



900 Magazine Rd.  
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## **SOUTH CENTRAL WASTEWATER AUTHORITY Board of Directors Meeting**

DATE: March 16, 2023  
TIME: 2:00 pm  
LOCATION: **Appomattox River Water Authority**  
Board Room, Administration Building  
21300 Chesdin Road  
South Chesterfield, VA 23803

### **AGENDA**

1. Call to Order/Roll Call
2. Approval of Minutes: Minutes of the Board Meeting held on January 26, 2023 (Exhibit A, Pages 2 to 5)
3. Public Comment (Exhibit B, Page 6)
4. Executive Director's Report:
  - FY23/24 Budget presentation (Exhibit C, Pages 7 to 43)
  - Nutrient Reduction Project Update (Exhibit D, Pages 44 to 46)
  - Status Report (Exhibit E, Pages 47 to 49)
  - Financials (Exhibit F, Pages 50 to 52)
5. Items from Counsel
6. Closed Meeting
7. Other items from Board Members/Staff Not on Agenda
8. Adjourn

# Exhibit A

## BOARD OF DIRECTORS MEETING

South Central Wastewater Authority

January 26, 2023, at 2:00 p.m.

Location: Appomattox River Water Authority  
21300 Chesdin Road, South Chesterfield, VA 23803

### **MEMBERS PRESENT:**

Doug Smith, Chairman (Colonial Heights)  
Kevin Massengill, Vice-Chairman (Dinwiddie)  
Jeff Stoke, (Prince George)

### **ALTERNATES PRESENT:**

George Hayes, (Alternate, Chesterfield)  
Matt Rembold, (Alternate, Chesterfield)  
Tangela Innis, (Alternate, Petersburg)  
Eddie Pearson, (Alternate, Dinwiddie)

### **ABSENT:**

Joseph Casey, (Chesterfield)  
Frank Haltom, Secretary/Treasurer (Alternate, Prince George)  
March Altman, (Petersburg)  
Todd Flippen, (Alternate, Colonial Heights)

### **STAFF PRESENT:**

Robert B. Wilson, Executive Director, (ARWA & SCWWA)  
James C. Gordon, Asst. Executive Director (ARWA & SCWWA)  
Arthur Anderson, (McGuireWoods)  
Melissa Wilkins, Business Manager/FOIA (ARWA & SCWWA)

### **OTHERS PRESENT:**

Wendy Austin, (FOLAR)

The SCWWA meeting was called to order after the conclusion of the ARWA meeting by Mr. Smith, Chairman, at 3:24 p.m.

### **1. Call to Order/Roll Call**

The roll was called:	Doug Smith	Present
	Kevin Massengill	Present
	George Hayes	Present
	Jeff Stoke	Present
	Tangela Innis	Present

### **2. Approval of Minutes: Minutes of the Regular Meeting of the Board on November 17, 2022**

Upon a motion by Mr. Massengill and seconded by Mr. Hayes the following resolution was adopted:

**RESOLVED, that the Minutes of the Regular Meeting of the Board on November 17, 2022, are hereby approved:**

**For: 5      Against: 0      Abstain: 0**

### **3. Public Comment**

There were no Public Comments.

### **4. Executive Director's Report:**

#### **• FY23/24 Budget Presentation**

Mr. Gordon presented the budget narrative that included the original budget as presented to Utility Directors on January 4, 2023, the revisions, and the requested 1A budget that staff recommends for consideration. The 1A budget includes revisions as there is a 45% increase for chemical costs based on chemical bids received. He stated we are requesting a 7.5% salary adjustment. He stated what we are requesting today is that the Board authorize staff to advertise the 1A budget and set a public hearing date of March 16, 2023. Mr. Anderson stated he included the resolution in his distribution on Tuesday. They are in the same form the board had adopted during the past few years, and the numbers reflect the 1A budget. Mr. Gordon added that like ARWA's budget we can identify it as the wholesale rate.

Mr. Smith asked Mr. Gordon what the additional project was that was causing the increase in the FY26 projected rates, and Mr. Gordon stated it would be a clarifier project. The clarifier has been there over 20 years and needs to be rebuilt. It is just the mechanism that needs to be replaced. Mr. Smith asked if it were something that could be included in the borrowing for the overall project for the non-nutrient related costs, and Mr. Gordon answered yes. Mr. Smith stated we discussed the salary adjustment on the ARWA budget, and that same discussion applies here.

Mr. Hayes commented that the Director meeting was productive. Chesterfield County is also seeing similar increases in costs.

Upon a motion made by Mr. Massengill and seconded by Mr. Stoke the following resolution was adopted:

**RESOLVED, that the Board approves the advertising of 1A of the FY23/24 Budget with a public hearing date for March 16, 2023 at 2:00 p.m. at the Appomattox River Water Authority:**

**For: 5                      Against: 0              Abstain: 0**

Doug Smith                      Aye  
Kevin Massengill              Aye  
George Hayes                      Aye  
Jeff Stoke                      Aye  
Tangela Innis                      Aye

• **Award Legal Services Contract**

Mr. Gordon reported on the Legal Services Contract. He stated we received only one response to our RFP and that was from McGuireWoods. He further stated McGuireWoods has worked for the Authority for the last twenty-seven years. Staff is requesting the Board award the Legal Services contract to McGuireWoods for the contract term of two years with the opportunity to extend for an additional three years.

Upon a motion made by Mr. Massengill and seconded by Ms. Innis the following resolution was adopted:

**RESOLVED, that the Board awards the Legal Services contract to McGuireWoods and authorizes the Executive Director to execute the necessary contract documents:**

**For: 5                      Against: 0              Abstain: 0**

**Vote:**  
**Doug Smith                      Aye**  
**Kevin Massengill              Aye**  
**George Hayes                      Aye**  
**Jeff Stoke                      Aye**  
**Tangela Innis                      Aye**

**Absent During Vote:                      None**

• **Award Engineering Contract for Nutrient Reduction Project**

Mr. Gordon reported that the Authority advertised for professional engineering services to complete the Nutrient Reduction Project. He stated the Authority received three responses: (1) Hazen and Sawyer, (2) SEH, and (3) WW Associates. The Selection Committee which included Mr. Wilson, Mr. Gordon and SCWWA Plant Manager, Mike Trivette, evaluated each proposal. He stated interviews were conducted with each respondent. Negotiations were conducted with the top ranked respondent, which was WW Associates.

Mr. Wilson stated that in addition to the funds for construction administration as outlined in request for proposals (RFP) we are requesting \$500K for additional design services. The reason we are asking for the additional funds is when we go through the cost benefit analysis, we will identify some areas that will require design changes. He further stated for any changes we must make; the engineer will have to seal and sign because it's different than the design that has been completed. We have already reviewed the electrical design with Authority IT staff and our contract electrician. Mr. Wilson went on to state as we get a task order for design services, we have an existing contract with the trust engineer, and we will use those terms for design services. This approach has been vetted through legal counsel. We will let Board members know of any changes as they occur and at the subsequent Board meeting. Mr. Hayes asked about WW Associates capacity to handle this large project and Mr. Wilson said it was part of the discussion in the RFP. Mr. Hayes asked where they are located, and Mr. Wilson replied in Charlottesville.

