

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

AGENDA

Regular Meeting of Monday, April 11, 2022 at 5:00 p.m.

1. Safety Moment
2. Approval of Minutes – March 14, 2022
3. Review Quarterly Financial Statements
4. RPB Quarterly Dashboard Report
5. Consider and act on recommendation to the Representative Policy Board regarding completeness, mode and date of public hearing for the Authority's Application for the approval of the Lake Gaillard Water Treatment Plant Filter Influent Valve Replacement Project
6. Reminder of special meetings to review FY 2023 Budget
 - a. CAC/LUC (joint meeting) – Monday, April 18, 2022 at 5:30 p.m.
 - b. Finance Committee – Wednesday, April 20, 2022 at 5:00 p.m.
7. Committee member attendance at Authority meetings
 - April 28, 2021 – T. Slocum
 - May 26, 2021 – J. Jaser
8. New Business
9. Adjourn

Note: As a reminder, the next regular meeting of the Finance Committee will be held on Monday, May 9, 2022 at 5:00 p.m.

<p>**Members of the public may attend the meeting via remote access. For information on attending the meeting and to view meeting documents, please visit https://tinyurl.com/2p83z3xu. For questions, contact the board office at 203-401-2515.</p>
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Representative Policy Board

Finance Committee Meeting

Monday, April 11, 2022 at 5:00 p.m.

Call in (*audio only*)

[+1 469-965-2517,,945003120#](tel:+14699652517945003120#) United States, Dallas

Phone Conference ID: 945 003 120#

For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com

SAFETY MOMENT

ENVIRONMENTAL HEALTH HAZARDS

Environmental health hazards are any environmental factors or situations that can cause injury, disease or death. There are a range of environmental health hazards that affect our wellbeing. Hazards can be grouped together to improve understanding and action planning. The actions that you need to carry out to protect the health of your community depend on knowing how these hazards can affect us all. Hazards are generally categorized as follows:

- **Physical hazards** are those substances or conditions that threaten our physical safety. Fires, explosive materials, temperature (hot or cold), noise, radiation, spills on floors and unguarded machines are some examples of physical hazards.
- **Biological hazards** are organisms, or by-products from an organism, that are harmful or potentially harmful to human beings. They include pathogenic bacteria, viruses and parasites, and also toxins (poisons) that are produced by organisms.
- **Chemical hazards** are present when a person is exposed to a harmful chemical at home or at work. These can be in the form of gases, solids or liquids.
- **Cultural hazards** are practices that adversely affect health. These include cultural practices such as drinking water storage and not washing hands.
- **Social hazards** include alcoholism, obesity, smoking and drug use.

TapInto
Safety



Regional Water Authority



Service – Teamwork – Accountability – Respect – Safety

Safety is a core company value at the Regional Water Authority .
It is our goal to reduce workplace injuries to zero.

 Regional Water Authority

UNAPPROVED DRAFT

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

MINUTES

Regular Meeting of Monday, March 14, 2022 at 5:00 p.m.

ATTENDEES: **Finance Committee Members:** Tim Slocum, Tom Clifford, Charles Havrda, Jay Jaser, Vincent Marino, Jamie Mowat Young, and Michelle Verderame

RPB Member: Mario Ricozzi, Chair

FMA Member: Suzanne Sack

Management: Larry Bingaman, Rochelle Kowalski, and Donna Verdisco

CliftonLarson Allen: Ron Nossek

OCA: Atty. Jeffrey Donofrio

Staff: Jennifer Slubowski

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

Mr. Nossek of CliftonLarsonAllen (CLA), the RWA's external auditor, reviewed the Authority's audit plan and process for FY 2022 and discussed the firm's scope of engagement and current and future accounting standards. He discussed cybersecurity matters, risk assessments, consolidated entities, and audit areas with committee members.

At 5:12 p.m., Mr. Nossek withdrew from the meeting.

On motion made by Mr. Clifford, seconded by Mr. Jaser, and unanimously carried, the committee voted to approve the minutes of its February 14, 2022 meeting.

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

- Ansonia-Derby Tank
- System-Wide Ratio Telemetry (RTU) Upgrades
- North Sleeping Giant Wellfield Improvements
- West River Water Treatment Plan Improvements

Chair Slocum reported that he would be attending the rescheduled March Authority meeting on Thursday, March 31, 2022 and the Authority meeting on April 28, 2022.

