

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut
or

***Dial in by phone**
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AGENDA

Special Meeting of Tuesday, July 29, 2025 at 12:30 p.m.

1. Call to order
 - 1.1 Safety Moment
2. Public Comment: The time limit granted to each speaker shall be three (3) minutes. Residents and customers may address the Board.
3. Meet as Pension & Benefit Committee (*Special Meeting*): C. LaMarr
 - 3.1 Approve Minutes – April 24, 2025 meeting
 - 3.2 Quarterly Investment Performance Review: S. Kelliher and J. McLaughlin
 - 3.3 401k Annual Update: S. Kelliher and J. McLaughlin
4. Act on matters arising from Committee meeting
5. Consent Agenda
 - 5.1 Approve Minutes – June 26, 2025 meeting
 - 5.2 Capital Budget Authorization - August 2025
 - 5.3 Monthly Financial Report – June 2025
 - 5.4 Accounts Receivable Update – June 2025
 - 5.5 Interim CEO FY 2026 Strategic Priorities
 - 5.6 RWAY/CIS Update
6. RPB Committee meeting reports
7. Business Updates: S. Lakshminarayanan
 - 7.1 Monthly Business Highlights: S. Lakshminarayanan
 - 7.2 *AWA Update: S. Lakshminarayanan and R. Kowalski - *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(b)(5)(A)(B), pertaining to trade secrets and commercial and financial information.*
8. Application – North Branford Tank: V. Benni & O. Kelly - *Upon 2/3 vote, convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) for matters covered by Section 1-210(b)(19)(i)(ii), pertaining to security risk.*
 - 8.1 Review and discuss Application
 - 8.2 Affidavit regarding confidential information within said Application
 - 8.3 Motion for Protective Order for confidential information within said Application
 - 8.4 Protective Order concerning confidential information within said Application for submission to the Representative Policy Board (RPB)
 - 8.5 Possible recommendation to submit Application to the RPB
9. Review Criteria for Strategic Planning Consultant

RPB Member (S. Mongillo) will be excused at item 7.2

**** Members of the public may attend the meeting in person or by conference call. To view meeting documents please visit <https://tinyurl.com/4b4mukzy>. For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com.**

Weekly Safety Topic

July 14, 2025

Title: Beat the Heat



Regional Water Authority

With the increase in temperature this week it is a good idea to refresh on how to “Beat the Heat”. Please look at the following safety tips to help stay cool with the increased temperatures.

Activity/Process

How to minimize the risk:

1. **Be sun smart** - Wear sunscreen, cover your head with a hat, take regular breaks in a shaded area to avoid heat complications, and wear light-colored, loose-fitting clothing.
2. **Wetter is better** – Heat escapes through the skin, the largest organ in the body. So, the more skin you can cool down the better. You can quickly cool down by putting your hands and feet in water, wrists and ankles have lots of pulse points where blood vessels are close to the skin so you will cool down more quickly. Putting a wet or cold compress on your forehead or neck can help as well.
3. **Drink plenty of water** – Avoid caffeine first thing in the morning and make sure you’re drinking water every hour. Sports drinks are great, but water comes out on top as the best hydrator.
4. **Limit your alcohol** – Mixing too much sun with a few too many drinks is not a good idea. Drinking will take a toll on your body and make it harder to stay cool the next day. Alcohol causes dehydration, which can hit especially hard if your body is already struggling to stay cool in the summer. Drinking alcohol can also make it harder to get a good night’s sleep, something that’s already difficult in warmer temperatures.
5. **Eat light meals and eat breakfast** – Stick to light, well-balanced, regular meals—food with high water content like strawberries, cucumber, celery, and lettuce. Skipping breakfast in the morning prolongs the state of dehydration, resulting in a sluggish feeling.

Summary:

Dealing with the summer heat can get quite tricky. Hopefully, the tips mentioned above will help you minimize its impact and avoid heat stress. Remember keeping yourself hydrated, wearing light, comfortable clothes, and taking breaks are key factors to staying cool during the summer. Staying cool while working in the heat can help maintain your energy, keep you focused, and even save your life.

**South Central Connecticut Regional Water Authority
Minutes of the June 26, 2025 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, June 26, 2025, at 90 Sargent Drive, New Haven, Connecticut, and via remote access. Chair Borowy presided.