Upon a motion made by Ms. Innis and seconded by Mr. Stoke the following resolution was adopted:

**RESOLVED, that the Board awards to the recommended engineer, WW Associates, for the completion of the Nutrient Reduction Project in the amount of \$3,650,000 and any edits needed during the project with \$500,000 of additional funds and authorizes the executive director to execute the necessary documents:**

**For: 5                      Against: 0              Abstain: 0**

**Vote:**  
**Doug Smith                      Aye**

<b>Kevin Massengill</b>	<b>Aye</b>
<b>Joseph Casey</b>	<b>Aye</b>
<b>Jeff Stoke</b>	<b>Aye</b>
<b>Tangela Innis</b>	<b>Aye</b>

**Absent During Vote:** **None**

- **Nutrient Reduction Project Update**

Mr. Gordon reported on the nutrient reduction project update. He stated staff got together and discussed different options to find more economical alternatives and how it will increase our bidding competition throughout the region. One alternative was to split this project into several phases. He stated we came up with what we thought would work in five phases for five different projects. On December 1, 2022, Mr. Wilson, Mr. Chris Pomeroy, and Mr. Gordon met with the DEQ Assistant Director, DEQ legal policy representative, and DEQ WQIF representatives and discussed several topics. Mr. Gordon went on to explain we have two patrons, Senator Morrissey and Delegate Taylor, presenting bills in the legislature for a time extension, SB 963 and HB 1839, to extend the project deadline from January 1, 2026, to January 1, 2031. This time extension should help reduce the construction cost since contractors indicated the short timeframe for completion increased the construction cost. The Chesapeake Bay Foundation and James River Association are in support of the new legislation, and they do not expect any holdup. They are expected to speak at the Senate Committee. He stated we received a letter dated November 28, 2022, with DEQ informing SCWWA that we received \$16,430,000 in American Rescue Act Fund for nutrient eligible costs.

No action requested at this time.

- **Status Report**

Mr. Gordon reported on the status report.

- **Financials**

Ms. Wilkins reported on the Financials.

**5. Items from Counsel**

Mr. Anderson presented a Resolution to establish an updated policy for individual board members to use electronic communication means to participate in meetings.

Upon a motion made by Ms. Innis and seconded by Mr. Hayes the following resolution was adopted:

**RESOLVED, that the Board approves the Resolution to establish an updated policy for individual board members to use electronic communication means to participate in meetings:**

**For: 5                      Against: 0                      Abstain: 0**

**Vote:**

<b>Doug Smith</b>	<b>Aye</b>
<b>Kevin Massengill</b>	<b>Aye</b>
<b>George Hayes</b>	<b>Aye</b>
<b>Jeff Stoke</b>	<b>Aye</b>
<b>Tangela Innis</b>	<b>Aye</b>

**Absent During Vote:** **None**

**6. Closed Session**

There was no Closed Session.

**7. Other Items from Board Members/Staff Not on Agenda**

Mr. Massengill stated he would not be attending the March 16, 2023 Board meeting and requested that Mr. Pearson represent Dinwiddie County. Mr. Massengill also requested that no formal action be taken on the budget until the May 18<sup>th</sup> meeting.

**8. Adjourn**

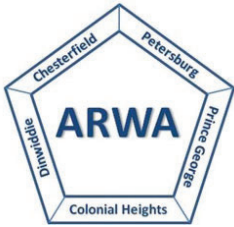
Mr. Smith stated, if there is no other business, and asked for motion to adjourn.

Upon a motion by Mr. Massengill and seconded by Ms. Innis the meeting was adjourned at 3:58 p.m.

MINUTES APPROVED BY:

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**Frank Haltom/Secretary/Treasurer**



APPOMATTOX RIVER WATER AUTHORITY  
21300 Chesdin Road  
Petersburg, VA 23803



SOUTH CENTRAL WASTEWATER AUTHORITY  
900 Magazine Road  
Petersburg, VA 23803

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**GUIDELINES FOR PUBLIC COMMENT AT SCWWA/ARWA BOARD OF DIRECTORS MEETINGS**

If you wish to address the SCWWA/ARWA Board of Directors during the time allocated for public comment, please raise your hand or stand when the Chairman asks for public comments.

Members of the public requesting to speak will be recognized during the specific time designated on the meeting agenda for “Public Comment Period.” Each person will be allowed to speak for up to three minutes.

When two or more individuals are present from the same group, it is recommended that the group designate a spokesperson to present its comments to the Board and the designated speaker can ask other members of the group to be recognized by raising their hand or standing. Each spokesperson for a group will be allowed to speak for up to five minutes.

During the Public Comment Period, the Board will attempt to hear all members of the public who wish to speak on a subject, but it must be recognized that on rare occasion presentations may have to be limited because of time constraints. If a previous speaker has articulated your position, it is recommended that you not fully repeat the comments and instead advise the Board of your agreement. The time allocated for speakers at public hearings are the same as for regular Board meeting, although the Board can allow exceptions at its discretion.

Speakers should keep in mind that Board of Directors meetings are formal proceedings and all comments are recorded on tape. For that reason, speakers are requested to speak from the podium and wait to be recognized by the Chairman. In order to give all speakers proper respect and courtesy, the Board requests that speakers follow the following guidelines:

- Wait at your seat until recognized by the Chairman;
- Come forward and state your full name and address. If speaking for a group, state your organizational affiliation;
- Address your comments to the Board as a whole;
- State your position clearly and succinctly and give facts and data to support your position;
- Summarize your key points and provide the Board with a written statement or supporting rationale, when possible;
- If you represent a group, you may ask others at the meeting to be recognized by raising their hand or standing;
- Be respectful and civil in all interactions at Board meetings;
- The Board may ask speakers questions or seek clarification, but recognize that Board meetings are not a forum for public debate; Board Members will not recognize comments made from the audience and ask that members of the audience not interrupt the comments of speakers and remain silent while others are speaking so that other members in the audience can hear the speaker;
- The Board will have the opportunity to address public comments after the Public Comment Period has been closed;
- At the request of the Chairman, the Executive Director may address public comments after the session has been closed as well; and
- As appropriate, staff will research questions by the public and respond through a report back to the Board at the next regular meeting of the full Board. It is suggested that citizens who have questions for the Board or staff submit those questions in advance of the meeting to permit the opportunity for some research before the meeting.



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## Exhibit C

TO: South Central Wastewater Authority Board of Directors

FROM: Robert B. Wilson, Executive Director  
James C. Gordon, Assistant Executive Director

DATE: March 16, 2023

SUBJECT: Proposed FY23/24 Budget

Below is a summary of the FY23/24 budget process to date:

- December 28, 2022 - proposed budget distributed to members and financial representatives via email.
- January 4, 2023 – Authority staff met with member utility directors and reviewed the budget.
- January 26, 2023 – presented the proposed FY23/24 budget to the Board and requested the Board set a public hearing date of March 16, 2023 at 2:00 p.m.
- February 17, 2023 – emailed members and financial representatives the advertised budget and a revised budget from the comments gathered at the January 26<sup>th</sup> meeting.
- February 22, 2023 – Advertised proposed FY23/24 budget on the ARWA website and in the Progress Index.
- March 1, 2023 – Second advertisement of the proposed FY23/24 budget in the Progress Index.

To date we have not received any additional comments on the proposed FY23/24 budget. From the budget discussion at the January 26<sup>th</sup> meeting and the updated CPI through February, staff recommends the Board move forward with the proposed FY23/24 budget that includes the 5% salary adjustment. Mr. Massengill is unable to attend this meeting and requested that the Board hold the public hearing but not take action until the May 18<sup>th</sup> meeting.

To assist members with your review, the following documents are attached:

- Attachment #1 – information from the January 26<sup>th</sup> meeting.
- Attachment #2 – February 17, 2023 budget update.
- Attachment #3 – recommended FY23/24 budget for consideration

Board Action Requested:

Staff requests the Board hold the public hearing, approve the proposed FY23/24 budget with the 5% salary adjustment for further consideration and provide any additional comments to staff. Staff requests that the Board not take formal action on the proposed FY23/24 budget until the May 18<sup>th</sup> meeting.



# Attachment #1

## January 26<sup>th</sup> Proposed FY23/24 Presentation



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### Exhibit C

TO: South Central Wastewater Authority Board of Directors

FROM: Robert B. Wilson, Executive Director  
James C. Gordon, Assistant Executive Director

DATE: January 26, 2023

SUBJECT: Proposed FY23/24 Budget

On December 28, 2022, we distributed, via email, the proposed FY23/24 budget narrative to the primary members, utility directors and financial representatives. On January 4, 2023, we presented the proposed budget to the utility directors in a meeting held at ARWA in the conference room.

The original budget narrative and the revisions from the meeting (highlighted in blue) are included as Attachment #1. Additional revisions (highlighted in green) to the narrative were added following the chemical bids received on January 12, 2023 and are included as Attachment #1a.