Mr. Ricozzi, Chair of the RPB, stated that he emailed a communication to RPB members earlier in the day to announce that the special FY 2023 budget review meetings will include an update of the RWA's commercial enterprise business. The discussion will take place in executive session. He also noted that in-person meetings would be discussed at the RPB Executive Committee meeting on March 16, 2022.

Representative Policy Board
Finance Committee
March 14, 2022

UNAPPROVED DRAFT

The next regular meeting of the Finance Committee will take place on Monday, April 11, 2022 at 5:00 p.m.

The FY 2023 special budget review meeting for the Finance Committee is Wednesday, April 20, 2022 at 5:00 p.m.

At 5:26 p.m., on motion made by Mr. Clifford, seconded by Mr. Havrda, and unanimously carried, the meeting adjourned.

Timothy Slocum, Chairman

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
Jamie Mowat Young

FROM: Rochelle Kowalski

DATE: April 5, 2022

SUBJECT: Quarterly financial statements for fiscal year 2022 (ending May 31, 2022)

Attached are the following financial reports regarding the third quarter of fiscal year 2022. i.e., the quarter ended February 28, 2022:

- Statements of net position as of February 28, 2022 and February 28, 2021;
- Schedule A-1 & A-2: Statements of revenues, expenses and changes in net position as of February 28, 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 2021 through February 2022. For the remainder of fiscal year 2022, 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, 2022"

The figures shown present June to February 2022 as well as comparative budget vs. actual results for the nine months ended February 28, 2022.

Section of page entitled "Year Ending May 31, 2022"

The "budget" column is the budget for fiscal year 2022, as approved by the Five-Member Authority.

Assumption 1

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

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 2022 through May 2022 at 3% above budget. Operating expenses for "pump power" and chemicals for these same months are adjusted to reflect the 3% increase.

Assumption 3

The column labeled *Assumption 3* projects consumption for the months of March 2022 through May 2022 at 3% below budget. Operating expenses for "pump power" and chemicals for these same months are adjusted to reflect the 3% 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 February 2022, plus projected cash collections for March 2022 through May 2022. 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.

Schedule B: Operating and Maintenance Expense

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

Schedule C: Capital Budget Report

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

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 FEB 28, 2022 AND 2021

Assets	FY 2022	FY 2021	Y/Y Variance
Utility plant			
Property, plant and equipment in service	\$ 910,063,072	\$ 897,071,970	\$ 12,991,102
Accumulated depreciation	(399,328,828)	(379,782,739)	(19,546,089)
Utility plant in service	510,734,244	517,289,231	(6,554,987)
Land	27,993,988	28,090,328	(96,340)
Construction work in progress	30,666,940	25,144,043	5,522,897
Total utility plant, net	569,395,172	570,523,602	(1,128,430)
Nonutility land, at cost	64,983,522	64,983,522	-
Goodwill	14,423,704	14,423,704	-
Current assets			
Cash and cash equivalents	57,780,368	58,122,359	(341,991)
Investments	-	-	-
Accounts receivable, less allowance for doubtful accounts	17,103,591	15,761,380	1,342,212
Accrued revenue	7,977,497	14,288,372	(6,310,875)
Accrued interest receivable	16,409	16,780	(370)
Materials and supplies	2,189,036	1,951,090	237,946
Prepaid expenses and other assets	4,728,949	5,633,943	(904,994)
Total current assets	89,795,851	95,773,924	(5,978,072)
Note Receivable	500,000	500,000	-
Pension Assets	-	-	-
OPEB Assets	-	-	-
Restricted assets	143,621,449	97,006,164	46,615,285
Regulatory assets	9,741,440	10,000,413	(258,973)
Total assets	892,461,139	853,211,329	39,249,810
Deferred Outflows of Resources			
Deferred charge on refunding	16,282,797	17,539,414	(1,256,616)
Deferred charge on pension plans	1,264,929	3,511,937	(2,247,008)
Deferred charge on OPEB plans	1,865,616	946,423	919,193
Total	\$ 911,874,481	\$ 875,209,102	\$ 36,665,379