Present: Authority – Messrs. Borowy, Curseaden, Ricozzi, and Mss. LaMarr and Sack
Management – Mss. Kowalski and Calo(R), and Messrs. Lakshminarayanan, and Hill
RPB – Mr. Havrda
Staff – Mrs. Slubowski

1. CALL TO ORDER

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

1.1 SAFETY MOMENT

He reviewed the Safety Moment distributed to members.

2. PUBLIC COMMENT

Chair Borowy offered the opportunity for members of the public to comment. There were no members of the public present.

3. MEET AS STRATEGIC PLANNING COMMITTEE

At 12:30 p.m., on motion made by Mr. Curseaden and seconded by Mr. Ricozzi, the Authority voted to recess the regular meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At the Strategic Planning Committee, Chair Sack stated it would be appropriate to remove Authority consent agenda items 4.4, *FY 2026 Strategic Plan & Global Metrics*, and Item 4.5, *FY 2020-2025 Strategic Plan Results Report*, to the RWA Strategic Planning Committee agenda. On motion made by Mr. Borowy and seconded by Mr. Ricozzi, the Authority voted to add items 4.4, *FY 2026 Strategic Plan & Global Metrics*, and Item 4.5, *FY 2020-2025 Strategic Plan Results Report*, from the Authority agenda to the Strategic Planning Committee agenda.

At 12:51 p.m., the Authority reconvened.

4. CONSENT AGENDA

On motion made by Mr. Curseaden and seconded by Ms. Sack, the Authority voted to approve, adopt, or receive, as appropriate, the following items in the amended Consent Agenda, as discussed:

4.1 Minutes of the May 22, 2025 meeting

4.2 Capital budget authorization for July 2025

RESOLVED, that the Senior Vice President, Chief Financial Officer & Head of Corporate Development is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$4,500,000 for the month of July 2025 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 2026 for all Capital Improvement Projects to be exceeded. In the absence of the Senior Vice President, Chief Financial Officer & Head of Corporate Development, the Controller is authorized to sign in her place.

4.3 Key Performance Indicators – Q4 FY 2025.

4.4 FY 2026 Strategic Plan & Global Metrics (*moved to Strategic Planning Committee agenda*)

4.5 FY 2020-2025 Strategic Plan Results Report (*moved to Strategic Planning Committee agenda*)

4.6 Accounts Receivable Update for May 2025.

4.7 FY 2026 RPB Weighted Vote Calculation.

4.8 RPB Dashboard Report.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

5. FINANCE

5.1 Fiscal Year-end Financial Report

Ms. Kowalski, RWA's Senior Vice President, Chief Financial Officer & Head of Corporate Development, reviewed the Year-end Financial Report for the fiscal year ended May 31, 2025, which included:

- Balance sheet
- Statement of revenues, expenses, and changes in net position
- Maintenance test year-end projections
- Operating and maintenance key variances
- Capital budget overview
- Investment earnings report

5.2 Allocation of Year-end Revenue Balance

Ms. Kowalski distributed to Authority members a memorandum dated June 20, 2025, regarding "Distribution of Fiscal Year 2025 Revenue Fund Balance and General Fund Balance per Section 404D of the *General Bond Resolution*." She reported on funds available for allocation.

Mr. Ricozzi moved for adoption of the following resolutions:

1. **WHEREAS** the Senior Vice President, Chief Financial Officer & Head of Corporate Development has and will make certain transfers from the Revenue Fund as required by Section 404D of the General Bond Resolution; and

WHEREAS the balance remaining in the Revenue Fund after taking into account such transfers as of year-end is approximately **\$20,324,037** and pursuant to the General Bond Resolution will be deposited to the General Fund.

NOW THEREFORE BE IT HEREBY RESOLVED, that after such transfer is made to the General Fund, the balance of the General Fund is approximately **\$33,330,637**.

2. **WHEREAS**, pursuant to section 410 of the General Bond Resolution, the Authority may apply any moneys in the General Fund to any lawful purpose of the Authority; and

NOW THEREFORE BE IT HEREBY RESOLVED by the Regional Water Authority;

the Senior Vice President, Chief Financial Officer & Head of Corporate Development is hereby authorized and directed to transfer and pay over from the General Fund, **\$16,074,037** to the Construction Fund.

3. **WHEREAS**, pursuant to section 410 of the General Bond Resolution, the Authority may apply any moneys in the General Fund to any lawful purpose of the Authority; and

NOW THEREFORE BE IS HEREBY RESOLVED by the Regional Water Authority;

the Senior Vice President, Chief Financial Officer & Head of Corporate Development is hereby authorized and directed to transfer from the General Fund **\$1,750,000** to the Growth Fund.

