

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

or

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Phone conference ID: 637 561 160#

AGENDA

Regular Meeting of Monday, January 13, 2025 at 5:00 p.m.

1. Safety Moment
2. Approval of Minutes - December 9, 2024 meeting
3. Consider and act on retention of third-party professional to prepare compensation study for the Five Member Authority compensation
4. Quarterly Financial Report: R. Kowalski
5. RPB Quarterly Dashboard Report – FY 2025 Q2
6. Finance Committee Members Attendance at Regional Water Authority Meetings on: Thursday, February 27; Thursday, March 27; Thursday, April 24; and Thursday, May 22
7. New Business
8. Next regular meeting on February 10, 2025 at 5:00 p.m.
9. Adjourn

****Members of the public may attend the meeting in person or via remote access using instructions at the top of the agenda. To view meeting documents, please visit <https://tinyurl.com/3dybtwy8>. For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com**

SAFETY MOMENT

JANUARY – Safety at Home

Extreme cold is generally defined as a prolonged period of excessively cold weather. Extreme cold conditions are often, but not always, part of winter storms.

Prepare for cold weather:

- Make sure your home is well insulated
- Check battery powered equipment and stock extra batteries
- Keep emergency heating equipment available
- Stock an extra supply of food/water
- Insulate water pipes
- Stay indoors during extreme cold
- Move pets indoors
- Wear loose, layered clothing
- Check heating supply

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

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

MINUTES

Regular Meeting of Monday, December 9 2024 at 5:00 p.m.

Committee Present: Vincent M. Marino, Tom Clifford, Jay Jaser, Tim Slocum(R), Michelle Verderame(R), and Jamie Mowat Young(R)

RPB: Robert E. Harvey, Jr.(R), Naomi Campbell(R), James X. DiCarlo(R), and Charles Havrda(R)

FMA: David Borowy(R) and Mario Ricoszi(R)

Management: Rochelle Kowalski, Sunny Lakshminarayanan, and Jim Hill(R)

OCA: Jeffrey Donofrio

Staff: Jennifer Slubowski

Chair Marino called the meeting to order at 5:00 p.m.

On motion made by Mr. Clifford and seconded by Mr. Jaser, the Committee voted to approve the minutes of its November 4, 2024 meeting.

Chair Marino stated it would be appropriate to convene in executive session to discuss Authority member compensation. Before going into executive session he acknowledged Mr. Borowy, Chair of the Five Member Authority ("FMA"), who provided comments related to increased workload, job changes, considerations, and adjustments.

Mr. Ricoszi, FMA member, also commented on time spent doing research related to PFAS, lead and copper, etc. He also asked for the Finance Committee's consideration of future and upcoming responsibilities related to possible acquisition and growth of the FMA.

After discussion, at 5:09 p.m., Messrs. Borowy and Ricoszi withdrew from the meeting and on motion made by Mr. Jaser and seconded by Ms. Young, the Committee voted unanimously to convene in executive session to pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(2), pertaining to personnel. Present in executive session were Committee members, Messrs. Harvey, DiCarlo, Havrda, Lakshminarayanan, Hill and Atty Donofrio, and Mss. Campbell, Kowalski, and Slubowski.

At 5:57 p.m., the Committee came out of executive session.

On motion made by Mr. Clifford, and seconded by Mr. Slocum, the Committee voted unanimously to recommend to the Representative Policy Board an increase of \$1,500 per year for members of the FMA.

At 5:58 p.m., Messrs. Borowy and Ricoszi entered the meeting.

Chair Marino reviewed the Safety Moment distributed to members.

The Committee reviewed the FY 2026 budget schedule. After consideration, the Committee set its meeting to review the proposed FY 2026 budget with management on April 7, 2025 at 5:00 p.m., via hybrid. After discussion, it was the consensus of the Committee that members would receive copies of the budget electronically unless they contacted the board office to request a paper copy.

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

- Lake Gaillard Water Treatment Plant (LGWTP) Clarifier, Recycle Pump Station, and Concrete Restoration
- LGWTP HVAC and Electrical Improvements
- Lake Whitney Dam & Spillway Improvements Phase I – Initial Design Project
- Customer Information System
- Derby Wellfield Facility Chemical Improvements
- Lake Whitney Water Treatment Plant Chemical Feed Improvements

There was no new business to report.

The next meeting of the Finance Committee is on Monday, January 13, 2025 at 5:00 p.m., via hybrid.

At 6:10 p.m., on motion made by Mr. Clifford and seconded by Mr. Jaser, the Committee voted unanimously to adjourn the meeting.

Vincent M. Marino, Chair

(R) = Attended remotely.

