Lake Whitney Dam & Spillway Improvements	450	531	81	450	531	81
Peat Swamp Dam Modifications Filtration Pond	25	1	(24)	25	1	(24)
Tunnel Diversion Raw Water Main Rehabilitation Program	25	6	(19)	25	6	(19)
Miscellaneous Natural Resources	91	83	(9)	91	83	(9)
Prior Year	-	56	56	-	56	56
TOTAL	751	814	63	751	814	63
II. PUMPING						
Raynham Hill Pump Station Equipment & Generator Replacement	-	-	-	-	-	-
Burwell Hill Pump Station Equipment Replacement	819	640	(179)	819	640	(179)
Lake Gaillard Pump Station Improvements	1,038	996	(42)	1,038	996	(42)
MCC Replace/Improvements -Northwest Cheshire Pump Station	92	105	14	92	105	14
Sanford Street Pump Station Rehabilitation	220	214	(6)	220	214	(6)
Hill Street Pump Station Repairs	350	185	(165)	350	185	(165)
Miscellaneous Pumping	149	165	16	149	165	16
Prior Year	-	-	-	-	-	-
TOTAL	2,668	2,305	(363)	2,668	2,305	(363)
III. TREATMENT						
Filter Media Replacement	481	505	24	481	505	24
LGWTP - Process Valve Replacements	30	29	(1)	30	29	(1)
LGWTP - Chemical Feed Improvements	585	584	(1)	585	584	(1)
LGWTP - Backwash Polymer System	20	32	12	20	32	12
LGWTP -Roof Replacements	22	3	(19)	22	3	(19)
LGWTP -Electrical Upgrades	70	65	(5)	70	65	(5)
LGWTP -Structural Improvements	1	2	1	1	2	1
LGWTP -Clarifiers Recycle Pumps	35	50	15	35	50	15
LSWTP - Lagoon Discharge Pipe Replacement Footbridge Rehab	20	1	(19)	20	1	(19)
LSWTP -Hypochlorite System	50	43	(7)	50	43	(7)
LSWTP -Chemical Treatment System Improvements	120	123	3	120	123	3
LWWTP Improvements	43	40	(3)	43	40	(3)
West River WTP-Dissolved Air Flotation (DAF)	565	472	(93)	565	472	(93)
West River WTP-Effluent Pipe Injection	304	152	(152)	304	152	(152)
West River WTP-Chemical System Improvements	5	7	2	5	7	2
Seymour Wellfield Back-Up Well and Metering	70	60	(10)	70	60	(10)
Seymour Wellfield Treatment System Improvements	75	32	(43)	75	32	(43)

	Period Ending May 31, 2021			Period Ending May 31, 2021		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
NSG Wellfield Facility Improvements	1,245	1,251	6	1,245	1,251	6
Well Rehabilitations	247	293	46	247	293	46
Well Replacements	75	4	(71)	75	4	(71)
NSG Well 1B Pump Motor Replacement	275	131	(144)	275	131	(144)
Rocky Corner Satellite System	30	12	(18)	30	12	(18)
WRWTP Backwash & Surface Wash Pump Repl	605	418	(187)	605	418	(187)
Prior Year	-	104	104	-	104	104
TOTAL	4,973	4,414	(559)	4,973	4,414	(559)
IV. TRANSMISSION AND DISTRIBUTION						
Pipe	3,106	3,098	(8)	3,106	3,098	(8)
Ruden Street Cleaning Lining, West Haven	275	274	(1)	275	274	(1)
Valve Replacements	250	368	118	250	368	118
Service Connections	1,500	1,403	(97)	1,500	1,403	(97)
Capital Pipe Service Transfers	350	466	116	350	466	116
Meters	195	248	53	195	248	53
Hydrants and Connections	100	200	100	100	200	100
AMI Meters	85	75	(10)	85	75	(10)
Sanitary Survey Improvements-LGWTP Finished Water Reservoirs	200	266	66	200	266	66
East West Transmission System	200	86	(114)	200	86	(114)
West Johnson Ave Transmission Main Connection	75	9	(66)	75	9	(66)
Brushy Plains System Upgrade-Phase II	151	124	(27)	151	124	(27)
Grand Avenue Pipe Bridge & Main Replacement	6	6	0	6	6	0
Ansonia-Derby Tank	209	42	(167)	209	42	(167)
West Avenue Tank Painting	466	436	(30)	466	436	(30)
Water Quality Improvements	130	76	(54)	130	76	(54)
Lake Saltonstall WTP FWR Roof Improv Valve Replac	30	10	(20)	30	10	(20)
Western Service Area Bulk Fill Station, Ansonia	92	85	(7)	92	85	(7)
Miscellaneous Transmission and Distribution	-	277	277	-	277	277
Prior Year	-	107	107	-	107	107
TOTAL	7,419	7,655	236	7,419	7,655	236
V. GENERAL PLANT						
SAP Business Enhancements	50	13	(37)	50	13	(37)
SAP SQL Upgrade	-	-	-	-	-	-
SAP Customer Channels Sales Marketing	150	148	(2)	150	148	(2)
Monthly Billing	295	159	(136)	295	159	(136)
Cyber Security Enhancements	100	26	(74)	100	26	(74)