Ms. LaMarr seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

5.3 Proposed revisions to FY 2026 Capital Budget Projects and Release of Project Reserves.

Ms. Kowalski described management's request for Authority approval to distribute and carry over the project reserve as follows: 1) \$1,197,272 of project reserve to the Lake Gaillard WTP Clarifiers & Recycle Building, CIS, Enterprise Data Archive, and Trucks, 2) \$1,155,000 for the following projects requiring increased funding: Derby Wellfield Facility Upgrades, Future Regulatory Treatment Compliance, LIMS Upgrades, and Large Tapping Machine, and 3) \$150,000 to the West River Rooftop Air Handling Unit for projects identified in late FY 2054 needing funding in 2026, and 4) \$500,000 for the West River WTP Rooftop Air Handling Unit project carried over from FY 2025.

Management is also requesting approval to carry \$500,000 of the remaining FY 2025 project reserve into FY 2026 capital budget to be held in reserve. Ms. Sack moved for adoption of the following resolution:

RESOLVED: The proposed revision to the Capital Budget for the Authority for the 2026 fiscal year presented to this meeting, including the revised capital improvements plan, for fiscal 2026 through fiscal 2030, is hereby adopted and ordered to be filed, with the records, to U.S. Bank Trust Company, National Association pursuant to Section 614 of the General Bond Resolution.

Authority members stated that for the reasons given, the plan of allocation is logical and makes sense.

Ms. LaMarr seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

5.4 Consider and act on modification to Lead Service Line Resolution to authorize for Interim Funding Obligation and Project Loan Obligation.

Ms. Kowalski noted that the resolutions allow for a project loan obligation and interim financial obligations for lead service line projects. After discussion, Mr. Ricozzi moved for approval of the following resolutions:

WHEREAS, on August 22, 2024, the Authority adopted (the “Authority Resolution”) and on September 26, 2024, the Representative Policy Board approved the resolutions (the “RPB Resolution” and together with the Authority Resolution, the “Resolutions”) which established the general terms and provisions of the Authority’s bonds which may be issued as project loan obligations in one or more series delivered to the State of Connecticut (the “State”) in the aggregate principal amount not to exceed \$8,500,000 (the “Bonds”) or so much as may be necessary after deducting grants or other sources of funds available therefore to (i) finance or refinance the cost of planning and efforts associated with inventory development for certain capital improvements to the water system of the Authority related to the Lead Service Line-Planning Project; (ii) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (iii) to pay costs of issuance (the “Lead Service Line-Planning Project”). The Resolutions also provided that it is expected that the Authority will receive grant funding in the amount of 75% of the contract cost of the Lead Service Line-Planning Project, but not exceeding \$5,000,000: and

WHEREAS, the Authority Resolution further provided that temporary notes of the Authority, which may be issued as Interim Funding Obligations delivered to the State of Connecticut, may be issued by the Authority in the amount of \$8,500,000 in anticipation of the receipt of the proceeds from the sale of such Bonds or project loan obligations; and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s one or more interim funding obligations (the “IFO”) and Bonds issued as a project loan obligation each, as the case may be, to be delivered to the State for the Lead Service Line-Planning Project (the “PLO”) in one or more series and approve the Project Loan and Subsidy Agreement by and between the State and the Authority related to the Lead Service Line-Planning Project (the “Loan Agreement”).

NOW THEREFORE, BE IT RESOLVED, that the President/Chief Executive Officer and the Senior Vice President, Chief Financial Officer and Head of Corporate Development or any one of them may apply to the State Department of Public Health for eligibility and funding of the Lead Service Line-Planning Project and sign such applications and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the Lead Service Line-Planning Project from the State’s Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed; and

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and President/Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development be authorized (i) to issue, sell and deliver the IFO and PLO in a total amount not to exceed \$8,500,000, and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of the IFO and PLO, pursuant to the Act and the Water System Revenue Bond Resolution, as amended and supplemented (the “General Bond Resolution”) or any other provisions of law thereto enabling; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the supplemental resolution authorizing the issuance of the IFO (the “IFO Supplemental Resolution”) substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President/Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development shall deem advisable and which shall be as set forth in one or more Certificates of Determination attached thereto; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the supplemental resolution authorizing the issuance of the PLO (the “PLO Supplemental Resolution”) substantially in the form attached hereto as Exhibit B, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President/Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development shall deem advisable and which shall be as set forth in one or more Certificates of Determination attached thereto; and