UNAPPROVED

**Representative Policy Board
Dashboard Metric - 2Q FY25**

Metrics	Quarter ended 11/30/23 (2Q FY 2024)	Quarter ended 5/31/24 (4Q FY 2024)	Quarter ended 8/31/24 (1Q FY 2025)
Financial Metrics			
<i>Coverage</i>	Budget: 1.14 w/o draw	Budget: 1.14 w/o draw	Budget: 1.14 w/o draw
	Projected: 1.16 w/o draw	Projected: 1.34 w/o draw	Projected: 1.17 w/o draw
<i>Draw Requirement</i>	Budget: \$0 million	Budget: \$0 million	Budget: \$0 million
	Projected: \$0 million	Projected: \$0 million	Projected: \$0 million
<i>Capital Expenditures to Budget (Note 1)</i>	Budget: \$52.520 million	Budget: \$44.876 million	Budget: \$55.791 million
	Result: \$17.021 million/32.43% of total fiscal year budget	Result: \$43.728 million/97.4% of total fiscal year budget	Result: \$9.207 million/16.5% of total fiscal year budget
<i>Aged Account Receivables - Total Water (Note 2)</i>	Feb 2020: \$6,659,551	Feb 2020: \$6,659,551	Feb 2020: \$6,659,551
	Nov. 2023 : \$6,744,597 (1.3%)	May. 2024 : \$5,552,139 (-16.6%)	Aug. 2024 : \$5,384,765 (-19.1%)
<i>Aged Account Receivables - Residential (Note 2)</i>	Feb 2020: \$5,833,160	Feb 2020: \$5,833,160	Feb 2020: \$5,833,160
	Nov. 2023 : \$6,353,667 (+8.9%)	May 2024 : \$5,213,602 (-10.6%)	Aug. 2024 : \$5,092,672 (-12.7%)
<i>Pension Market Values (Note 3)</i>	Nov 2023 Mkt. Value \$69,091,124	May 2024 Mkt. Value \$75,327,269	Aug 2024 Mkt. Value \$78,836,659
	Sept. 2023 Mkt. Value: 66,646,763	March 2024 Mkt. Value \$75,224,237	June 2024 Mkt. Value \$75,780,869
	Sept Return: 3.49% Cal/.17% Fiscal	May Return: 13.87% Fiscal	June Return: 5.68%Cal/2.53% Fiscal
	Actuarial Return Assumption: 6.75%	Actuarial Return Assumption: 6.75%	Actuarial Return Assumption: 6.75%
System Metrics			
<i>Average Daily Production (Draft) to Budget (MGD)/Prior Year (MGD)</i>	Prior Year: 48.344 MGD	Prior Year: 43.680 MGD	Prior Year: 49.111 MGD
	Result: 45.669 MGD	Result: 42.322 MGD	Result: 50.477 MGD
<i>Disinfection By-products</i>	Target: 100%	Target: 100%	Target: 100%
	Result: 100%*	Result: 100%*	Result: 100%*
	* As of Sept, 2023, updated	* As of March, 2024 updated	* As of June, 2024 updated

**Representative Policy Board
Dashboard Metric - 2Q FY25**

Metrics	Quarter ended 11/30/23 (2Q FY 2024)	Quarter ended 5/31/24 (4Q FY 2024)	Quarter ended 8/31/24 (1Q FY 2025)
<i>Net Unaccounted For Water</i>	Target: 10.0%	Target: 10.0%	Target: 10.0%
<i>(annualized)</i>	Result: 11.41% net for the annualized	Result: 13.12% net for the annualized	Result: 12.22% net for the annualized
	period of Sept 2022 to Aug 2023	period of March 2023 to February 2024	period of June 2023 to May 2024
<i>Service Disruptions (Notes 4 and 5): Due to Main Breaks</i>			
<i>Number of Disruptions</i>	Result: 10	Result: 9	Result: 6
<i>Number of Customers Impacted</i>	Result: 140	Result: 101	Result: 180
<i>Avg. Period Customers are w/o Water (hrs.)</i>	Target: 6	Target: 6	Target: 6
	Result: 3.63	Result: 4.03	Result: 4.91
<i>Water Quality (Note 5): Discolored Water - System/Hydraulics</i>			
<i>Number of Complaints</i>	Result: 154	Result: 158	Result: 148

Notes:

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

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

TO: RPB Finance Committee Members

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

FROM:  Rochelle Kowalski

DATE: January 9, 2025

SUBJECT: Quarterly financial statements for fiscal year 2025 (ending May 31, 2025)

Attached are the following financial reports regarding the second quarter of fiscal year 2025. i.e., the quarter ended November 30, 2024:

- Statements of net position as of November 30, 2024 and November 30, 2023;
- Schedule A-1 & A-2: Statements of revenues, expenses and changes in net position as of November 30, 2024, 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 2024 through November 24. For the remainder of fiscal year 2025, 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 "Six months Ended November 30, 2024"

The figures shown present June to November 2024 as well as comparative budget vs. actual results for the six months ended November 30, 2024.

Section of page entitled "Year Ending May 31, 2025"

The "budget" column is the budget for fiscal year 2025, as approved by the Five-Member Authority.