Liabilities and Net Assets	FY 2022	FY 2021	Y/Y Variance
Liabilities			
Revenue bonds payable, less current portion	\$ 513,775,000	\$ 495,615,000	\$ 18,160,000
Net premiums and discounts from revenue bonds payable	46,853,669	42,139,221	4,714,448
DWSRF loans payable, less current portion	24,348,545	20,340,590	4,007,955
Net pension liability	9,651,739	19,071,269	(9,419,530)
Net OPEB obligation	17,772,589	18,344,539	(571,950)
Total noncurrent liabilities	612,401,543	595,510,619	16,890,923
Current liabilities			
Current portion of revenue bonds payable	21,475,000	20,565,000	910,000
Current portion of DWSRF loans payable	1,306,514	1,033,618	272,896
Accounts payable	3,586,325	4,168,533	(582,208)
Notes payable	50,500	5,937,343	(5,886,843)
Customer deposits and advances	1,287,826	2,357,909	(1,070,083)
Other accrued liabilities	7,355,097	8,350,536	(995,439)
Total current liabilities	35,061,261	42,412,939	(7,351,678)
Liabilities payable from restricted assets			
Accounts payable for construction	1,478,471	1,586,983	(108,512)
Accrued interest payable	2,049,596	1,802,299	247,296
Customer deposits and advances	1,331,530	1,277,443	54,087
Total liabilities payable from restricted assets	4,859,597	4,666,725	192,872
Other liabilities	25,756.81	17,365	8,392
Total liabilities	652,348,158	642,607,648	9,740,509
Deferred inflows of resources			
Deferred inflows related to pensions	5,386,573	46,926	5,339,647
Deferred inflows related to OPEB	3,867,000	3,432,746	434,254
Net Position			
Invested in capital assets, net of related debt	86,412,204	81,839,469	4,572,736
Restricted assets	95,701,911	92,839,439	2,862,472
Unrestricted assets	68,158,635	54,442,874	13,715,761
Total net assets	250,272,750	229,121,782	21,150,968
Total liabilities and net assets	\$ 911,874,481	\$ 875,209,102	\$ 36,665,379

REGIONAL WATER AUTHORITY
REVIEW OF FINANCIAL DATA
Feb 28, 2022 (FY 2022)

SCHEDULE A-1 - COMMENTARY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY22 revenue for water, including wholesale and fire service, is over budget by \$63k (approx. 0.1%).
Metered water revenue is under budget by \$23k (approx. 0.03%)

Total net other revenue is \$289k under budget primarily due other water field collection charges and other proprietary expenses.

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.	\$ (706,000)
Employee Benefits are under budget primarily due to lower medical and dental expense, payroll tax, and 401k.	(672,000)
Administrative Building is over budget primarily due to custodial services.	55,000
General & Admin is under budget primarily due to the reclassification of computer purchases from expense to capital.	(151,000)
Transportation is under budget primarily due to diesel fuel and insurance.	(82,000)
Material From Inventory is under budget due to lower than anticipated costs.	(153,000)
Pump Power is under budget primarily due to lower than anticipated costs.	(200,000)
Chemicals Expense is over budget primarily due to price increases.	65,000
Road Repairs are over budget due to higher than anticipated costs.	162,000
Postage is under budget primarily due to timing and is expected to be close to budget at the end of the fiscal year.	(153,000)
Collection Expense is under budget due to lower year-to-date collections related expenses and affordability fund contributions.	(236,000)
Public/Customer Information is under budget primarily due to lower than anticipated expenditures.	(158,000)
Outside Services are under budget in multiple areas primarily due to timing of spend.	(571,000)
Insurance Premiums are over budget primarily due to timing.	96,000
Training and continued education is under budget across multiple areas.	(104,000)
RPB Fees are under budget due to lower than anticipated consulting and meeting fees.	(51,000)
Central Lab/Water Quality is under budget primarily due to the mix between internal and outside lab services.	(220,000)
Info. Technology Licensing & Maintenance Fees are under budget primarily due to timing.	(94,000)
Maintenance & Repairs are under budget primarily due to timing.	(471,000)
All Other	(132,000)
	<u>\$ (3,776,000)</u>

Interest Income

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

PROJECTED MAINTENANCE TEST

The projected coverage is 1.25 with no shortfall. The budgeted shortfall is \$922k.