	Period Ending May 31, 2021			Period Ending May 31, 2021		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
System-Wide Radio Telemetry Unit (RTU) Upgrade	795	910	115	795	910	115
SCADA Upgrades	100	124	24	100	124	24
LIMS Upgrades	1,260	1,332	72	1,260	1,332	72
Information Systems	400	284	(116)	400	284	(116)
Miscellaneous IT	42	39	(3)	42	39	(3)
Equipment	100	90	(10)	100	90	(10)
Miscellaneous Equipment	68	23	(45)	68	23	(45)
90 Sargent Drive	50	33	(17)	50	33	(17)
Miscellaneous 90 Sargent Drive	60	91	31	60	91	31
Prior Year	-	88	88	-	88	88
TOTAL	3,470	3,362	(108)	3,470	3,362	(108)
VII. CONTINGENCY	365	-	(365)	365	-	(365)
TOTAL	19,646	18,550	(1,097)	19,646	18,550	(1,097)
VIII. STATE & REDEVELOPMENT PIPE	3,800	1,359	(2,441)	3,800	1,359	(2,441)
IX. NON-CORE BILLING	746	379	(367)	746	379	(367)
TOTAL	24,192	20,288	(3,904)	24,192	20,288	(3,904)

Investment Earnings Report
Comparison of Investment Rates of Return

Fund Type	Balance @ May 31, 2021	Budgeted Return	Rate of Return May 31, 2021	Rate of Return Fiscal Year to Date
<u>Less than Six Months</u>				
Revenue Investment (A)	\$ 28,374,585	1.01%	0.04%	0.13%
Revenue (B)	2,447,771	0.00%	0.00%	0.00%
Rate Stabilization (A)	10,000,000	1.01%	0.04%	0.13%
Operating Reserve (A)	8,185,679	1.01%	0.04%	0.13%
Operating Reserve (C)	1,500,000	0.25%	0.01%	0.01%
Capital Contingency (A)	5,561,075	1.01%	0.04%	0.13%
Debt Reserve (A)	18,992,341	1.01%	0.04%	0.13%
Debt Reserve (C)	890	0.25%	0.01%	0.01%
Debt Service (A)	29,216,264	1.01%	0.04%	0.13%
PILOT (A)	3,772,984	1.01%	0.04%	0.13%
General Fund (A)	16,126,128	1.01%	0.04%	0.13%
Sub-Total	\$ 124,177,717			
<u>Long Term Investments</u>				
Operating Reserve	\$ 500,000	1.97%	0.51%	1.65%
Capital Contingency	500,000	1.97%	0.38%	0.45%
Debt Reserve	2,033,710	2.12%	0.51%	0.99%
Sub-Total	\$ 3,033,710			
<u>Other</u>				
Construction (A)	\$ 23,044,339	1.01%	0.04%	0.13%
Growth Fund	5,824,237	0.00%	0.07%	0.11%
Interim Financing	897	0.00%	0.04%	0.06%
Sub-Total	\$ 28,869,473			
Total	\$ 156,080,900			

- (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) Investments are in the First American Government Obligation Fund. Requested transfer of Operating Reserve balance to STIF.

Fund	Budgeted Interest (Cash Basis) as of May 31, 2021	Interest Received (Cash Basis) as of May 31, 2021	(Under)/ Over
Debt Reserve	284,601	82,124	(202,477)
Operating Reserve	141,105	59,710	(81,395)
Capital Contingency	70,479	19,338	(51,141)
PILOT	20,184	5,149	(15,035)
Debt Service	160,467	32,281	(128,186)
Revenue	119,123	27,741	(91,382)
Rate Stabilization	100,839	12,711	(88,128)
General	89,068	19,263	(69,805)
Sub Total	<u>985,866</u>	<u>258,317</u>	<u>(727,549)</u>
Construction	215,894	54,888	(161,006)
Growth Fund	-	6,996	6,996
Interim Financing	-	1	1
Total	<u>1,201,760</u>	<u>320,202</u>	<u>(881,558)</u>