BE IT FURTHER RESOLVED, that for the purposes of providing to the Authority the loan and grant from the State, the Authority hereby approves the Loan Agreement substantially in the form as the President/Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon; and

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, President/Chief Executive Officer and Senior Vice President, Chief Financial Officer and Head of Corporate Development, or any one of them, are hereby authorized to execute and deliver such documents as may be necessary or desirable to issue and deliver the IFO and PLO, including but not limited to, the Loan Agreement, and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale and delivery of the IFO and PLO as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination; and

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, President/Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development, or any one of them are hereby authorized to accept such grants from the State for the Lead Service Line-Planning Project as set forth in the Loan Agreement and to apply the proceeds of the grant to the Lead Service Line-Planning Project, as applicable.

Authority members noted that the interim funding obligation presents an opportunity for funds to be utilized more effectively as it allows for lower borrowing rates and can facilitate project closeout by ensuring the grant is accessed incrementally, reducing the need for larger loans.

Mr. Curseaden seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

6. RPB COMMITTEE MEETING ASSIGNMENTS AND REPORTS ON RPB COMMITTEE MEETINGS

Authority members reported on recent Representative Policy Board committee meetings.

7. BUSINESS UPDATES

7.1 MONTHLY BUSINESS HIGHLIGHTS

Mr. Lakshminarayanan, the RWA's Interim President & Chief Executive Officer:

- Reported that leadership team members met with individual departments and/or divisions, via town halls to review metrics and discuss feedback on initiatives and global metrics, as discussed at the Strategic Planning Committee meeting earlier.
- Highlighted that the acquisition of 24 acres of property in Madison is completed and was supported by a grant.
- Reported on the RWA's collaboration with ClimateHaven to develop a water innovation hub on the East Coast, focusing on technologies such as lead pipe detection and water quality testing. Invitations for RFPs for technology proposals are underway and ClimateHaven will provide the RWA with a presentation of some potential startup companies for consideration.
- Provided an update on the recent Customer Information System, including challenges. He stated that although the system is operational there are still defects yet to be worked. Training is ongoing with improvement expected by July or August.

Mr. Lakshminarayanan provided an update on unaccounted for water. He reviewed the Infrastructure Leakage Index for reporting water loss, which aligns with industry standards.

8. MEET AS COMMERCIAL BUSINESS COMMITTEE

At 2:57 p.m., on motion made by Ms. LaMarr and seconded by Ms. Sack, the Authority voted to recess the regular meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 4:12 p.m., the Authority reconvened and Mr. Havrda withdrew from the meeting.

9. ACT ON MATTERS ARISING FROM COMMITTEE MEETINGS

There were no actions arising from Committee meetings.

10. LAND DISPOSITION APPLICATION – 233 SKIFF STREET, HAMDEN, CT

Mr. Curseaden moved for approval of the following resolutions:

RESOLVED that the Authority hereby accepts the Application for Disposition of 0.32 acres located at 233 Skiff Street in Hamden that is part of Land Unit HA 9A, as a completed application, substantially in the form submitted to this meeting, and authorizes filing said application with the Representative Policy Board; and

FURTHER RESOLVED, if approved by the Representative Policy Board, the Interim CEO is authorized to take any and all actions necessary to complete the transfer interest in real estate.

Ms. Sack seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 4:13 p.m., on motion made by Ms. LaMarr, and seconded by Ms. Sack, the Authority voted unanimously to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Respectfully submitted,

Catherine E. LaMarr, Secretary

(R) = Attended Remotely.

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
Catherine E. LaMarr
Mario Ricozzi
Suzanne C. Sack


FROM: Rochelle Kowalski
Senior Vice President, Chief Financial Officer & Head of Corporate Development

DATE: July 23, 2025

SUBJECT: Capital budget authorization request for August 2025

Attached for your meeting on July 29, 2025, is a copy of the resolution authorizing expenditures against the capital improvement budget for August 2025. The amount of the requested authorization, for funds held by the trustee, is \$4,500,000.

This would result in projected expenditures through August 2025 of \$12,941,951 or approximately 20.1% of the total 2026 fiscal year capital budget, including State and Redevelopment.

Attachment

RESOLVED

That the Senior Vice President, Chief Financial Officer & Head of Corporate Development is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$4,500,000 for the month of August 2025 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 2026 for all Capital Improvement Projects to be exceeded. In the absence of the Senior Vice President, Chief Financial Officer & Head of Corporate Development, the Controller is authorized to sign in her place.