Assumption 1

The column labeled *Assumption 1* presents earned metered water revenues that reflect six months (June through November 2024) of consumption and six months of budgeted consumption for (December 2024 through May 2025).

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

Assumption 2

The column labeled *Assumption 2* projects consumption for the months of December 2024 through May 2025 at 5% below budget. Operating expenses for "pump power" and chemicals for these same months are adjusted to reflect the 5% decrease.

Assumption 3

The column labeled *Assumption 3* projects consumption for the months of December 2024 through May 2025 at 5% above budget. Operating expenses for "pump power" and chemicals for these same months are adjusted to reflect the 5% increase.

Section of page entitled "Maintenance Test"

The maintenance test reflects the same three assumptions described above except that water sales are not accrued revenue, but cash collections from June through November 2024, plus projected cash collections for December 2024 through May 2025. 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 second quarter of fiscal year 2025, as well as projections for December 2024 through May 2025 under the three assumptions presented above.

Schedule C: Capital Budget Report

This schedule shows capital expenditures for June through November 2024, as well as projections for the full fiscal year 2025.

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 NOVEMBER 30, 2024 AND 2023**

	<u>FY 2025</u>	<u>FY 2024</u>	<u>Y/Y Variance</u>		<u>FY 2025</u>	<u>FY 2024</u>	<u>Y/Y Variance</u>
Assets				Liabilities and Net Assets			
Utility plant				Liabilities			
Property, plant and equipment in servi	1,023,424,862	988,732,876	34,691,986	Revenue bonds payable, less current portion	457,200,000	483,285,000	(26,085,000)
Accumulated depreciation	(463,493,891)	(438,885,608)	(24,608,283)	Net premiums and discounts from revenue bonds pay	38,432,781	41,844,765	(3,411,984)
Utility plant in service	559,930,970	549,847,268	10,083,702	DWSRF loans payable, less current portion	35,442,153	24,498,873	10,943,280
Land	28,172,373	28,038,091	134,282	Net pension liability	11,622,449	17,949,051	(6,326,602)
Construction work in progress	52,007,857	30,707,017	21,300,840	Net OPEB obligation	16,145,432	15,716,868	428,564
Total utility plant, net	640,111,201	608,592,376	31,518,825	Lease Liability	102,816	90,065	12,751
Nonutility land, at cost	65,847,546	65,474,263	373,283	SBITA Liability	3,221,293	4,319,734	(1,098,441)
Goodwill	13,536,265	10,444,751	3,091,514	Total noncurrent liabilities	562,166,924	587,704,356	(25,537,432)
Current assets				Current liabilities			
Cash and cash equivalents	55,775,429	56,002,525	(227,096)	Current portion of revenue bonds payable	24,930,000	23,905,000	1,025,000
Investments	-	-	-	Current portion of DWSRF loans payable	2,074,225	1,489,880	584,345
Accounts receivable, less allowance for doubtful accounts	12,631,946	13,456,771	(824,824)	Accounts payable	8,261,513	3,618,235	4,643,278
Accrued revenue	11,083,068	10,888,243	194,825	Notes payable	3,400,500	50,500	3,350,000
Accrued interest receivable	388,452	230,148	158,304	Customer deposits and advances	1,909,754	1,624,833	284,921
Materials and supplies	3,467,398	3,026,875	440,523	Current Lease Liability	38,646	29,505	9,141
Prepaid expenses and other assets	4,039,013	2,836,979	1,202,035	Current SBITA Liability	1,296,063	1,669,511	(373,448)
Total current assets	87,385,307	86,441,540	943,767	Other accrued liabilities	11,529,088	7,882,928	3,646,161
Note Receivable	500,000	500,000	-	Total current liabilities	53,439,789	40,270,393	13,169,396
Lease Receivable	1,310,890	1,359,662	(48,772)	Liabilities payable from restricted assets			
Restricted assets	139,971,619	145,115,921	(5,144,302)	Accounts payable for construction	3,878,592	2,645,003	1,233,589
Regulatory assets	12,234,039	9,188,939	3,045,099	Accrued interest payable	6,748,817	7,194,801	(445,985)
Total assets	960,896,867	927,117,452	33,779,415	Customer deposits and advances	1,590,900	1,686,596	(95,697)
Deferred Outflows of Resources				Total liabilities payable from restricted assets	12,218,308	11,526,400	691,908
Deferred charge on refunding	11,616,910	13,434,982	(1,818,071)	Other liabilities	-	-	-
Deferred charge on pension plans	1,056,117	4,869,190	(3,813,074)	Total liabilities	627,825,021	639,501,149	(11,676,128)
Deferred charge on OPEB plans	2,016,309	1,887,202	129,107	Deferred inflows of resources			
Total	975,586,203	947,308,826	28,277,377	Deferred inflows related to pensions	66,201	238,153	(171,953)
				Deferred inflows related to OPEB	2,492,911	3,864,578	(1,371,667)
				Deferred inflows related to Leases	1,372,086	1,419,574	(47,488)
				Net Position			
				Invested in capital assets, net of related debt	136,783,010	107,937,279	28,845,732
				Restricted assets	132,131,903	132,914,779	(782,877)
				Unrestricted assets	74,915,071	61,433,314	13,481,757
				Total net assets	343,829,984	302,285,372	41,544,612
				Total liabilities and net assets	975,586,203	947,308,826	28,277,377