REGIONAL WATER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTHS ENDING FEB 28, 2022

Schedule A-1

	FY 2021	FY 2022	FY 2022	(Under)Over
	Actual	Budget	Actual	Budget
Operating revenues				
Metered water revenues	\$ 81,787	\$ 79,933	\$ 79,910	\$ (23)
Fire service	9,119	9,132	9,194	62
Wholesale	588	582	606	24
Other revenue - water	2,507	2,808	2,802	(6)
Other revenue - proprietary	7,314	7,094	7,310	216
Total operating revenues	101,315	99,549	99,823	274
Operating expenses				
Operating and maintenance expense	39,286	44,620	40,844	(3,776)
Expense associated with other revenue - water	1,306	1,458	1,564	106
Expense associated with other revenue - proprietary	2,874	2,862	3,255	393
Provision for uncollectible accounts	754	713	340	(372)
Depreciation	18,900	18,450	18,454	4
Payment in lieu of taxes	6,449	6,713	6,454	(259)
Amortization Pension Outflows/Inflows	1,234	645	645	(0)
Amortization OPEB Outflows/Inflows	(409)	(470)	(470)	0
Total operating expenses	70,393	74,990	71,086	(3,904)
Operating income	30,923	24,559	28,737	4,179
Nonoperating income and (expense)				
Interest income	214	1,501	883	(618)
(Loss) Gain on disposal of assets	(229)		(1,633)	(1,633)
Realized and unrealized (losses) gains on investments	-		-	-
Interest expense	(16,713)	(16,212)	(16,411)	(199)
Amortization of bond discount, premium, issuance cost and deferred losses	2,024	1,851	1,878	26
Intergovernmental revenue	25		-	-
Contributions to related entities	-		(950)	(950)
Total nonoperating income and (expense) before capital contributions	(14,679)	(12,859)	(16,233)	(3,374)
Income (expense) before contributions	16,244	\$ 11,700	12,504	\$ 805
Capital contributions	1,289		1,073	
Change in net assets	17,533		13,577	
Total net assets - beginning of fiscal year	211,589		236,696	
Total net assets - end of reporting month	\$ 229,122		\$ 250,273	

FY 2022 MAINTENANCE TEST

(Budget vs. Projected)

Revenue Collected:

	Budget	Projected	(Under)Over
	FY 2022	FY 2022	FY 2022
	@114%	@114%	@114%
Water sales	116,629	122,591	\$ 5,962
Interest Income	150	150	-
BABs Subsidy	657	657	-
Other Net	7,154	6,518	(636)
Common Non-Core	(250)	(300)	(50)
Total	124,340	129,616	5,276

Less:

Operating and maintenance expenses	(59,741)	(59,590)	151
Common Non-Core	-	-	-
Depreciation	(6,500)	(6,917)	(417)
PILOT (A)	(8,950)	(8,575)	375
Net Avail for Debt Service (B)	\$ 49,149	\$ 54,534	\$ 5,385
Debt Service Payments (C)	\$ 43,922	43,474	\$ (448)
Debt Service @ 114% (D)	\$ 50,071	49,560	\$ (511)
Difference (B-D)	\$ (922)	\$ 4,974	
RSF, Growth and/or General Fund (D)	922		
Coverage	114%	125%	

REGIONAL WATER AUTHORITY
Fiscal Year 2022
(\$000 Omitted)