We will present the highlights from the Budget Narrative at the meeting. There is one item that need to be considered for the meeting:

1. The proposed salary adjustment of 7.5%. We tied the requested salary adjustment to the CPI. In the Compensation and Classification Study, the recommendation was to tie the annual salary adjustments to the CPI. The supporting information from the Compensation and Classification Study and CPI is included in Attachment #1a.

Staff's recommendation is to increase the chemical budget based on the January 12<sup>th</sup> chemical bid numbers. The proposed budget that includes this increase is labeled Attachment #1a, pages 22 to 27 of the Board Package

#### Board Action Requested:

Staff requests the Board provide direction on the requested salary adjustment, select a budget for advertisement and set a public hearing date for March 16, 2023, at 2:00 pm at the Appomattox River Water Authority.



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TO: South Central Wastewater Authority Utility Directors

FROM: Robert B. Wilson, Executive Director  
 James C. Gordon, Assistant Executive Director

DATE: January 4, 2023

SUBJECT: Proposed FY23/24 Budget Narrative  
 Revision 001 – Comments from January 4<sup>th</sup> director’s meeting  
 Revision 002 – Revision resulting from chemical bids opened January 12th

Meeting attendees:

George Hayes	Chesterfield County
Matt Rembold	Chesterfield County
Eddie Pearson	Dinwiddie County Water Authority
Tangela Innis	City of Petersburg
Randall Williams	City of Petersburg
Todd Flippen	City of Colonial Heights
Frank Haltom	Prince George County
Robert Wilson	ARWA/SCWWA
Jamie Gordon	ARWA/SCWWA
Melissa Wilkins	ARWA/SCWWA

The budget, Attachment #1, is divided into operating and maintenance costs (O&M) which includes the operating capital outlay, equipment repair and replacement fund (ERRF), debt service, reserve policy, and the capital reserve account. Each incorporating subdivision is responsible for a pro rata share of the O&M expenses. The pro rata share for O&M expenses is calculated from the previous five-year running average for each incorporating subdivision.

Attachment #1a is the updated budget and includes as bid chemical cost estimates.

The pro rata shares used to develop the portion of O&M costs for were:

	<u>FY23/24</u>	<u>FY22/23</u>
○ City of Petersburg	61.312%	60.301%
○ City of Colonial Heights	17.254%	17.170%
○ Chesterfield County	8.179%	8.202%
○ Prince George County	5.084%	5.652%
○ Dinwiddie County	8.171%	8.674%

The five-year data used for each member is included as Attachment #2.

The ERRF and debt service is distributed by ownership in the plant per the Service Agreements:

- City of Petersburg 52.5%
- City of Colonial Heights 20.0%
- Chesterfield County 10.0%
- Prince George County 7.5%
- Dinwiddie County 10.0%

The required balance in the ERRF is \$2.5 million as outlined on page 41, paragraph E. of the Service Agreement. Currently the ERRF is fully funded and therefore, no appropriation is requested for the ERRF.

For FY23/24 SCWWA does not have any outstanding bonds and therefore the debt service is \$0. For the Nutrient Reduction Project, we anticipate borrowing funds in 2023.

The Reserve Policy was adopted by the Board on May 21, 2015, in the “Financial Policy Guidelines for South Central Wastewater Authority”. The pro rata share for the Reserve Policy is distributed by ownership in the plant similar to the ERRF. The required balance in the Reserve Policy is 50% of O&M costs. The Reserve Policy is currently funded and therefore, no appropriation is requested for FY23/24.

Similar to the ERRF and Reserve Policy, the Capital Reserve Account is funded by percent ownership in the plant. The Capital Reserve Account, similar to a Rate Stabilization Reserve, is being utilized to collect the proposed debt service towards the Nutrient Reduction Project. When the funds are borrowed (bond) for the Nutrient Reduction Project and SCWWA begins to pay debt service, the Capital Reserve Account will be closed, and you will begin to see a debt service line for the local share portion of the Nutrient Reduction Project. The amount being requested in the Capital Reserve Policy is close to the estimated debt service for the local share for the Nutrient Reduction Project.

Mr. Hayes wanted to clarify if the Capital reserve is split between the member based on percent ownership or pro rata share. Mr. Gordon clarified that the Capital Reserve Account charges are based on the percent ownership in the plant to be consistent with how the debt service would be split. Mr. Wilson pointed to the revenue page of the budget presentation that illustrates the percentage split for the Capital Reserve Account as percent ownership in the plant.

One of the main factors that influences the five-year running average is rain. Unfortunately, water from rain gets into the incorporating subdivision’s collection systems and ultimately ends up at the wastewater treatment plant for treatment. This is commonly known as inflow and infiltration or I&I. Sewer improvements that reduce I&I help to reduce the incorporating subdivision’s treatment costs by reducing their five-year running average. The lower the five-year running average the corresponding lower O&M costs.

Nutrient purchases are slated to be constant through FY26/27. We currently have a contract through FY25/26. We are investigating our options for FY26/27 nutrient credits purchases.

To assist incorporating subdivision with determining the Authority’s impact on budgets and looking at their future rates, we included a section on estimated rates for the next five years. For these future

estimates, we increased the operating expenses annually by 3%, did not inflate operating capital outlay items or nutrient costs and kept the debt service constant. We did increase the debt service in FY23/24 to what we calculated for a 20-year borrowing at 3% for \$35 million.

Specific highlights for the Operating Budget:

- The total FY23/24 budget is increasing 5.81%. Chemicals, electricity and biosolids disposal alone increase the budget 5.01% of the 5.81% total increase.

After updating expenses following the chemical bids, the total budget increase is 6.92%. Chemicals, electricity, and biosolids disposal alone increase the budget 6.12% of the 6.92% total increase.

- 51000 – Salaries (+\$201,204). This is the first year with the budgeted increases from the approved Compensation and Classification study. We are proposing a 7.5% cost of living salary increase based on the Consumer Price Index. The Consumer Price Index illustrates inflation at 7.7% and is attached for reference as Attachment #3.

Mr. Hayes stated Chesterfield County has gone to a calendar year basis for salary adjustments and is implementing a 2% increase this January. Mr. Flippen asked why the Authority chose an index for development of the COLA. Mr. Wilson stated the Compensation and Classification Study referenced the use of the Consumer Price Index (CPI) for annual salary adjustments. A copy of the executive summary from the Compensation and Classification Study and an excerpt from the March 17, 2022 minutes are included as Attachment #4. The Compensation and Classification Study brought employee salaries to the current market value. The CPI is used to keep pace with inflation. Mr. Flippen asked that we provide a chart illustrating the average percent increase by department implemented as a result of the Compensation and Classification Study.

The chart below illustrates the average percent salary increase by department:

SCWWA Department	Percent Increase
Operations	17.76%
Maintenance	11.41%
Laboratory	20.53%
Inventory	11.68%
Administration	7.63%
Systems Integration	16.71%

Administration and System Integration positions are shared, and the salaries are split 50/50 between the ARWA and SCWWA for FY22/23.

The group indicated they thought the 7.5% COLA request was optimistic.

Mr. Flippen also asked how we chose the other utilities and authorities we benchmarked against to develop the salary ranges. The chosen groups included utilities and authorities of

similar size and responsibilities. There were not a whole lot of wholesale only facilities of similar size to compare to. Mr. Flippen asked if the utilities, say in northern Virginia, were adjusted for regional impacts. Attachment #5 is an email from the vendor, The Archer Company, that states they checked the median versus the average survey values and there was little difference. For a median calculation, all the high and low values were discarded and only the middle value (or the average of the two middle values for even sets) was used for each benchmark.