REGIONAL WATER AUTHORITY
REVIEW OF FINANCIAL DATA
Nov 30, 2024 (FY 2025)

SCHEDULE A-1 - COMMENTARY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY25 revenue for water, including wholesale and fire service, is under budget by \$1,440k (approx. 2.0%).
 Metered water revenue is under budget by \$1,585k (approx. 2.5%)

Total net other revenue is \$1,127k over budget due to other water and proprietary revenue being higher than budget.

Operating Expenses

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

	Nov-24
Payroll is under budget primarily due to head count under runs and O&M/non-O&M mix.	\$ (660,000)
Employee Benefits are under budget primarily due OPEB reimbursement being higher than budgeted and O&M/non-O&M mix.	(350,000)
Transportation is under budget primarily due to diesel fuel expense, vehicle insurance, and O&M/non-O&M mix.	(69,000)
Utilities & Fuel is under budget primarily due to timing of the sewer use charges.	(107,000)
Pump Power is over budget primarily due to CT statutory charges not anticipated in budget.	425,000
Chemicals Expense is under budget primarily due to timing.	(160,000)
Road Repairs are under budget primarily due to timing.	(54,000)
Collection Expense is under budget due to lower year-to-date attorney fees and bank fees.	(121,000)
Business Improvement is under budget primarily due to timing.	(103,000)
Insurance Premiums are under budget due primarily to timing.	(162,000)
Outside Services is under budget across multiple areas.	(249,000)
Training and continued education is under budget primarily due to timing.	(123,000)
Info. Technology Licensing & Maintenance Fees are under budget primarily due to timing.	(177,000)
Maintenance & Repairs are under budget across multiple areas.	(334,000)
All Other	<u>(4,000)</u>
<u>Interest Income</u>	(2,248,000)
Interest Income is above budget primarily due to higher investment earnings.	

PROJECTED MAINTENANCE TEST

The projected coverage is 1.19 with no shortfall.

**REGIONAL WATER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTHS ENDING NOV 30, 2024**

Schedule A-1

	FY 2024 Actual	FY 2025 Budget	FY 2025 Actual	(Under)Over Budget
Operating revenues				
Metered water revenues	\$ 61,068	\$ 63,987	\$ 62,402	\$ (1,585)
Fire service	6,764	6,758	6,886	128
Wholesale	451	458	475	17
Other revenue - water	2,459	2,201	2,857	656
Other revenue - proprietary	5,795	6,327	8,446	2,118
Total operating revenues	76,537	79,732	81,066	1,334
Operating expenses				
Operating and maintenance expense	32,129	36,125	33,877	(2,248)
Expense associated with other revenue - water	1,136	1,063	1,561	498
Expense associated with other revenue - proprietary	1,952	2,553	3,702	1,149
Provision for uncollectible accounts	(52)	250	(42)	(292)
Depreciation	12,151	13,000	13,003	3
Payment in lieu of taxes	4,563	4,707	4,544	(163)
Amortization Pension Outflows/Inflows	685	110	110	(0)
Amortization OPEB Outflows/Inflows	(447)	(285)	(285)	(0)
Total operating expenses	52,118	57,522	56,469	(1,053)
Operating income	24,419	22,210	24,597	2,388
Nonoperating income and (expense)				
Interest income	5,410	4,120	5,393	1,274
(Loss) Gain on disposal of assets	(10)	(250)	542	792
Realized and unrealized (losses) gains on investments	-	-	-	-
Interest expense	(11,027)	(10,697)	(10,690)	7
Amortization of bond discount, premium, issuance cost and deferred losses	1,440	1,423	1,411	(13)
Amortization of Goodwill	-	-	-	-
Intergovernmental revenue	441	-	-	-
Contributions to related entities	(2,095)	-	-	-
Total nonoperating income and (expense) before capital contribution	(5,840)	(5,404)	(3,345)	2,059
Income (expense) before contributions	18,579	\$ 16,806	21,252	\$ 4,447
Capital contributions	586		413	
Change in net assets	19,164		21,665	
Total net assets - beginning of fiscal year	283,121		322,165	
Total net assets - end of reporting month	302,285		\$ 343,830	