SCHEDULE A-2

STATEMENTS OF REVENUES, EXPENSES

	Nine Months Ending February 28				Twelve Months Ending May 31			
	FY 2021	FY 2022	FY 2022	(Under)/Over		Projection	Projection -	Projection -
	Actual	Budget	Actual	Budget	Budget	Assumption 1	3% Above	Consumption
							Assumption 2	3% Below
							Assumption 3	Assumption 3
AND CHANGES IN NET ASSETS								
Operating Revenues								
Metered Water Revenues	\$ 81,787	\$ 79,933	\$ 79,910	\$ (23)	\$ 104,060	\$ 104,037	\$ 104,509	\$ 103,565
Fire Service	9,119	9,132	9,194	62	12,207	12,268	12,268	12,268
Wholesale Water	588	582	606	24	760	784	784	784
Other revenue - water	2,507	2,808	2,802	(6)	3,713	3,713	3,713	3,713
Other revenue - proprietary	7,314	7,094	7,310	216	9,623	9,528	9,528	9,528
Total Operating Revenues	101,315	99,549	99,823	274	130,363	130,331	130,803	129,859
Operating Expenses								
Operating and Maintenance	39,286	44,620	40,844	(3,776)	59,741	59,590	59,625	59,555
Expenses associated with other revenue-water	1,306	1,458	1,564	106	1,966	2,175	2,175	2,175
Expenses associated with other revenue-proprietary	2,874	2,862	3,255	393	3,809	4,190	4,190	4,190
Provision for uncollectible accounts	754	713	340	(372)	950	500	500	500
Depreciation	18,900	18,450	18,454	4	24,600	24,600	24,600	24,600
Payment in lieu of taxes	6,449	6,713	6,454	(259)	8,950	8,575	8,575	8,575
Amortization Pension Outflows/Inflows	1,234	645	645	(0)	868	868	868	868
Amortization OPEB Outflows/Inflows	(409)	(470)	(470)	0	(626)	(626)	(626)	(626)
Total Operating Expenses	70,393	74,990	71,086	(3,904)	100,258	99,871	99,906	99,836
Operating Income	30,923	24,559	28,737	4,179	30,105	30,460	30,897	30,023
Nonoperating income and (expense)								
Interest Income	214	1,501	883	(618)	1,986	1,336	1,336	1,336
(Loss)/Gain on disposal of assets	(229)	-	(1,633)	(1,633)	(1,750)	(1,750)	(1,750)	(1,750)
Interest Expense	(16,713)	(16,212)	(16,411)	(199)	(21,515)	(22,128)	(22,128)	(22,128)
Amortization of bond discount, premium								
issuance cost and deferred losses	2,024	1,851	1,878	26	2,428	2,568	2,568	2,568
Intergovernmental revenue	25	-	-	-	-	490	490	490
Contributions to related entities	-	-	(950)	(950)	-	(950)	(950)	(950)
Total nonoperating income & (expense)	(14,679)	(12,859)	(16,233)	(3,374)	\$ (18,852)	\$ (20,435)	\$ (20,435)	\$ (20,435)
(Expense) income before contributions	16,244	\$ 11,700	12,504	\$ 805	\$ 11,253	\$ 10,025	\$ 10,463	\$ 9,589
Capital contributions								
Change in net assets	17,533		13,577					
Total net assets - beginning of fiscal year	211,589		236,696					
Total net assets - end of reporting month	\$ 229,122		\$ 250,273					

MAINTENANCE TEST

	Twelve Months Ending May 31			
	Budget	Projection	Projection -	Projection -
		Assumption 1	Consumption	Consumption
			3% Above	3% Below
			Assumption 2	Assumption 3
<u>Revenue Collected:</u>				
Water Sales	\$ 116,629	\$ 122,591	\$ 122,902	\$ 122,280
Interest Income	150	150	150	150
BABs Subsidy	657	657	657	657
Other Net	7,154	6,518	6,518	6,518
Common Non-Core	(250)	(300)	(300)	(300)
Total	124,340	129,616	129,927	129,305
Less:				
Operating and Maintenance Expenses	(59,741)	(59,590)	(59,625)	(59,555)
Common Non-Core	0	-	-	-
Depreciation	(6,500)	(6,917)	(6,917)	(6,917)
PILOT (A)	(8,950)	(8,575)	(8,575)	(8,575)
Net Avail for Debt Service (B)	49,149	54,534	54,810	54,258
Debt service payments (C)	\$ 43,922	\$ 43,474	\$ 43,474	\$ 43,474
Debt Service @ 114% (D)	\$ 50,071	\$ 49,560	\$ 49,560	\$ 49,560
Difference (B-D)	\$ (922)	\$ 4,974	\$ 5,250	\$ 4,698
RSF, Growth and/or General Fund (D)	\$ 922	\$ -		
Coverage	114%	125%	126%	125%
Required Coverage	114%	114%	114%	114%

REGIONAL WATER AUTHORITY
 OPERATING AND MAINTENANCE EXPENSES
 Fiscal Year 2022
 (\$000 Omitted)