- 52000 – Employee Benefits (+\$105,104). This increase is a result of increased employee taxes, increased health care costs and increased life insurance.
- 53000 - Contractual Services (+\$18,200)
  - 53123 - Administrative Service (+\$38,000). Increase is to pay for the shared employees between the Authorities. When the upgrade starts one of current shared employees will need to focus on the Nutrient Reduction Project work and will no longer be shared with the ARWA.
  - 53140 - Consulting Engineering (-\$25,000). This line was decreased based the amount of work anticipated.
  - 53150 - Legal Services (+\$20,000). This increase was increased to account for new rates and expected legal work for bonding the Nutrient Reduction Project and leasing property for the Nutrient Reduction Project.
  - 53152 - Software Support (-\$10,000). This line was decreased based on actual cost over the last year and projections from this current fiscal year. The Authority has an IT department, and more work is being handled internally.
  - 53190 - Samples and testing (+\$5,200). This is a result of increased Industrial Pretreatment sampling and testing and the purchase of a new ISCO sampler for the plant.
- 55000 Other Charges (+\$85,000)
  - 55110 – Electricity (+\$50,000). Increase based on projection of actual historical cost.
  - 55120 – Natural Gas (-\$7,500). The Solids Conditioning Building is expected to be upgrade in 2023 as part of the Nutrient Reduction Project. The HVAC system will be converted to an all-electric system and the natural gas line will be removed. The Lab is the only other building with natural gas, and it is also scheduled to be converted to an all-electric HVAC system.
  - 55160 – Biosolids Disposal (+\$50,000). Estimated increase due to transportation costs.
- 56000 Materials and Supplies (+\$358,500)
  - 56004 – Laboratory Supplies (+3,500). The primary supply vendor estimated a 6% increase.
  - 56005 – Process Chemicals (+\$352,500). Increase based on discussions with chemical vendors indicating a potential increase of 30-40% due to raw product and transportation costs. This is the third consecutive year with significant chemical cost increases. Chemical bids will be opened January 12<sup>th</sup>. At that time, we will input “as bid” numbers into the budget.

Based on the chemical bids received, we expect to see approximately a 45% increase in chemical cost. To cover the cost of chemicals as bid this line was increased from \$1,100,000 to \$1,200,000, an increase of \$452,500 from the current fiscal year.

- 56006 – Repair and Maintenance Supplies. (+\$10,000). Increased due to actual purchase projections. Current equipment has seen some increase in maintenance cost.

- 57000 – Operating Capital Outlay (-\$244,000). Decreased by more than half due to current plant priorities.
- 58000 – Nutrient Credit Purchases stayed the same as FY22/23
- Reserve Policy (\$0) – The Reserve Policy is fully funded for FY23/24.
- ERRF (\$0) – The ERRF is fully funded for FY23/24.
- Capital Reserve Account – (\$2,500,000). We continue to collect funds towards the Nutrient Reduction Project. When payment on the bond begins this will no longer be charged.

The Operating Capital Outlay (58000 series) included the following changes for FY23/24:

- Since we now have the Operating Reserve and ERRF, we removed the ongoing line item titled “Emergency/Miscellaneous Repairs” under Section 57010. In the event of an emergency, we would draw first from the Operating Reserve and then, if it is exhausted, the ERRF. If we draw out of either account, it will be replenished in the following fiscal year. If that replenishment is a large amount as determined by the Board, then it would be paid back over a time as established by the Board.
- 57010 – Machinery and Equipment. Funding for rebuilding the Septage Receiving Station (\$50,000) and a replacement lab sample refrigerator (\$15,000). The septage receiving station has not been rebuilt in over 5 years. The lab refrigerator scheduled for replacement this year has seen increasing repairs over the last 3 years. All three of the refrigerators in the lab are over 14 years old.
- 57020 – Instrumentation. Funding for a new microscope (\$10,000) for the lab and operations. This will enable staff to better monitor the biological process. The current equipment is more than 25 years old
- 57030 – SCADA. Funding for GE Ops Hub installation and integration (\$50,000), a new OT (Operational Technology) Firewall (\$10,000), and development of remote monitoring sites (\$25,000). The GE Ops Hub will allow for easier integration of new devices/monitors, allow for the development of individualized dashboards, and make staff access to SCADA and development of new screens easier. The Authority is splitting the IT and OT firewalls to provide more security to the operational side of the network. Currently the networks are separate but there is only one firewall that “virtually” separates the networks. The nutrient upgrade will be much more sensitive to the influent stream and remote monitoring sites (3) will provide operators with advanced notice of changing conditions.
- 57040 – Computer Hardware and Software. Funding for a new LAN (Local Area Network) switch (\$5,000) and development of the Wi-Fi network (\$10,000). There are LAN switches in all the PLC and office buildings throughout the plant. There is one switch scheduled per year to ensure the network’s reliability. The treatment plant currently has Wi-Fi that is limited to the office areas. This development would allow more coverage throughout the plant and allow our operations and maintenance staff to be more mobile.
- 57050 - Motor Vehicles and 57055 – Equipment. No purchases scheduled for FY23/24. These will be evaluated each year based on the condition and maintenance required on the current vehicles and equipment.
- 57060 – Construction. No projects in FY23/24.

Under the Capital Budget the only project shown is the Nutrient Reduction Project. We estimated payments toward the bond beginning in FY24/25 but are collecting estimated debt service payments through the Capital Reserve Account until the bond payments begin.

Budget rate and percent increase/decrease summary:

Fiscal Year Rate change from prior fiscal years

	Petersburg	Colonial Heights	Chesterfield	Prince George	Dinwiddie	Total Annual \$
	\$/year	\$/year	\$/year	\$/year	\$/year	\$/year
Fy19/20 Budget Year	\$4,771,204	\$1,622,291	\$729,702	\$589,419	\$747,084	\$8,459,700
FY20/21 Budget Year	\$5,001,502	\$1,622,363	\$751,989	\$579,244	\$779,503	\$8,734,600
FY21/22 Budget Year	\$5,096,057	\$1,637,529	\$761,223	\$584,501	\$814,291	\$8,893,600
FY22/23 (current budget)	\$5,245,251	\$1,619,772	\$784,944	\$556,141	\$815,709	\$9,021,817
FY23/24 (proposed budget)	\$5,632,753	\$1,715,758	\$826,340	\$545,716	\$825,759	\$9,546,326

Fiscal Year Percent change from prior fiscal years

	Petersburg	Colonial Heights	Chesterfield	Prince George	Dinwiddie	Average Member
	% change	% change	% change	% change	% change	% change
Fy19/20 Budget Year	4.25%	-2.26%	4.34%	3.40%	7.75%	3.50%
FY20/21 Budget Year	4.83%	0.00%	3.05%	-1.73%	4.34%	2.10%
FY21/22 Budget Year	1.89%	0.93%	1.23%	0.91%	4.46%	1.88%
FY22/23 (current budget)	2.93%	-1.08%	3.12%	-4.85%	0.17%	0.06%
FY23/24 (proposed budget)	7.39%	5.93%	5.27%	-1.87%	1.23%	3.59%

The above tables reflect the change in rates per member from fiscal year to fiscal year as shown in the approved budgets. These numbers do not reflect true-up costs. For FY21/22, for Petersburg, 1.89% means the percent difference from FY20/21 to FY21/22, the rate increased by 1.89%. For FY22/23, for Petersburg, 2.93% means the percent difference from FY21/22 to FY22/23 the rate increased by 2.93% and so on.

Five Year Running Average for flow percent to plant

	Petersburg	Colonial Heights	Chesterfield	Prince George	Dinwiddie
Fy19/20 Budget Year	57.623%	18.899%	8.202%	6.804%	8.471%
FY20/21 Budget Year	58.913%	18.079%	8.127%	6.330%	8.551%
FY21/22 Budget Year	59.177%	17.792%	7.996%	6.209%	8.826%
FY22/23 (current budget)	60.301%	17.170%	8.202%	5.652%	8.674%
FY23/24 (proposed budget)	61.312%	17.254%	8.179%	5.084%	8.171%



Each fiscal year, the member jurisdictions provide actual conveyance flow numbers to the Authority. These actual flow numbers are used to calculate the actual percent of wastewater conveyed to the Authority from each member. This percent of wastewater conveyed is used to calculate the true-up of actual operating costs for each member and is also used to calculate the 5-year average flow distribution percentage for the budget development.