	Budget FY 2025 @114%	Projected FY 2025 @114%	(Under)Over FY 2025 @114%
FY 2025 MAINTENANCE TEST (Budget vs. Projected)			
Revenue Collected:			
Water sales	130,838	130,691	(147)
Interest Income	4,028	4,928	900
BABs Subsidy	644	644	-
Other Net	9,093	10,263	1,185
Common Non-Core	(390)	(390)	-
Total	144,213	146,135	1,938
Less:			
Operating and maintenance expenses	(71,610)	(71,610)	-
Depreciation	(9,000)	(9,729)	(729)
PILOT (A)	(9,295)	(9,095)	200
Net Avail for Debt Service (B)	\$ 54,308	\$ 55,701	\$ 1,394
Debt Service Payments (C)	\$ 47,638	46,803	\$ (835)
Debt Service @ 114% (D)	\$ 54,307	53,356	\$ (952)
Difference (B-D)	\$ 0	\$ 2,346	
RSF, Growth and/or General Fund (D)	-	-	-
Coverage	114%	119%	

REGIONAL WATER AUTHORITY
Fiscal Year 2025
(\$000 Omitted)

SCHEDULE A-2

STATEMENTS OF REVENUES, EXPENSES

Six Months Ending November 30

Twelve Months Ending May 31

AND CHANGES IN NET ASSETS

	FY 2024 Actual	FY 2025 Budget	FY 2025 Actual	(Under)/Over Budget
Operating Revenues				
Metered Water Revenues	\$ 61,068	\$ 63,987	\$ 62,402	\$ (1,585)
Fire Service	6,764	6,758	6,886	128
Wholesale Water	451	458	475	17
Other revenue - water	2,459	2,201	2,857	656
Other revenue - proprietary	5,795	6,327	8,446	2,118
Total Operating Revenues	76,537	79,732	81,066	1,334
Operating Expenses				
Operating and Maintenance	32,129	36,125	33,877	(2,248)
Expenses associated with other revenue-water	1,136	1,063	1,561	498
Expenses associated with other revenue-proprietary	1,952	2,553	3,702	1,149
Provision for uncollectible accounts	(52)	250	(42)	(292)
Depreciation	12,151	13,000	13,003	3
Payment in lieu of taxes	4,563	4,707	4,544	(163)
Amortization Pension Outflows/Inflows	685	110	110	(0)
Amortization OPEB Outflows/Inflows	(447)	(285)	(285)	(0)
Total Operating Expenses	52,118	57,522	56,469	(1,053)
Operating Income	24,419	22,210	24,597	2,388
Nonoperating income and (expense)				
Interest Income	5,410	4,120	5,393	1,274
(Loss)/Gain on disposal of assets	(10)	(250)	542	792
Interest Expense	(11,027)	(10,697)	(10,690)	7
Amortization of bond discount, premium issuance cost and deferred losses	1,440	1,423	1,411	(13)
Intergovernmental revenue	441	-	-	-
Contributions to/from related entities	(2,095)	-	-	-
Total nonoperating income & (expense)	(5,840)	(5,404)	(3,345)	2,059
Capital contributions	18,579	\$ 16,806	21,252	\$ 4,447
Change in net assets	586	-	413	-
Total net assets - beginning of fiscal year	19,164	-	21,665	-
Total net assets - end of reporting month	283,121	-	322,165	-
	\$ 302,285	-	\$ 343,830	-

Revenue Collected:

Water Sales	\$ 130,838
Interest Income	4,028
BABs Subsidy	644
Other Net	9,093
Common Non-Core	(390)
Total	144,213

Less:

Operating and Maintenance Expenses	(71,610)
Depreciation	(9,000)
PLOT (A)	(9,729)
Net Avail for Debt Service (B)	(9,295)
Debt service payments (C)	125,918
Debt Service @ 114% (D)	\$ 47,638
Difference (B-D)	\$ 54,307
RSF, Growth and/or General Fund (D)	\$ 71,611
Coverage	\$ -
Required Coverage	114%
	114%

	Budget	Projection Assumption 1	Projection - Consumption 5% Below Assumption 2	Projection - Consumption 5% Above Assumption 3
\$ 116,566	\$ 116,991	\$ 114,009	\$ 120,102	
13,518	13,646	13,646	13,646	
845	863	863	863	
4,142	4,742	4,742	4,742	
12,367	16,867	16,867	16,867	
147,458	153,109	150,127	156,220	
71,610	71,610	71,455	71,765	
2,095	2,545	2,545	2,545	
4,716	8,181	8,181	8,181	
500	150	150	150	
26,000	26,000	26,000	26,000	
9,295	9,095	9,095	9,095	
216	216	216	216	
(571)	(571)	(571)	(571)	
113,860	117,225	117,070	117,380	
33,998	35,884	33,057	38,840	
7,802	8,652	8,652	8,652	
(1,500)	(1,000)	(1,000)	(1,000)	
(21,191)	(21,583)	(21,583)	(21,583)	
2,821	2,809	2,809	2,809	
248	248	248	248	
3,000	3,000	3,000	3,000	
(11,819)	(7,875)	(7,875)	(7,875)	
\$ 21,778	\$ 25,009	\$ 25,181	\$ 30,965	