SCHEDULE B

NINE MONTHS ENDING FEBRUARY 28				
	FY 2021	FY 2022	FY 2022	(Under)
	Actual	Budget	Actual	Over
1 Payroll	\$ 16,344	\$ 17,543	\$ 16,837	\$ (706)
2 Employee Benefits Allocation	5,511	6,000	5,328	(672)
Pension	1,996	2,026	2,026	-
3 Administrative Building Space Alloc	766	681	736	55
4 General & Administrative	946	1,164	1,013	(151)
5 Transportation Allocation	533	536	454	(82)
6 Tools & Stores Allocation	260	227	242	15
7 Utilities & Fuel	1,081	1,066	1,076	11
8 Material From Inventory	144	292	139	(153)
9 Pump Power Purchased	2,198	2,325	2,125	(200)
10 Chemicals	1,397	1,486	1,551	65
11 Road Repairs	88	112	274	162
14 Postage	164	269	116	(153)
15 Printing & Forms	52	62	35	(27)
17 Collection Expense	410	741	506	(236)
18 Business Improvement	148	94	108	14
19 Public/Customer Information	126	293	135	(158)
20 Outside Services	1,409	2,803	2,232	(571)
21 Insurance Premiums	1,055	1,220	1,316	96
22 Worker's Compensation, pre-Churc	(43)	35	24	(11)
23 Damages	52	49	28	(21)
24 Training & Cont. Education	85	190	86	(104)
25 Authority Fees	99	117	102	(15)
26 Consumer Counsel	20	45	12	(33)
27 RPB Fees	78	127	76	(51)
28 Organizational Dues	66	86	80	(5)
29 Donations	15	27	7	(21)
34 Central Lab/Water Quality	226	339	119	(220)
40 Environmental Affairs	77	85	43	(43)
44 Info. Technology Licensing & Maintenance Fees	1,549	1,853	1,760	(94)
45 Maintenance and Repairs	2,120	2,411	1,940	(471)
46 Regulatory Asset Amortization	316	316	318	1
	<u>\$ 39,286</u>	<u>\$ 44,620</u>	<u>\$ 40,844</u>	<u>\$ (3,776)</u>

YEAR ENDED MAY 31, 2022				
Budget	Assump 1	Assump 2	Assump 3	
23,577	22,491	22,491	22,491	
8,045	8,655	8,655	8,655	
2,664	2,664	2,664	2,664	
944	1,006	1,006	1,006	
1,513	1,470	1,470	1,470	
728	739	739	739	
295	309	309	309	
1,405	1,456	1,456	1,456	
376	294	294	294	
3,050	2,854	2,875	2,833	
1,997	2,333	2,347	2,319	
162	299	299	299	
421	390	390	390	
77	62	62	62	
1,175	1,064	1,064	1,064	
129	296	296	296	
409	311	311	311	
3,601	3,759	3,759	3,759	
1,643	1,639	1,639	1,639	
46	28	28	28	
65	40	40	40	
269	241	241	241	
157	163	163	163	
60	24	24	24	
169	76	76	76	
102	132	132	132	
37	30	30	30	
447	252	252	252	
115	81	81	81	
2,465	2,432	2,432	2,432	
3,179	3,576	3,576	3,576	
422	424	424	424	
<u>\$ 59,741</u>	<u>\$ 59,590</u>	<u>\$ 59,625</u>	<u>\$ 59,555</u>	