REGIONAL WATER AUTHORITY
REVIEW OF FINANCIAL DATA
June 30, 2025 (FY 2025)

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY26 revenue for water, including wholesale and fire service, is over budget by \$16k (approx. 0.1%).
Metered water revenue is under budget by \$2k (approx. 0.02%)

Total net other revenue is \$104k over budget due to other proprietary expenses being lower than budget.

Operating Expenses

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

	Jun-25
Payroll is under budget primarily due to head count under runs.	\$ (86,000)
General & Admin is over budget due to primarily due to timing.	80,000
Pump Power is under budget primarily due to timing.	(236,000)
Chemicals Expense is over budget due to primarily due to timing.	67,000
Collection Expense is under budget primarily due to timing.	(70,000)
Insurance Premiums are over budget due to primarily due to timing.	162,000
Outside Services is under budget primarily due to timing.	(311,000)
Maintenance & Repairs are under budget primarily due to timing.	(131,000)
All Other	<u>(290,000)</u>
Interest Income	(815,000)

Interest Income is above budget primarily 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 JUNE 30, 2025**

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	FY 2025 Actual	FY 2026 Budget	FY 2026 Actual	(Under)Over Budget
Operating revenues				
Metered water revenues	\$ 10,066	\$ 11,283	\$ 11,280	\$ (2)
Fire service	1,134	1,188	1,194	6
Wholesale	98	81	93	12
Other revenue - water	449	356	226	(130)
Other revenue - proprietary	1,010	1,440	1,398	(42)
Total operating revenues	<u>12,758</u>	<u>14,347</u>	<u>14,192</u>	<u>(156)</u>
Operating expenses				
Operating and maintenance expense	4,846	6,470	5,655	(815)
Expense associated with other revenue - water	259	192	136	(55)
Expense associated with other revenue - proprietary	334	747	526	(221)
Provision for uncollectible accounts		42	10	(32)
Depreciation and amortization	2,025	2,229	2,229	0
Payment in lieu of taxes	785	816	816	0
Amortization Pension Outflows/Inflows	52	183	183	0
Amortization OPEB Outflows/Inflows	(81)	(7)	(7)	0
Total operating expenses	<u>8,220</u>	<u>10,671</u>	<u>9,548</u>	<u>(1,123)</u>
Operating income	<u>4,538</u>	<u>3,677</u>	<u>4,643</u>	<u>968</u>
Nonoperating income and (expense)				
Interest income	962	649	811	163
(Loss) Gain on disposal of assets			-	-
Realized and unrealized (losses) gains on investments			-	-
Interest expense	(1,849)	(1,853)	(1,826)	28
Amortization of bond discount, premium, issuance cost and deferred losses	234	242	239	(3)
Amortization of Goodwill			-	-
Intergovernmental revenue			-	-
Contributions to related entities			-	-
Total nonoperating income and (expense) before capital contribution	<u>(653)</u>	<u>(963)</u>	<u>(775)</u>	<u>188</u>
Income (expense) before contributions	<u>3,885</u>	<u>\$ 2,713</u>	<u>3,868</u>	<u>\$ 1,156</u>
Capital contributions				
Change in net assets	<u>3,885</u>		<u>3,868</u>	
Total net assets - beginning of fiscal year	<u>318,659</u>		<u>357,337</u>	
Total net assets - end of reporting month	<u>322,544</u>		<u>\$ 361,205</u>	

	Budget	Projected	(Under)Over
FY 2025 MAINTENANCE TEST	FY 2026	FY 2026	FY 2026
(Budget vs. Projected)	@114%	@114%	@114%
Revenue Collected:			
Water sales	135,906	135,906	-
Interest Income	3,658	3,658	-
BABs Subsidy	616	\$ 616	-
Other Net	9,759	9,759	-
Common Non-Core	(300)	(300)	-
Total	<u>149,639</u>	<u>149,639</u>	<u>-</u>
Less:			
Operating and maintenance expenses	(74,062)	(74,062)	-
Depreciation	(10,750)	(10,750)	-
PILOT (A)	(9,623)	(9,623)	-
Net Avail for Debt Service (B)	<u>\$ 55,204</u>	<u>\$ 55,204</u>	<u>\$ -</u>
Debt Service Payments (C)	<u>\$ 47,494</u>	<u>47,494</u>	<u>\$ -</u>
Debt Service @ 114% (D)	<u>\$ 54,143</u>	<u>54,143</u>	<u>\$ -</u>
Difference (B-D)	<u>\$ 1,061</u>	<u>\$ 1,061</u>	
RSF, Growth and/or General Fund (D)	-		
Coverage	<u>116%</u>	<u>116%</u>	