Twelve Months Ending May 31

	Budget	Projection Assumption 1	Projection - Consumption 5% Below Assumption 2	Projection - Consumption 5% Above Assumption 3
\$ 130,838	\$ 130,691	\$ 129,242	\$ 132,140	
4,028	4,928	4,928	4,928	
644	644	644	644	
9,093	10,263	10,263	10,263	
(390)	(390)	(390)	(390)	
144,213	146,135	144,686	147,584	
(71,610)	(71,610)	(71,455)	(71,765)	
(9,000)	(9,729)	(9,729)	(9,729)	
(9,295)	(9,095)	(9,095)	(9,095)	
125,918	35,701	54,407	56,995	
\$ 47,638	\$ 46,803	\$ 46,803	\$ 46,803	
\$ 54,307	\$ 53,356	\$ 53,356	\$ 53,356	
\$ 71,611	\$ 2,346	\$ 1,052	\$ 3,640	
\$ -	\$ -	\$ -	\$ -	
114%	119%	116%	122%	
114%	114%	114%	114%	

SCHEDULE B

REGIONAL WATER AUTHORITY
OPERATING AND MAINTENANCE EXPENSES

Fiscal Year 2025
(\$000 Omitted)

	SIX MONTHS ENDING NOVEMBER 30			YEAR ENDED MAY 31, 2025			
	FY 2023	FY 2024	(Under)	Budget	Assump 1	Assump 2	Assump 3
1 Payroll	\$ 12,404	\$ 13,638	\$ (660)	27,281	26,951	26,951	26,951
2 Employee Benefits Allocation	3,829	4,214	(350)	8,409	8,409	8,409	8,409
Pension	1,929	1,445	-	2,890	2,890	2,890	2,890
3 Administrative Building Space Allo	490	542	46	1,051	1,085	1,085	1,085
4 General & Administrative	809	871	(12)	1,668	1,668	1,668	1,668
5 Transportation Allocation	384	518	(69)	1,036	1,020	1,020	1,020
6 Tools & Stores Allocation	198	203	16	396	396	396	396
7 Utilities & Fuel	808	1,053	(107)	1,977	2,037	2,037	2,037
8 Material From Inventory	138	177	(18)	337	337	337	337
9 Pump Power Purchased	1,391	1,721	425	3,428	4,113	4,035	4,191
10 Chemicals	1,951	1,945	(160)	3,394	3,314	3,237	3,391
11 Road Repairs	59	150	(54)	300	300	300	300
14 Postage	34	353	(13)	671	671	671	671
15 Printing & Forms	26	36	(23)	71	61	61	61
17 Collection Expense	470	614	(121)	1,240	1,178	1,178	1,178
18 Business Improvement	153	286	(103)	548	528	528	528
19 Public/Customer Information	120	126	(32)	335	335	335	335
20 Outside Services	2,020	2,386	(249)	4,553	4,453	4,453	4,453
21 Insurance Premiums	878	1,021	(162)	2,063	2,013	2,013	2,013
22 Worker's Compensation, pre-Chur.	15	24	19	45	45	45	45
23 Damages	35	35	(14)	70	70	70	70
24 Training & Cont. Education	190	384	(123)	643	643	643	643
25 Authority Fees	64	87	(17)	175	165	165	165
26 Consumer Counsel	19	30	12	60	60	60	60
27 RPB Fees	48	96	11	193	208	208	208
28 Organizational Dues	39	65	(0)	130	130	130	130
29 Donations	11	23	7	41	41	41	41
34 Central Lab/Water Quality	160	199	(32)	401	375	375	375
40 Environmental Affairs	49	80	43	150	158	158	158
44 Info. Technology Licensing &							
Maintenance Fees	1,574	1,730	(177)	3,874	3,874	3,874	3,874
45 Maintenance and Repairs	1,718	1,956	(334)	3,947	3,848	3,848	3,848
46 Regulatory Asset Amortization	117	117	(0)	234	234	234	234
	<u>\$ 32,130</u>	<u>\$ 36,125</u>	<u>\$ (2,248)</u>	<u>\$ 71,610</u>	<u>\$ 71,610</u>	<u>\$ 71,455</u>	<u>\$ 71,765</u>

South Central Connecticut Regional Water Authority
 2025 Fiscal Year Capital Budget Report
 (000s omitted)