**Representative Policy Board
Dashboard Metric - 4Q FY21**

Metrics	Quarter ended 5/31/20 (4Q FY 2020)	Quarter ended 2/28/21 (3Q FY 2021)	Quarter ended 5/31/21 (4Q FY 2021) Projected
Customer/Stakeholders			
<i>Combined Customer Satisfaction & Reputation (Note 1)</i>	Target: 96% +/-2% Results: 93.1%* <small>*Period ending March 2020, most recent available</small>	Target: 96% +/-2% Results: 93.1%* <small>*Period ending March 2020, most recent available</small>	Target: 96% +/-2% Results: 93.1%* <small>*Period ending March 2020, most recent available</small>
<i>Underlying Credit Rating</i>	S&P rating AA- , affirmed 10/2019 Moody's rating Aa3 , affirmed 10/2019	S&P rating AA- , affirmed 10/2019 Moody's rating Aa3 , affirmed 10/2019	S&P rating AA- , affirmed 10/2019 Moody's rating Aa3 , affirmed 10/2019
<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
Financial Metrics (Note 2)			
<i>Accrued Metered Water Revenues to Budget (000 omitted)</i>	Budget: \$105.736 million Result: \$103.686 million	Budget: \$78.567 million Budget Org: \$80.102 million Result: \$81.787 million	Budget: \$102.878 million Budget Org: \$104.712 million Result: \$108.012 million
<i>Other Net Revenues to Budget</i>	Budget: \$6.243 million Result: \$6.196 million	Budget: \$4.208 million Result: \$4.402 million	Budget: \$5.734 million Result: \$5.672 million
<i>O&M Expenditures to Budget (Note 3)</i>	Budget: \$61.049 million Result: \$55.585 million	Budget: \$41.677 million Budget Org.: \$45.268 Result: \$39.286 million	Budget: \$56.200 million Budget Org.: \$61.051 Result: \$55.305 million
<i>Capital Expenditures to Budget (Note 4)</i>	Budget: \$31.614 million Result: \$26.001 million	Budget: \$14.263 million Result: \$11.133 million	Budget: \$19.281 million Result: \$18.550 million
<i>Cash Collections (Water and Fire Service)</i>	Budget: \$116.16 million Result: \$114.14 million	Budget: \$74.896 million Budget Org: \$91.960 million Result: \$92.120 million	Budget: \$101.381 million Budget Org: \$117.202 million Result: \$117.333 million
<i>Coverage</i>	Budget: 1.14 w/draw Result: 1.30 w/o draw	Budget: 1.14 w/draw Projected: 1.17 w/0draw	Budget: 1.14 w/draw Projected: 1.26 w/0draw
<i>Draw Requirement</i>	Budget: \$829,000 Result: \$0	Budget: \$12.045 million Projected: \$0 million	Budget: \$12.045 million Projected: \$0 million

**Representative Policy Board
Dashboard Metric - 4Q FY21**

Metrics	Quarter ended 5/31/20 (4Q FY 2020)	Quarter ended 2/28/21 (3Q FY 2021)	Quarter ended 5/31/21 (4Q FY 2021) Projected
System Metrics			
<i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 5)</i>	Budget: 43,598 MGD Result: 42,504 MGD	Prior Year: 43.986 MGD Result: 46.413 MGD	Prior Year: 42.504 MGD Result: 45.209 MGD
<i>Disinfection By-products</i>	Target: 90% Result: 100%* * As of Mar 31, 2020, updated quarterly based on calendar year	Target: 90% Result: 100%* * As of Dec. 31, 2020, updated quarterly based on calendar year	Target: 90% Result: 100%* * As of Mar. 31, 2021, updated quarterly based on calendar year
<i>Net Unaccounted For Water (annualized)</i>	Target: 10.0% Result: 10.58% as of 2/29/2020	Target: 10.0% Result: 12.28% for the annualized period of Dec. 2019 to Nov. 2020	Target: 10.0% Result: 11.09% for the annualized period of Mar. 2020 to Feb. 2021
<i>Reservoir Levels (% full)</i>	96% vs. 93% LTA	89% vs. 82% LTA	97% vs. 93% LTA

Notes:

Note 1: FY 2020 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: Excludes State and Redevelopment and contingency. FY 2021 also excludes capital funded by Growth Fund

Note 4 FY 2020 is vs. budget and FY 2021 is vs. prior year