# Attachment #2

## February 17<sup>th</sup> Budget Update



900 Magazine Rd.  
Petersburg, VA 23803  
Office: (804) 861-0111  
Fax: (804) 861-3254

TO: South Central Wastewater Authority Board Members  
Member Financial Representatives

FROM: Robert B. Wilson, Executive Director  
James C. Gordon, Assistant Executive Director

DATE: February 17, 2023

SUBJECT: SCWWA budget Update

To assist with the upcoming public hearing for the FY23/24 budget scheduled for March 16<sup>th</sup>, we are providing the following information to ensure we have addressed member's comments:

- Attachment #1 – A copy of the advertised budget. This budget includes the requested 7.5% salary adjustment and the as bid chemical cost.
- Attachment #2 – A copy of the advertisement for the wholesale rates. The advertisement is for the budget as presented at the January 26<sup>th</sup> meeting – worst case.
- Attachment #3 – Revised FY23/24 budget with a 5% salary adjustment and the as bid chemical cost.

At the January 26<sup>th</sup> meeting, we noted the following comments from members on the proposed FY23/24 budget:

- Prince George stated they could support a 5.0% salary adjustment.
- Colonial Heights is looking at a possible 5.0% salary adjustment for their employees.
- Dinwiddie and Chesterfield requested additional support for the methodology for a 7.5% salary adjustment.
- Members requested we make sure to delineate in the advertisement that the proposed rates are for “wholesale” rates.
- Mr. Massengill stated he will not be able to attend the March 16<sup>th</sup> meeting and requested the Board still hold the public hearing but not act until the May 18<sup>th</sup> meeting.

The 7.5% salary adjustment was derived from the CPI index for the South region. In the Compensation and Classification Study, the consultant recommended to increase salaries and salary ranges annually with COLAs based on the Consumer Price Index from the Bureau of Labor Statistics. At the time the budgets were prepared in November 2022 for discussion with the utility directors, the previous 12-month timeframe for inflation, November 2021 through October 2022 was 7.7%. In the proposed budget we recommended a 7.5% salary adjustment.

Both Dr. Casey and Mr. Smith asked if we were recommending adjusting the salary ranges at this time also. I stated we were not requesting adjustments to the salary ranges.

For the revised FY23/24 budget that includes a 5.0% COLA salary adjustment and the as bid chemical cost, we provide the following comparisons:

- Fiscal Year Rate change from prior fiscal years.

	Petersburg	Colonial Heights	Chesterfield	Prince George	Dinwiddie	Total Annual \$
	\$/year	\$/year	\$/year	\$/year	\$/year	\$/year
Fy19/20 Budget Year	\$4,771,204	\$1,622,291	\$729,702	\$589,419	\$747,084	\$8,459,700
FY20/21 Budget Year	\$5,001,502	\$1,622,363	\$751,989	\$579,244	\$779,503	\$8,734,600
FY21/22 Budget Year	\$5,096,057	\$1,637,529	\$761,223	\$584,501	\$814,291	\$8,893,600
FY22/23 (current budget)	\$5,245,251	\$1,619,772	\$784,944	\$556,141	\$815,709	\$9,021,817
FY23/24 (5% COLA + as bid chemical cost)	\$5,654,257	\$1,721,809	\$829,209	\$547,499	\$828,625	\$9,581,397

- Fiscal Year Percent change from prior fiscal years.

	Petersburg	Colonial Heights	Chesterfield	Prince George	Dinwiddie	Average Member
	% change	% change	% change	% change	% change	% change
Fy19/20 Budget Year	4.25%	-2.26%	4.34%	3.40%	7.75%	3.50%
FY20/21 Budget Year	4.83%	0.00%	3.05%	-1.73%	4.34%	2.10%
FY21/22 Budget Year	1.89%	0.93%	1.23%	0.91%	4.46%	1.88%
FY22/23 (current budget)	2.93%	-1.08%	3.12%	-4.85%	0.17%	0.06%
FY23/24 (5% COLA + as bid chemical cost)	7.80%	6.30%	5.64%	-1.55%	1.58%	3.95%

If anyone has any questions or needs any additional information, please let us know.

# Attachment #1

FY23/24 Advertised Budget  
Proposed 7.5% salary  
adjustment and as bid  
chemical cost

**SOUTH CENTRAL WASTEWATER AUTHORITY**

FY 2023/2024 Budget

PROPOSED: January 26, 2023

APPROVED:

REVISED:

REVISION APPROVED:

Acct #	ITEM	Fiscal Year	Fiscal Year	FY22/23 to FY23/24	
		2022/2023 Budget	2023/2024 Budget	\$ Change	% Change
<b>51000</b>	<b>SALARY</b>	\$ 2,211,441	\$ 2,412,646	\$201,204	9.10%
<b>52000</b>	<b>EMPLOYEE BENEFITS</b>	\$ 903,376	\$ 1,008,480	\$105,104	11.63%
52100	Employer FICA	\$ 169,175	\$ 184,567	\$15,392	9.10%
52200	Virginia Retirement System	\$ 121,408	\$ 162,371	\$40,963	33.74%
52300	Hospitalization Insurance	\$ 572,322	\$ 617,712	\$45,390	7.93%
52400	Group Life	\$ 28,970	\$ 32,329	\$3,360	11.60%
52450	Supplemental Group Life	\$ 1,500	\$ 1,500	\$0	0.00%
52500	Health Insurance Credit	\$ -	\$ -	\$0	0.00%
52600	Workers Comp/Unemployment	\$ -	\$ -	\$0	0.00%
52700	Employee Promotions	\$ 10,000	\$ 10,000	\$0	0.00%
52900	OPEB Health Insuranc ARC Adj	\$ -	\$ -	\$0	0.00%
52952	Net Pension Adjustment	\$ -	\$ -	\$0	0.00%
<b>53000</b>	<b>Contractual Services</b>	\$ 309,000	\$ 327,200	\$18,200	5.89%
53121	Auditing Services	\$ 20,000	\$ 15,000	-\$5,000	-25.00%
53122	Accounting Services	\$ 12,000	\$ 12,000	\$0	0.00%
53123	Administrative Service	\$ -	\$ 38,000	\$38,000	0.00%
53124	Part-Time Summer Interns	\$ 5,000	\$ 5,000	\$0	0.00%
53140	Consults - Engineering	\$ 50,000	\$ 25,000	-\$25,000	-50.00%
53145	Consults - General	\$ -	\$ -	\$0	0.00%
53150	Legal Services	\$ 50,000	\$ 70,000	\$20,000	40.00%
53152	Software Support	\$ 60,000	\$ 50,000	-\$10,000	-16.67%
53160	Medical	\$ 5,000	\$ 5,000	\$0	0.00%
53162	Bank Service Charges	\$ -	\$ -	\$0	0.00%
53170	Payment in Lieu of Taxes (City of Petersburg)	\$ -	\$ -	\$0	0.00%
53190	Samples and Testing	\$ 52,000	\$ 57,200	\$5,200	10.00%
53220	VPDES Permit Fee	\$ 12,500	\$ 12,500	\$0	0.00%
53320	Maintenance Service Contracts	\$ 15,000	\$ 10,000	-\$5,000	-33.33%
53600	Grounds Maintenance	\$ 27,500	\$ 27,500	\$0	0.00%
<b>55000</b>	<b>Other Charges</b>	\$ 1,065,500	\$ 1,151,000	\$85,500	8.02%
55050	Advertising	\$ 5,000	\$ 4,000	-\$1,000	-20.00%
55110	Electricity	\$ 450,000	\$ 500,000	\$50,000	11.11%
55120	Natural Gas	\$ 15,000	\$ 7,500	-\$7,500	-50.00%
55130	Solid Waste	\$ 3,500	\$ 3,500	\$0	0.00%
55140	Water	\$ 10,000	\$ 10,000	\$0	0.00%
55150	Storm Water (City of Petersburg)	\$ 6,500	\$ 5,500	-\$1,000	-15.38%