**SCHEDULE C
 QTR 2**

	Period Ending November 30, 2024		Period Ending May 31, 2025	
	Budget	Expenditures (Under)/Over	Budget	Projected (Under)/Over
I. NATURAL RESOURCES				
Watershed Protection	50	30	100	240
Land Management	10	0	20	20
Lake Whitney Dam & Spillway Improvements	150	164	595	595
Prospect Dam Improvements	937	847	1,000	1,000
Peat Swamp Dam Modifications	100	122	212	212
Lake Chamberlain Dam Improvements	-	-	50	5
Lake Watrous & Lake Glen Aeration System Improvements	118	145	432	432
Tunnel Diversion Raw Water Main Rehabilitation Program	-	99	95	108
Bridge Refurbishments	113	118	209	209
Lake Gaillard Pavilion	120	88	400	400
Access Road Miscellaneous Improvements	100	92	100	100
Miscellaneous Natural Resources	45	20	75	67
Prior Year	-	5	-	5
TOTAL	1,743	1,729	3,288	3,393
		(13)		105
II. TREATMENT				
Filter Media Replacement	-	0	1,734	1,734
LGWTP-Clarifiers Recycle & Building Improvements	1,840	1,847	2,983	2,983
LGWTP-HVAC Upgrades	-	415	400	1,600
LGWTP Filter Underdrain Replacement	316	413	2,810	2,810
LGWTP Roof Replacement	-	-	25	25
LGWTP Local Control Console Upgrade	95	64	155	152
LGWTP Improvements	-	51	200	200
LSWTP Electrical Upgrades	8	45	75	75
LGWTP Electrical Upgrades	5	3	75	75
LSWTP HVAC Upgrades	10	168	300	800
LSWTP Improvements - Gravity Thickener	10	26	300	150
LSWTP Improvements (Miscellaneous)	-	20	240	(150)
LWWTP Ozone and DAF Controls	40	31	500	360
LWWTP Chemical Feed Improvements	50	48	150	150
LWWTP Geothermal Vault Improvements	10	-	10	10
WRWTP Salt Storage	10	95	450	450
West River Drying Bed Improvements	-	28	89	130
West River Fuel Tank Replacement	-	16	330	382
WRWTP Improvements (Miscellaneous)	-	132	250	250
WRWTP Rooftop Air Handling Unit	150	-	150	150
Water Treatment Plant Valve Replacement Program	-	15	100	20
Treatment Plant Buried Valve Improvements	20	13	20	20
Seymour Wellfield Generator Replacement	235	18	892	362
Wellfield Facility Improvements - Derby	47	292	1,147	1,147
Well Rehabilitation Program	70	120	350	390
		50	40	40

	Period Ending November 30, 2024		Period Ending May 31, 2025	
	Budget	Expenditures (Under)/Over	Budget	Projected (Under)/Over
Well Replacements	-	-	75	75
Motor Control Center (MCC) Replacements-North Cheshire Wellfield	30	6	160	150
Miscellaneous Wellfield Improvements	-	34	100	100
Future Regulatory Treatment Compliance	28	-	570	470
Lead and Copper Rule Compliance	11	8	50	50
Treatment Facility Roof Replacements	375	135	375	170
Treatment Facilities Asphalt Driveway Repaving	100	35	100	100
WRWTP Improvements (Dissolved Air Flotation, Electrical, Chemical)- DWSRF	-	108	273	381
Miscellaneous Treatment	-	-	-	-
Prior Year	-	52	-	52
TOTAL	3,460	4,238	15,438	16,213
		778		775

III. TRANSMISSION AND DISTRIBUTION

Pipe	4,783	4,593	(189)	8,891	(159)
Valve Replacements	115	268	153	350	100
Service Connections	966	963	(2)	1,900	-
Capital Pipe Service Connections	475	124	(351)	500	-
Meters	101	153	52	450	-
Hydrants and Connections	62	13	(49)	125	-
Lead Service Line Replacements	1,684	1,705	21	5,325	-
Totoket Road Transmission Main	40	702	(40)	850	-
Raw Water/Transmission Main Replacement & Redundancy	679	900	220	122	57
Pipe Bridge Rehabilitation Program	-	-	-	879	910
Meriden Bi-Directional Interconnector	-	-	-	50	(50)
Ansonia-Derby Tank	-	(3)	(3)	72	(0)
North Branford Tank Structural Improvements & Additional Tank	15	141	126	130	20
York Hill Tank No. 1 Painting & Stairs	-	36	36	600	-
Ford Street Tank #1 Painting and Stairs	-	10	10	80	-
Ford Street Tank #2 Painting and Stairs	-	9	9	80	-
Variable Frequency Drive Replacement Program	35	85	50	150	-
Storage Tank DBP Compliance	380	380	0	380	0
Critical Pump Station & Transmission Facilities Upgrades	93	78	(15)	250	-
Lake Gaillard Pump Station Improvements	65	-	(65)	-	-
Spring Street Pump Station Replacement	40	8	(32)	100	-
Armory Pump Station Chimney Rehabilitation	-	1	1	50	(30)
Pump Station Generator Replacement	85	53	(32)	632	(554)
Pump Station Roof Replacements	15	8	(7)	64	(9)
Pump Station Bypass Improvements	-	-	-	100	(100)
Route 80 Throttling Valve Relocation	15	118	103	250	-
Mill Rock Basins Control Valve Improvements	-	36	36	80	-
Water Quality Improvements Program	27	103	76	150	-
Burwell Hill Pump Station Equipment Replacement	-	6	6	6	6
PCCP Repair Parts	-	15	15	430	-
Bulk Fills Stations	-	-	-	-	-