**REGIONAL WATER AUTHORITY
OPERATING AND MAINTENANCE EXPENSE
JUN 30, 2025**

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<u>PERIOD ENDING JUN 30, 2025</u>				
	FY 2025	FY 2026	FY 2026	(Under)
	Actual	Budget	Actual	Over
1 Payroll	\$ 2,001	\$ 2,287	\$ 2,201	\$ (86)
2 Employee Benefits	706	812	779	(34)
Pension Contributions	241	220	220	0
3 Administrative Building	91	131	88	(44)
4 General & Administrative	170	128	209	80
5 Transportation	52	86	62	(24)
6 Tools & Stores	25	34	25	(9)
7 Utilities & Fuel	108	179	149	(30)
8 Material From Inventory	19	31	36	5
9 Pump Power Purchased	279	572	336	(236)
10 Chemicals	266	289	356	67
11 Road Repairs	13	27	9	(18)
14 Postage	(0)	63	60	(3)
15 Printing & Forms	2	6	1	(6)
17 Collection Expense	58	99	29	(70)
18 Business Improvement	12	55	47	(8)
19 Public/Customer Information	3	11	8	(2)
20 Outside Services	260	478	167	(311)
21 Insurance Premiums	153	176	337	162
22 Worker's Compensation, pre-Churchill	5	3	5	1
23 Damages	1	6	2	(5)
24 Training & Cont. Education	9	36	14	(22)
25 Authority Fees	15	15	4	(11)
26 Consumer Counsel	5	5	4	(1)
27 RPB Fees	12	21	22	1
28 Organizational Dues	11	10	5	(5)
29 Donations	2	3	-	(3)
34 Central Lab/Water Quality	6	38	(8)	(47)
40 Environmental Affairs	12	19	9	(10)
44 Info. Technology Licensing & Maintenance Fees	139	326	309	(17)
45 Maintenance and Repairs	150	284	153	(131)
46 Regulatory Asset Amortization	19	19	19	0
	<u>\$ 4,846</u>	<u>\$ 6,470</u>	<u>\$ 5,655</u>	<u>\$ (815)</u>

South Central Regional Water Authority

Analysis of Accounts Receivable ("A/R")

(\$000 omitted)

Total Accounts Receivable Aging (in days)

	June 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Aug 2024	July 2024	June 2024 (Note 1)
Under 30	7,165	\$ 9,489	\$ 7,090	\$ 7,647	\$ 6,905	\$ 6,376	\$ 5,783	\$ 7,750	\$ 6,623	\$ 7,906	\$ 6,780	\$ 6,741	\$ 8,290
31-60	1,958	1,039	1,897	1,904	1,365	1,425	1,562	1,703	1,894	1,758	1,274	1,461	1,775
61-90	1,067	664	942	610	611	735	675	808	624	617	840	547	715
91-180	1,486	1,038	1,218	1,074	1,119	1,078	1,156	1,058	1,028	1,022	902	1,038	1,128
181-360	1,166	974	1,065	1,027	980	964	968	910	1,033	1,096	1,208	1,153	1,170
More than 1 year	3,071	2,929	3,077	3,209	3,253	3,306	3,432	3,504	3,423	3,477	3,758	3,476	3,530
Sub Total	15,913	16,133	15,289	15,471	14,233	13,884	13,576	15,733	14,625	15,876	14,762	14,416	16,608
Interest due	1,192	1,231	1,378	1,382	1,479	1,510	1,454	1,524	1,524	1,558	1,574	1,598	1,609
Total Gross A/R plus interest *****	\$ 17,105	\$ 17,364	\$ 16,667	\$ 16,853	\$ 15,712	\$ 15,394	\$ 15,030	\$ 17,257	\$ 16,149	\$ 17,434	\$ 16,336	\$ 16,014	\$ 18,217