55160	Biosolids Disposal	\$ 400,000	\$ 450,000	\$50,000	12.50%
55210	Postage and Freight	\$ 25,000	\$ 20,000	-\$5,000	-20.00%
55230	Telecommunications	\$ 17,500	\$ 17,500	\$0	0.00%
55308	General Liability Insurance	\$ 70,000	\$ 70,000	\$0	0.00%
55410	Lease/Rent of Equipment	\$ 11,000	\$ 11,000	\$0	0.00%
55530	Meals and Lodging	\$ 2,000	\$ 2,000	\$0	0.00%
55540	Education and Training	\$ 25,000	\$ 25,000	\$0	0.00%
55550	Safety Supplies	\$ 25,000	\$ 25,000	\$0	0.00%
55700	Grounds Maintenance			\$0	0.00%
<b>56000</b>	<b>Materials and Supplies</b>	<b>\$ 1,426,000</b>	<b>\$ 1,884,500</b>	<b>\$458,500</b>	<b>32.15%</b>
56001	Office Supplies	\$ 15,000	\$ 7,500	-\$7,500	-50.00%
56004	Laboratory Supplies	\$ 59,500	\$ 63,000	\$3,500	5.88%
56005	Process Chemicals	\$ 747,500	\$ 1,200,000	\$452,500	60.54%
56006	Repair and Maintenance Supplies - IT	\$ 30,000	\$ 30,000	\$0	0.00%
56007	Repair and Maintenance Supplies - Shop	\$ 465,000	\$ 475,000	\$10,000	2.15%
56008	Vehicle and Equipment Fuels	\$ 25,000	\$ 25,000	\$0	0.00%
56009	Inventory Purchases	\$ -	\$ -	\$0	0.00%
56010	Janitorial Supplies	\$ 10,000	\$ 10,000	\$0	0.00%
56011	Uniforms	\$ 24,000	\$ 24,000	\$0	0.00%
56012	Dues and Subscriptions	\$ 30,000	\$ 30,000	\$0	0.00%
56015	Small Equipment Purchases	\$ -	\$ -	\$0	0.00%
56016	Operation - Supplies - Maintenance	\$ 20,000	\$ 20,000	\$0	0.00%
<b>57000</b>	<b>Operating Capital Outlay</b>	<b>\$ 419,000</b>	<b>\$ 175,000</b>	<b>-\$244,000</b>	<b>-58.23%</b>
<b>58000</b>	<b>Nutrient Credit Purchases</b>	<b>\$ 187,500</b>	<b>\$ 187,500</b>	<b>\$0</b>	<b>0.00%</b>
<b>59000</b>	<b>Rate Stabilization Funds to be deposited to Capital Reserve Acct</b>			<b>\$0</b>	<b>0.00%</b>
	<b>Total(Operations &amp; Maintenance)</b>	<b>\$ 6,521,817</b>	<b>\$ 7,146,326</b>	<b>\$624,509</b>	<b>8.04%</b>
	<b>Reserve policy (50% O&amp;M) (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>ERRF (5% of Operations &amp; Maintenance) (2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Capital Reserve Account (3)</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Total</b>	<b>\$ 9,021,817</b>	<b>\$ 9,646,326</b>	<b>\$624,509</b>	<b>6.92%</b>

Notes

(1) Reserve Policy requirement is to maintain 50% O&M reserves. Reserve Policy account currently has 50% O&M

(2) Equipment Replacement and Reserve Fund (ERRF) has > \$2.5 million. Per service agreement, the budget must include 5% O&M charge for ERRF until the account reaches \$2.5 million

(3) Capital Reserve account is used to offset future capital expenditures.

**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2023/2024 Budget**

Proposed: Jan. 26, 2023

Approved: \_\_\_\_\_

Revised: \_\_\_\_\_

Revision Approved: \_\_\_\_\_

**Operations and Maintenance, Equipment Repair and Replacement Funds and Debt Service billing per July 2, 1996 Service Agreement**

**Operation and Maintenance, Section 10, Para. 2**

**Budget: \$7,146,325.72**

<b>Community</b>	<b>Petersburg</b>	<b>Colonial Heights</b>	<b>Chesterfield</b>	<b>Prince George</b>	<b>Dinwiddie</b>
% O&M (1)	61.312%	17.254%	8.179%	5.084%	8.171%
O&M	\$ 4,381,565.55	\$ 1,233,011.41	\$ 584,519.18	\$ 363,299.41	\$ 583,930.18

**Equipment Repair and Replacement Fund, Section 11, Para. E, 5% of O&M**

**Budget: \$ -**

%ERRF(2)	52.5%	20.0%	10.0%	7.5%	10.0%
ERRF	\$ -	\$ -	\$ -	\$ -	\$ -

**Debt Service, Section 11, Para. A.2**

**Budget: \$ -**

% Participation	52.50%	20.00%	10.00%	7.50%	10.00%
P&I Owed	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred	\$ -	\$ -	\$ -	\$ -	\$ -
Total P&I	\$ -	\$ -	\$ -	\$ -	\$ -

**Reserve Policy**

**Budget: 0**

% Participation (3)	52.5%	20.0%	10.0%	7.5%	10.0%
Reserve Policy	\$ -	\$ -	\$ -	\$ -	\$ -

**Capital Reserve Account (to offset future Capital Expenditures)**

**Budget: \$ 2,500,000.00**

% Participation	52.5%	20.0%	10.0%	7.5%	10.0%
Reserve Policy	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00

<b>Annual Total</b>	\$ <b>5,694,065.55</b>	\$ <b>1,733,011.41</b>	\$ <b>834,519.18</b>	\$ <b>550,799.41</b>	\$ <b>833,930.18</b>
O&M Due Monthly	\$ 365,130.46	\$ 102,750.95	\$ 48,709.93	\$ 30,274.95	\$ 48,660.85
ERRF Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve policy Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 109,375.00	\$ 41,666.67	\$ 20,833.33	\$ 15,625.00	\$ 20,833.33
P&I Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Due Monthly</b>	\$ <b>474,505.46</b>	\$ <b>144,417.62</b>	\$ <b>69,543.26</b>	\$ <b>45,899.95</b>	\$ <b>69,494.18</b>

Notes:

(1) Participation percentage based on flow data for period from FY17 to FY21

(2) Participation percentage based upon Section 6 of the Service Agreement

(3) A Reserve Policy of 50% O&M was adopted with the FY15/16 Budget to be funded initially over a 5 year term. Participation is based on Plant Allocation



**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2023/2024 Budget**

Proposed: Jan. 26, 2023

Approved: \_\_\_\_\_

Revised: \_\_\_\_\_

Revision Approved: \_\_\_\_\_

<u>Proposed Revenues</u>	<u>Petersburg</u>	<u>Colonial Heights</u>	<u>Chesterfield</u>	<u>Prince George</u>	<u>Dinwiddie</u>	<u>Total</u>
Estimated Share of Plant Flow	61.312%	17.254%	8.179%	5.084%	8.171%	100.000%
Estimated Share of Operations & Maintenance	\$ 4,381,565.55	\$ 1,233,011.41	\$ 584,519.18	\$ 363,299.41	\$ 583,930.18	\$ 7,146,325.72
Share of Plant Capacity (%)	52.50%	20.00%	10.00%	7.50%	10.00%	100.00%
Share of Equipment Replacement Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Policy - (50% O&M)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00	\$ 2,500,000.00
Share of Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Amount	\$ 474,505.46	\$ 144,417.62	\$ 69,543.26	\$ 45,899.95	\$ 69,494.18	\$ 803,860.48
<b>Annual Total</b>	\$ <b>5,694,065.55</b>	\$ <b>1,733,011.41</b>	\$ <b>834,519.18</b>	\$ <b>550,799.41</b>	\$ <b>833,930.18</b>	\$ <b>9,646,325.72</b>
Electrical Credit						\$ -
Miscellaneous Revenue - PROPOSE THIS REVENUE IS DEPOSITED TO A CAPITAL RESERVE FUND						\$ -
<b>Total Budget</b>						\$ <b>9,646,325.72</b>

Budget Comparison

	<b>FY23/24 Budget</b>	<b>FY22/23 Budget</b>	<b>FY23/24 - FY22/23</b>	
<b>Locality</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Difference</b>	
City of Petersburg	\$ 5,694,066	\$ 5,245,251	\$ 448,815	8.56%
City of Colonial Heights	\$ 1,733,011	\$ 1,619,772	\$ 113,239	6.99%
Chesterfield County	\$ 834,519	\$ 784,944	\$ 49,575	6.32%
Prince George County	\$ 550,799	\$ 556,141	\$ (5,342)	-0.96%
Dinwiddie County	\$ 833,930	\$ 815,709	\$ 18,221	2.23%
<b>Sub-totals</b>	\$ <b>9,646,326</b>	\$ <b>9,021,817</b>	\$ <b>624,509</b>	<b>4.627%</b>
<b>Total Budget</b>	\$ <b>9,646,325.72</b>	\$ <b>9,021,816.92</b>	\$ <b>624,508.80</b>	