	Period Ending February 28, 2022			Period Ending May 31, 2022		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
I. NATURAL RESOURCES						
Watershed Protection	125	13	(112)	125	50	(75)
Land Management	18	6	(12)	20	20	-
Hamden Middle School Remediation	31	21	(10)	48	48	-
Lake Whitney Dam & Spillway Improvements	450	312	(138)	600	600	-
Lake Menunketuc Dam Intake Valves Stem Replacement	175	77	(98)	175	175	-
Prospect Dam Subsurface Investigation	100	132	32	200	200	-
Stream Flow Regulations Improvements	130	16	(114)	150	150	-
Tunnel Diversion Raw Water Main Rehabilitation Program	343	215	(128)	480	480	-
Lake Saltonstall Raw Water Bldg. Compressor Replacement	-	7	7	11	7	(4)
Fence & Guardrail Replacements	70	89	19	100	100	-
Miscellaneous Natural Resources	15	34	19	30	36	6
Prior Year	-	-	-	-	-	-
TOTAL	1,457	922	(535)	1,939	1,866	(73)
II. TREATMENT						
Filter Media Replacement	302	307	5	500	500	-
Water Treatment Plant Valve Replacement Program	41	8	(33)	110	110	-
Water Treatment Plant Critical Spare Parts	-	-	-	165	165	-
LGWTP - Chemical Feed Improvements	335	224	(111)	312	312	(0)
LGWTP - Backwash Polymer System Upgrades	205	206	1	205	206	1
LGWTP Local Control Console Upgrade	-	-	-	75	75	-
LGWTP -Clarifiers Recycle & Building Improvements	151	114	(37)	306	300	(6)
LGWTP-Raw Water Flow Control Valve Replacement	196	103	(93)	700	550	(150)
LGWTP-HVAC Upgrades	67	100	33	235	235	-
LGWTP Sodium Hypochlorite Tanks Replacement	-	-	-	500	500	-
LSWTP-Electrical Upgrades	210	3	(207)	200	125	(75)
LSWTP -Chemical Treatment System Improvements	311	114	(197)	250	250	-
LSWTP -Elevator Improvement	148	174	26	415	530	115
LWWTP Plant Improvements	238	204	(34)	765	765	-
LWWTP Partial Green Roof Replacement	-	-	-	108	108	-
WRWTP Improvements (Dissolved Air Flotation, Electrical, Chemical)	480	599	119	3,120	3,120	-
West River WTP-Effluent Pipe Injection	25	88	63	90	90	-
WRWTP Backwash Lagoon Diversion Vault Valves	-	-	-	100	100	-
Treatment Plant Graphics Upgrades	50	17	(33)	200	150	(50)
NSG Wellfield Facility Improvements	265	455	190	580	550	(30)
SSG Wellfield Facility Improvements	200	118	(82)	900	900	-
NSG Well 18 Pump Motor Replacement	144	153	9	144	165	21
Well Rehabilitations	96	10	(86)	338	338	-
Well Replacements	3	1	(2)	2	1	(1)
NSG Well No. 4 Motor Control Center (MCC) Replacement	100	4	(96)	100	50	(50)
Treatment Plant Driveway Replacement Program	70	-	(70)	100	100	-
WRWTP Backwash & Surface Wash Pump Repl	35	36	1	150	32	(118)
LSWTP -Hypochlorite System	-	7	7	5	7	2
Miscellaneous Treatment	184	0	(184)	263	263	-
Prior Year	-	-	-	-	-	-
TOTAL	3,855	3,047	(808)	10,938	10,597	(340)
III. TRANSMISSION AND DISTRIBUTION						
Pipe	3,344	3,303	(41)	5,863	6,345	482
Valve Replacements	210	190	(20)	300	300	-
Service Connections	1,050	1,300	250	1,500	1,600	100
Capital Pipe Service Connections	275	524	249	500	600	100
Meters	330	332	2	485	485	-
AMI Meters	335	270	(65)	230	275	45
Hydrants and Connections	88	66	(21)	125	125	-
Northern Service Area Expansion	988	1,229	241	1,800	1,800	-
Service Area Improvements - East West Transmission System	241	265	24	295	265	(30)
State Street Pipe Bridge	430	62	(368)	600	500	(100)
Ansonia-Derby Tank	140	39	(101)	200	200	-
WRWTP Finished Water Reservoirs Improvements	850	614	(236)	850	625	(225)
LGWTP Finished Water Reservoirs Concrete Improvements	-	0	0	650	650	-
West Avenue Tank Painting	-	24	24	24	24	(0)
Variable Frequency Drive Replacement Program	125	72	(53)	150	150	-
Raynham Hill Pump Station Improvements	-	0	0	50	50	-
Burwell Hill Pump Station Equipment Replacement	320	573	253	647	647	-
Rabbit Rock Pump Station Generator Replacement	50	-	(50)	100	-	(100)