Aged Accounts Receivable Focus of Collection Efforts

	June 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Aug 2024	July 2024	June 2024 (Note 1)
Greater than 60 days:													
A/R	\$ 7,982	\$ 6,767	\$ 7,533	\$ 7,135	\$ 7,266	\$ 7,408	\$ 7,492	\$ 7,625	\$ 7,439	\$ 7,577	\$ 8,095	\$ 7,613	\$ 7,952
Less: Multi-Tenants	(1,692)	(1,470)	(2,357)	(1,571)	(1,616)	(1,619)	(1,563)	(1,478)	(1,417)	(1,469)	(1,482)	(1,423)	(1,633)
Receiverships***	(1,556)	(1,120)	(1,741)	(1,723)	(1,776)	(1,891)	(1,952)	(2,002)	(2,040)	(1,824)	(2,120)	(2,175)	(2,198)
Liens	(1,962)	(1,951)	(1,500)	(2,069)	(2,024)	(1,937)	(1,842)	(1,865)	(1,911)	(1,929)	(2,058)	(1,789)	(1,696)
Total	\$ 2,772	\$ 2,226	\$ 1,935	\$ 1,772	\$ 1,850	\$ 1,961	\$ 2,135	\$ 2,280	\$ 2,071	\$ 2,355	\$ 2,435	\$ 2,226	\$ 2,425
	35%	33%	26%	25%	25%	26%	28%	30%	28%	31%	30%	29%	30%

Collection Efforts

	June 2025	May 2025	Apr 2025	Mar 2025	Feb 2025	Jan 2025	Dec 2024	Nov 2024	Oct 2024	Sept 2024	Aug 2024	July 2024	June 2024 (Note 1)
Shuts *	\$ -	\$ -	\$ -	\$ -	\$ 8	\$ 37	\$ 31	\$ 33	\$ 55	\$ 51	\$ 63	\$ 49	\$ 57
Red Tags **	-	-	-	-	5	6	-	-	-	-	-	-	-
Receivers	6	26	25	-	38	82	27	46	95	53	114	81	55
Top 100 Collection Calls	-	444	190	318	394	108	-	-	-	-	-	-	-
Other ⁽¹⁾	724	434	723	390	626	958	948	842	1,017	988	829	978	810
Total	\$ 730	\$ 904	\$ 938	\$ 708	\$ 1,071	\$ 1,191	\$ 1,006	\$ 921	\$ 1,167	\$ 1,092	\$ 1,006	\$ 1,108	\$ 922

* Number of shuts

** Number of Red tags

CEO Priorities for Fiscal Year 2026

Strategic Priority	Strategic Goal	KPIs	Outcomes for the Business
AWA TRANSACTION	<i>Continue to share leadership of the AWA transaction with Board Chair and CFO.</i>	<ul style="list-style-type: none">Ensure development and support integration planning to meet Day 1 requirements as well as Day 1 + 30 and beyond.If all regulatory approvals are met, ensure timely stakeholder engagement with AWA & RWA town CEOs.Engage in onboarding new board members to expanded Authority board and AWA RPB.Ensure timely formation and leadership of top management organization shared by the two public water authorities.	<ul style="list-style-type: none">Leverage and build upon broader regional water supply strategy.Operational efficiencies and improved economies of scale.Access to wider customer base for commercial offerings to mitigate water rate increases.Access to a deep and talented pool of water industry professionals living within the region.
BOARD RELATIONS	<i>Communicate effectively and fully with the boards to sustain positive, productive working relationships.</i>	<ul style="list-style-type: none">Maintain regular and transparent communication with board members.Encourage open dialogue and feedback between board members and management.Build new and strengthen existing relationships with Authority board, RPB and OCA.	<ul style="list-style-type: none">Effective, clear and timely board communications on present and future matters.Transparent, productive working relationships with current and new Authority and RPB members and Consumer Counsel.Board meetings are well-structured, efficient and effective with clear agendas and objectives.
COMMERCIAL GROWTH	<i>Expand and diversify our commercial business service capabilities to build on the company's progress with existing programs, capitalize on new opportunities, and boost revenue to offset prospective water rate increases and invest in the core utility.</i>	<ul style="list-style-type: none">Secure at least \$22M in net revenue for FY26.Ensure 3–5-year plan is underway to achieve \$50M through pursuit of organic and inorganic opportunities.	<ul style="list-style-type: none">Opportunity to leverage core utility commercial assets, customer relationships and distinct capabilities to deliver commercial business growth.Growth in revenue to offset prospective water rate increases and invest in core utility.
FINANCIAL HEALTH	<i>Ensure the continued financial health and stability of the organization through disciplined fiscal management, strong financial policies and planning, and prudent budgeting practices.</i>	<ul style="list-style-type: none">Meet \geq 118% coverage.Exceed ARC for pension fund.Certify \geq 96% capital budget.	<ul style="list-style-type: none">Flexibility in year-end disposition to benefit Construction Fund.Heightened focus on financial planning; prudent cost management.Bolster financial strength to support increasing capital improvements.
LEADERSHIP DEVELOPMENT	<i>Develop members of the Leadership Team for greater efficacy and to lead and inspire the next chapter of the RWA's transformation and growth.</i>	<ul style="list-style-type: none">Build a culture of transparency, support and trust.Conduct 2 annual executive assessments.	<ul style="list-style-type: none">Enhanced leadership behaviors to support change, transformation and workplace culture.Better efficiency and effectiveness of operations, processes and decision making; challenging the status quo.
WATER SYSTEM NEEDS	<i>Implement key improvements to our utility's operations, infrastructure, engineering and resources to meet our responsibilities to our customers and community stakeholders.</i>	<ul style="list-style-type: none">Ensure 100% compliance with drinking water standards; 0 violations of water quality standards issue by state health regulators.Advance innovative R&D efforts including patents for PFAS and new processes and technologies for water quality and unaccounted for water.Ensure on-time execution of next phase of lead service line work plan, including efforts to reduce capital spend.	<ul style="list-style-type: none">Improved public health and safety.Innovative water strategies and technologies to maintain compliance with drinking water standards and water loss.
WORKPLACE CULTURE	<i>Focus on workplace culture and STARS values to retain, grow and attract the best talent while increasing the overall engagement and diversity of the organization.</i>	<ul style="list-style-type: none">Maintain 10% or less competitive turnover rate.Execute next phases of staffing efficiency initiative started in FY25 to ensure we have the right resources to efficiently and effectively complete work.Ensure continuation of effective succession planning with a focus on the transfer of institutional knowledge.	<ul style="list-style-type: none">An accountable workforce comprised of employees who are productive, united and empowered.A high-performance service culture that delivers excellent internal and external service.