	Period Ending November 30, 2024		Period Ending May 31, 2025	
	Budget	Expenditures (Under)/Over	Budget	Projected (Under)/Over
Miscellaneous Transmission & Pumping	85	51 (34)	220	211 (9)
Prior Year	-	119	-	119
TOTAL	10,435	10,677	23,320	22,619 (701)
IV. GENERAL PLANT				
CIS (Customer Information Services)	3,934	2,882 (1,052)	7,923	7,923
Work & Asset Management Solutions (Formerly InforEAM GIS Data Integ)	-	12	50	50
LIMS Business Enhancements	20	(20)	-	-
LIMS Upgrades	57	5 (52)	135	135
AMI Software Business Enhancements	25	-	50	50
Cyber Security Enhancements	60	0 (60)	120	120
SCADA	35	39 4	120	120
Enterprise Data Archive	267	244 (23)	800	800
Data Center Life Cycle Replacements	250	355 105	650	650
GIS Aerial Mapping	96	45 (51)	163	110 (53)
Business Analytical Platform	50	- (50)	250	75 (175)
Robotics Process Automation	133	66 (67)	200	200
Miscellaneous Information Systems	70	1 (69)	202	202
Equipment	1,201	784 (417)	2,513	2,513
Miscellaneous Equipment	30	31 1	39	40 1
90 Sargent Drive	235	6 (229)	365	345 (40)
Miscellaneous 90 Sargent Drive	70	71 1	145	152 7
Prior Year	-	34	-	34
TOTAL	6,533	4,577 (1,957)	13,745	13,520 (225)
SUB-TOTAL	22,171	21,221 (950)	55,791	55,745 (46)
V. CONTINGENCY	-	-	685	- (685)
V. PROJECT RESERVE	-	-	593	- (593)
SUB-TOTAL	-	-	1,278	- (1,278)
VI. STATE & REDEVELOPMENT PIPE				
	1,500	695 (805)	3,000	2,500 (500)
VII. COMMERCIAL				
CIS Software Phase 2 - Commercial E-Commerce	-	-	-	-
	-	-	100	50 (50)
TOTAL	23,671	21,916 (1,755)	60,170	58,295 (1,874)

*The budgets for fiscal year-end presented on this schedule are reflective of capital budget amendments included for approval in December.

SCHEDULE D

Investment Earnings Report
Comparison of Investment Rates of Return

Fund Type	Balance @ November 30, 2024	Budgeted Return	Rate of Return November 30, 2024	Rate of Return Fiscal Year to Date
Less than Six Months				
Revenue Investment (A)	\$ 28,299,760	3.75%	4.82%	5.23%
Revenue (B)	3,543,085	0.00%	0.44%	0.46%
Revenue Investment (C)	46,450	0.00%	4.11%	4.52%
Rate Stabilization (A)	10,000,000	3.75%	4.82%	5.23%
Operating Reserve (A)	11,948,104	3.75%	4.82%	5.23%
Capital Contingency (A)	6,220,680	3.75%	4.82%	5.23%
Debt Reserve (A)	18,197,293	3.75%	4.82%	5.23%
Debt Service (A)	18,116,146	3.75%	4.82%	5.23%
PILOT (A)	3,904,747	3.75%	4.82%	5.23%
General Fund (A)	12,978,128	3.75%	4.82%	5.23%
Sub-Total	\$ 113,254,394			
Long Term Investments				
Debt Reserve	5,000,000	2.45%	1.95%	2.20%
Sub-Total	\$ 5,000,000			
Other				
Construction (A)	\$ 65,765,836	3.75%	4.82%	5.23%
Construction (C)	69	0.00%	4.11%	4.52%
Construction (E)	692	0.00%	0.00%	0.00%
Growth Fund (D)	8,821,965	0.00%	2.19%	2.38%
Interim Financing	946	0.00%	2.16%	2.35%
Sub-Total	\$ 74,589,508			
Total	\$ 192,843,902			

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

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

(C) Invested in the First American Government Fund.

(D) Balance includes interest earnings.

(E) Cash Balance as of November 30, 2024.

Fund	Budgeted Interest (Cash Basis) as of November 30, 2024	Interest Received (Cash Basis) as of November 30, 2024	(Under)/ Over
Debt Reserve	350,423	462,056	111,633
Operating Reserve	230,774	306,851	76,077
Capital Contingency	122,951	166,036	43,085
PILOT	52,065	84,115	32,050
Debt Service	408,893	489,696	80,803
Revenue	331,613	505,054	173,441
Rate Stabilization	201,250	261,156	59,906
General	276,883	337,015	60,132
Sub Total	<u>1,974,852</u>	<u>2,611,979</u>	<u>637,127</u>
Construction	1,439,117	1,861,625	422,508
Growth Fund	-	111,867	111,867
Interim Financing	-	11	11
Total	<u>3,413,969</u>	<u>4,585,482</u>	<u>1,171,513</u>