	Period Ending February 28, 2022			Period Ending May 31, 2022		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
Critical Pump Station & Transmission Facilities Upgrades	115	102	(13)	235	235	-
Spring Street Pump Station Replacement	19	2	(17)	150	150	-
Lake Gaillard Pump Station Improvements	-	25	25	33	33	-
Hill Street Pump Station Repairs	-	109	109	165	165	(0)
Sanford Street Pump Station Rehabilitation	-	1	1	3	1	(2)
Skiff Street Bridge Betterment, Hamden	-	10	10	10	10	0
Brushy Plains System Upgrade-Phase II	-	20	20	18	20	2
Water Quality Improvements	2	1	(1)	150	110	(40)
Miscellaneous Transmission & Pumping	32	14	(18)	75	75	-
Main Breaks 10' or Longer	-	38	38	-	38	38
Prior Year	-	8	8	-	8	8
TOTAL	8,943	9,196	253	15,209	15,487	278
IV. GENERAL PLANT						
SAP Business Enhancements	50	-	(50)	50	50	-
SAP Work Management	50	-	(50)	50	50	-
LIMS Business Enhancements	105	105	0	105	105	0
Infor Business Enhancements	-	-	-	-	-	-
AMI Software Business Enhancements	10	-	(10)	10	10	-
SAP Enhancement Pack/HANA Upgrades	-	-	-	250	100	(150)
Innovation						
Business Analytics Platform	75	-	(75)	75	65	(10)
SAP Customer Channels Sales Marketing	225	158	(67)	225	225	-
Robotic Process Automation/Machine Learning/AI	25	-	(25)	100	100	-
SAP SQL Upgrade	-	-	-	70	70	-
SAP Monthly Billing	950	500	(450)	950	700	(250)
Cyber Security Enhancements	100	43	(57)	100	100	-
System-Wide Radio Telemetry Unit (RTU) Upgrade	700	657	(43)	700	750	50
SCADA	90	70	(20)	120	120	-
Information Systems	505	312	(193)	905	851	(54)
Miscellaneous Information Systems	255	-	(255)	273	223	(50)
Equipment	400	34	(366)	475	475	-
Miscellaneous Equipment	49	84	35	156	162	6
Miscellaneous 90 Sargent Drive	75	76	1	75	81	6
Prior Year	-	5	5	-	5	5
TOTAL	3,664	2,043	(1,621)	4,689	4,242	(447)
V. CONTINGENCY						
	-	-	-	7,532		(7,532)
TOTAL	17,919	15,208	(2,711)	40,307	32,193	(8,114)
VI. STATE & REDEVELOPMENT PIPE						
	2,500	677	(1,823)	3,000	2,500	(500)
VII. NON-CORE BILLING						
	745	728	(17)	745	745	-
TOTAL	21,164	16,613	(4,551)	44,052	35,438	(8,614)

SCHEDULE D

Investment Earnings Report
Comparison of Investment Rates of Return

Fund Type	Balance @ February 28, 2022	Budgeted Return	Rate of Return February 28, 2022	Rate of Return Fiscal Year to Date
Less than Six Months				
Revenue Investment(A)	\$ 31,728,448	0.15%	0.12%	0.09%
Revenue (B)	6,593,624	0.00%	0.09%	0.08%
Rate Stabilization (A)	10,000,000	0.15%	0.12%	0.09%
Operating Reserve (A)	8,185,679	0.15%	0.12%	0.09%
Operating Reserve (C)	1,500,000	0.15%	0.01%	0.01%
Capital Contingency (A)	5,561,075	0.15%	0.12%	0.09%
Debt Reserve (A)	13,504,980	0.15%	0.12%	0.09%
Debt Reserve (C)	4,559	0.15%	0.01%	0.01%
Debt Service (A)	17,296,307	0.15%	0.12%	0.09%
PILOT (A)	1,499,157	0.15%	0.12%	0.09%
General Fund (A)	13,126,128	0.15%	0.12%	0.09%
Sub-Total	\$ 108,999,957			
Long Term Investments				
Operating Reserve	\$ 500,000	0.15%	0.51%	0.51%
Capital Contingency	500,000	0.15%	0.38%	0.38%
Debt Reserve	7,517,402	0.15%	0.56%	0.55%
Sub-Total	\$ 8,517,402			
Other				
Construction (A)	\$ 76,556,283	0.15%	0.12%	0.09%
Construction (C)	36,084	0.15%	0.01%	0.01%
Growth Fund	5,148,297	0.00%	0.05%	0.05%
Interim Financing	897	0.00%	0.01%	0.03%
Sub-Total	\$ 81,741,561			
Total	\$ 199,258,920			

(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.
Requested transfer of Operating Reserve balance to STIF.

Fund	Budgeted Interest (Cash Basis) as of February 28, 2022	Interest Received (Cash Basis) as of February 28, 2022	(Under)/ Over
Debt Reserve	22,587	22,362	(225)
Operating Reserve	11,260	6,439	(4,821)
Capital Contingency	6,655	4,396	(2,259)
PILOT	2,911	1,845	(1,066)
Debt Service	19,551	11,133	(8,418)
Revenue	14,873	15,836	963
Rate Stabilization	11,525	6,800	(4,725)
General	19,227	8,931	(10,296)
Sub Total	108,589	77,742	(30,847)
Construction	46,522	28,574	(17,948)
Growth Fund	-	2,351	2,351
Interim Financing	-	-	-
Total	155,111	108,667	(46,444)