CIS/RWAY Post Go-Live stabilization



CIS/RWAY Project Health Indicators

Schedule	✓	April 2025 Go-Live	Capital Budget	✓	\$16.01M	Capital Spend	✓	\$15.80 M	Scope	✓	+ Omni-Channel
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Accomplishments

- Successful Project RWAY Go-Live. Wrapping up stabilization phase.
- Successfully implemented UMAX Service Pack 3 Release.
- All 17 billing cycles completed and successfully sent to customers.
- **Collections Release implemented on June 1, 2025. Collection Letters started on July 3rd and shut process will start as planned on July 21st.**
- Continued OCM/Business touchpoints on Post go-live/Stabilization activities.
- TopDesk (replaced ALM tool for defects/tickets) transition completed

Decisions, Risks & Issues

- Key Decision(s) – Completed June month end close with challenges.
- Key Risks – 7 prioritized tickets -Work is in progress by Itineris. Mitigation Plans underway(includes workspaces, omni channel improvements)
- Key Issues – Making progress on outstanding Financial Reports by Itineris & finance team. Plan is to complete audit requirements followed by reports automation.

Current Activities

- RWAY post go-live/steady state team supporting all departments across customer care, finance, new contracts, operations and commercial businesses.
- Continued internal and customer communications addressing improvements
- Continued prioritization and disposition of defects fixes
- **Completed draft project closure deliverable. Review is in Progress**

Next Steps:

- Continued Customer Communications via many channels
- Complete Stabilization Phase and Project Closure Documentation
- **Planning and Preparation of Service Pack 4 major release**

RPB COMMITTEE MEETINGS

Month	Meeting	Will Attend
July 2025	<i>Finance Committee</i> Monday, July 7 at 5:00 p.m.	Kevin
	<i>Land Use Committee</i> Wednesday, July 9 at 5:30 p.m. <i>(Bis property, Roaring Brook Road, Cheshire)</i>	Not assigned
	<i>Consumer Affairs Committee</i> Monday, July 21 at 5:30 p.m.	Catherine
	<i>Executive Committee</i> Wednesday, July 16 at 5:00 p.m.	N/A
August 2025	<i>Finance Committee</i> Monday, August 11 at 5:00 p.m.	Suzanne
	<i>Land Use Committee</i> Wednesday, August 13 at 5:30 p.m. <i>(TBD)</i>	Mario
	<i>Consumer Affairs Committee</i> Monday, August 18 at 5:30 p.m.	Catherine
September 2025	<i>Finance Committee</i> Monday, Sept. 8 at 5:00 p.m.	Suzanne
	<i>Land Use Committee</i> Wednesday, Sept. 10 at 4:30 p.m. <i>(TBD)</i>	Catherine
	<i>Consumer Affairs Committee</i> Monday, Sept. 15 at 5:30 p.m.	Kevin