**50% Reserve Policy:**  
Reserve Policy Calculation

	O&M Reserves on June 30, 2022	Recommended 50% O&M Reserves	Charges required to achieve 50% reserves	Annual Charge
SCWWA O&M Budget	\$7,146,326	\$3,916,414.45	-\$343,251.59	0

**South Central Wastewater Authority  
Operating Capital Outlay - 57000  
FY23/24**

Acct#	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
			24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
57010 - Machinery & Equipment	\$ 145,000	\$ 65,000	\$ 16,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57020 - Instrumentation	\$ 134,000	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57030 - SCADA	\$ -	\$ 85,000	\$ -	\$ 37,750	\$ -	\$ -	\$ 12,750	\$ -	\$ -	\$ 20,000	\$ -	\$ -
57040 - Computer Hardware & Software	\$ 20,000	\$ 15,000	\$ 23,250	\$ 5,500	\$ 5,800	\$ 31,000	\$ 31,400	\$ 6,720	\$ 7,000	\$ 7,300	\$ 39,800	
57050 - Motor Vehicles	\$ 35,000	\$ -	\$ 35,000	\$ 30,000	\$ 36,000	\$ 96,667	\$ 84,000	\$ 47,000	\$ -	\$ -	\$ -	
57055 - Equipment	\$ 85,000	\$ -	\$ 75,000	\$ 75,000	\$ 160,000	\$ 90,000	\$ 155,000	\$ 110,000	\$ -	\$ -	\$ -	
57060 - Construction	\$ -	\$ -	\$ -	\$ 750,000	\$ 60,000	\$ 100,000	\$ 3,000,000	\$ -	\$ 2,750,000	\$ 10,000,000	\$ -	
57080 - Fixtures and Furniture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Totals</b>	<b>\$ 419,000</b>	<b>\$ 175,000</b>	<b>\$ 149,250</b>	<b>\$ 1,023,250</b>	<b>\$ 271,800</b>	<b>\$ 317,667</b>	<b>\$ 3,283,150</b>	<b>\$ 163,720</b>	<b>\$ 2,777,000</b>	<b>\$ 10,007,300</b>	<b>\$ 39,800</b>	

NOTE: FY 22/23 OPERATING CAPITAL OUTLAY TO BE APPROVED WITH BUDGET

**South Central Wastewater Authority  
Capital Budget  
FY23/24**

ITEM	Estimate	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
				24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
Nutrient Upgrade - Engineering (See Note 1.)	\$ 3,070,384	\$ 1,535,192	\$ -										
Nutrient Upgrade - Bond (See Notes 2. and 3.)	\$ 35,000,000	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	
Capital Reserve Account (See Notes 4. and 5.)		\$ 2,500,000	\$ 2,500,000										
<b>Totals</b>		<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	

NOTE:

- The purchase order has been issued for the Nutrient Upgrade - Engineering. This amount is funded and only illustrated for informational purposes. That is the reason it is not included in the "Totals"
- Bond Funding will be required for the Proposed Nutrient Upgrade Project. Debt service for the local share portion of the Nutrient upgrade was estimated at \$35 million over 20 years at 3%.
- The \$35 million is the proposed local share for the Nutrient project. The estimated total project cost including the local share is \$107.7 million.
- Nutrient Upgrade - Engineering for FY2021 and FY2022 is funded through the Capital Reserve Account as approved at the September 2020 Board meeting
- The Capital Reserve Account that is currently funding engineering for the Nutrient Project will end in FY21/22. The Nutrient Upgrade - Bond will be used to fund the local share debt service for the Nutrient Project.

Total Operating Capital Outlay and Construction Budget										
22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
\$ 2,919,000	\$ 2,675,000	\$ 2,649,250	\$ 3,523,250	\$ 2,771,800	\$ 2,817,667	\$ 5,783,150	\$ 2,663,720	\$ 5,277,000	\$ 12,507,300	\$ 2,539,800

**South Central Wastewater Authority  
Nutrient Credit Purchase - Acct # 58100  
FY23/24**

Acct# 58100 ITEM	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
			24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
Contract + contingency	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

NOTE: FY 22/23 TO BE APPROVED WITH BUDGET

**SCWWA Budget comparisons**

Year	(1) Operating Capital		(2)		(3)		Total	Difference	% change	Comments
	O&M Expenses	Outlay	Nutrients	Debt Service	Reserve policy	ERRF				
22/23	\$ 5,915,316.92	\$ 419,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,021,816.92			
23/24	\$ 6,783,825.72	\$ 175,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,646,325.72	\$ 624,508.80	7%	
24/25	\$ 7,148,340.49	\$ 149,250.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,985,090.49	\$ 338,764.77	4%	added maint sup and mechanic + benefits
25/26	\$ 7,523,790.70	\$ 1,023,250.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 11,234,540.70	\$ 1,249,450.21	13%	should be last year purchasing credits
26/27	\$ 7,749,504.43	\$ 271,800.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 10,708,804.43	\$ (525,736.28)	-5%	
27/28	\$ 7,981,989.56	\$ 317,666.67	\$ -	\$ 2,500,000.00	\$ -	\$ -	\$ 10,799,656.22	\$ 90,851.80	1%	

Notes:

- (1) Annual increase in operating expenses 3%
- (2) Debt Service stays constant. Projections assume bond payments start in FY23 (shown in red)
- (3) Equipment Replacement and Reserve Fund (currently fully funded at >\$2,500,000)

**SCWWA Projected Annual Cost**

**5 year projected annual cost per Participating Jurisdiction**

	Dinwiddie	Prince George	Colonial Heights	Chesterfield	Petersburg	total
5 year aver flows	8.171%	5.084%	17.254%	8.179%	61.312%	100.000%
Allocation	10.000%	7.500%	20.000%	10.000%	52.500%	100.000%
FY 23/24	\$ 833,930	\$ 550,799	\$ 1,733,011	\$ 834,519	\$ 5,694,066	\$ 9,646,326
FY 24/25	\$ 861,611	\$ 568,021	\$ 1,791,461	\$ 862,228	\$ 5,901,769	\$ 9,985,090
FY 25/26	\$ 963,704	\$ 631,540	\$ 2,007,039	\$ 964,424	\$ 6,667,834	\$ 11,234,541
FY 26/27	\$ 920,746	\$ 604,813	\$ 1,916,329	\$ 921,422	\$ 6,345,494	\$ 10,708,804
FY 27/28	\$ 928,169	\$ 609,432	\$ 1,932,005	\$ 928,854	\$ 6,401,197	\$ 10,799,656

Note: Budget % based on five year average flows (FY17/18 to FY21/22)

# Attachment #2

## FY23/24 Budget Advertisement

The Appomattox River Water Authority and South Central Wastewater Authority provide wholesale water treatment, transmission, and wastewater treatment services to their member jurisdictions: Chesterfield County, City of Colonial Heights, Dinwiddie County, City of Petersburg, and Prince George County. These members pay wholesale water and wastewater rates and charges. Each member operates its own separate public retail water distribution and wastewater collection systems with different water and wastewater retail utility rates charged to their customers.

Pursuant to resolutions approved by each authority board on January 26, 2023, each authority will hold a public hearing on the proposed FY2024 rates on March 16, 2023, at 2:00 p.m. at the Appomattox River Water Authority located at 21300 Chesdin Road, Petersburg, VA 23803. Any person interested may appear at the meeting and present their views regarding the proposed rate(s). Comments and questions may also be submitted to [mwilkins@arwava.org](mailto:mwilkins@arwava.org). All comments and questions will be conveyed to the authority boards during the public hearings on March 16, 2023.

<u>APPOMATTOX RIVER WATER AUTHORITY</u>		
<u>WHOLESALE RATES (\$/1,000 gallons)</u>		
		FY2024
Chesterfield County		\$ 1.0666
City of Colonial Heights		\$ 1.0939
Dinwiddie County		\$ 1.4900
City of Petersburg		\$ 1.0636
Prince George County		\$ 1.3947

<u>SOUTH CENTRAL WASTEWATER AUTHORITY</u>			
<u>CONTRACT PAYMENT DETAIL BY MEMBER JURISDICTION</u>			
			FY2024
	City of Petersburg		\$ 5,694,065.55
	City of Colonial Heights		\$ 1,733,011.41
	Chesterfield County		\$ 834,519.18
	Prince George County		\$ 550,799.41
	Dinwiddie County		\$ 833,930.18
	<b>TOTAL</b>		<b>\$ 9,646,325.72</b>

# Attachment #3

FY23/24 Budget with  
5.0% salary adjustment  
and as bid chemical cost

**SOUTH CENTRAL WASTEWATER AUTHORITY**

FY 2023/2024 Budget

PROPOSED: January 26, 2023

APPROVED:

REVISED:

REVISION APPROVED:

Acct #	ITEM	Fiscal Year	Fiscal Year	FY22/23 to FY23/24	
		2022/2023 Budget	2023/2024 Budget	\$ Change	% Change
<b>51000</b>	<b>SALARY</b>	\$ 2,211,441	\$ 2,356,538	\$145,096	6.56%
<b>52000</b>	<b>EMPLOYEE BENEFITS</b>	\$ 903,376	\$ 999,660	\$96,284	10.66%
52100	Employer FICA	\$ 169,175	\$ 180,275	\$11,100	6.56%
52200	Virginia Retirement System	\$ 121,408	\$ 158,595	\$37,187	30.63%
52300	Hospitalization Insurance	\$ 572,322	\$ 617,712	\$45,390	7.93%
52400	Group Life	\$ 28,970	\$ 31,578	\$2,608	9.00%
52450	Supplemental Group Life	\$ 1,500	\$ 1,500	\$0	0.00%
52500	Health Insurance Credit	\$ -	\$ -	\$0	0.00%
52600	Workers Comp/Unemployment	\$ -	\$ -	\$0	0.00%
52700	Employee Promotions	\$ 10,000	\$ 10,000	\$0	0.00%
52900	OPEB Health Insuranc ARC Adj	\$ -	\$ -	\$0	0.00%
52952	Net Pension Adjustment	\$ -	\$ -	\$0	0.00%
<b>53000</b>	<b>Contractual Services</b>	\$ 309,000	\$ 327,200	\$18,200	5.89%
53121	Auditing Services	\$ 20,000	\$ 15,000	-\$5,000	-25.00%
53122	Accounting Services	\$ 12,000	\$ 12,000	\$0	0.00%
53123	Administrative Service	\$ -	\$ 38,000	\$38,000	0.00%
53124	Part-Time Summer Interns	\$ 5,000	\$ 5,000	\$0	0.00%
53140	Consults - Engineering	\$ 50,000	\$ 25,000	-\$25,000	-50.00%
53145	Consults - General	\$ -	\$ -	\$0	0.00%
53150	Legal Services	\$ 50,000	\$ 70,000	\$20,000	40.00%
53152	Software Support	\$ 60,000	\$ 50,000	-\$10,000	-16.67%
53160	Medical	\$ 5,000	\$ 5,000	\$0	0.00%
53162	Bank Service Charges	\$ -	\$ -	\$0	0.00%
53170	Payment in Lieu of Taxes (City of Petersburg)	\$ -	\$ -	\$0	0.00%
53190	Samples and Testing	\$ 52,000	\$ 57,200	\$5,200	10.00%
53220	VPDES Permit Fee	\$ 12,500	\$ 12,500	\$0	0.00%
53320	Maintenance Service Contracts	\$ 15,000	\$ 10,000	-\$5,000	-33.33%
53600	Grounds Maintenance	\$ 27,500	\$ 27,500	\$0	0.00%
<b>55000</b>	<b>Other Charges</b>	\$ 1,065,500	\$ 1,151,000	\$85,500	8.02%
55050	Advertising	\$ 5,000	\$ 4,000	-\$1,000	-20.00%
55110	Electricity	\$ 450,000	\$ 500,000	\$50,000	11.11%
55120	Natural Gas	\$ 15,000	\$ 7,500	-\$7,500	-50.00%
55130	Solid Waste	\$ 3,500	\$ 3,500	\$0	0.00%
55140	Water	\$ 10,000	\$ 10,000	\$0	0.00%
55150	Storm Water (City of Petersburg)	\$ 6,500	\$ 5,500	-\$1,000	-15.38%

55160	Biosolids Disposal	\$ 400,000	\$ 450,000	\$50,000	12.50%
55210	Postage and Freight	\$ 25,000	\$ 20,000	-\$5,000	-20.00%
55230	Telecommunications	\$ 17,500	\$ 17,500	\$0	0.00%
55308	General Liability Insurance	\$ 70,000	\$ 70,000	\$0	0.00%
55410	Lease/Rent of Equipment	\$ 11,000	\$ 11,000	\$0	0.00%
55530	Meals and Lodging	\$ 2,000	\$ 2,000	\$0	0.00%
55540	Education and Training	\$ 25,000	\$ 25,000	\$0	0.00%
55550	Safety Supplies	\$ 25,000	\$ 25,000	\$0	0.00%
55700	Grounds Maintenance			\$0	0.00%
<b>56000</b>	<b>Materials and Supplies</b>	<b>\$ 1,426,000</b>	<b>\$ 1,884,500</b>	<b>\$458,500</b>	<b>32.15%</b>
56001	Office Supplies	\$ 15,000	\$ 7,500	-\$7,500	-50.00%
56004	Laboratory Supplies	\$ 59,500	\$ 63,000	\$3,500	5.88%
56005	Process Chemicals	\$ 747,500	\$ 1,200,000	\$452,500	60.54%
56006	Repair and Maintenance Supplies - IT	\$ 30,000	\$ 30,000	\$0	0.00%
56007	Repair and Maintenance Supplies - Shop	\$ 465,000	\$ 475,000	\$10,000	2.15%
56008	Vehicle and Equipment Fuels	\$ 25,000	\$ 25,000	\$0	0.00%
56009	Inventory Purchases	\$ -	\$ -	\$0	0.00%
56010	Janitorial Supplies	\$ 10,000	\$ 10,000	\$0	0.00%
56011	Uniforms	\$ 24,000	\$ 24,000	\$0	0.00%
56012	Dues and Subscriptions	\$ 30,000	\$ 30,000	\$0	0.00%
56015	Small Equipment Purchases	\$ -	\$ -	\$0	0.00%
56016	Operation - Supplies - Maintenance	\$ 20,000	\$ 20,000	\$0	0.00%
<b>57000</b>	<b>Operating Capital Outlay</b>	<b>\$ 419,000</b>	<b>\$ 175,000</b>	<b>-\$244,000</b>	<b>-58.23%</b>
<b>58000</b>	<b>Nutrient Credit Purchases</b>	<b>\$ 187,500</b>	<b>\$ 187,500</b>	<b>\$0</b>	<b>0.00%</b>
<b>59000</b>	<b>Rate Stabilization Funds to be deposited to Capital Reserve Acct</b>			<b>\$0</b>	<b>0.00%</b>
	<b>Total(Operations &amp; Maintenance)</b>	<b>\$ 6,521,817</b>	<b>\$ 7,081,397</b>	<b>\$559,581</b>	<b>8.04%</b>
	<b>Reserve policy (50% O&amp;M) (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>ERRF (5% of Operations &amp; Maintenance) (2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Capital Reserve Account (3)</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Total</b>	<b>\$ 9,021,817</b>	<b>\$ 9,581,397</b>	<b>\$559,581</b>	<b>6.20%</b>

Notes

(1) Reserve Policy requirement is to maintain 50% O&M reserves. Reserve Policy account currently has 50% O&M

(2) Equipment Replacement and Reserve Fund (ERRF) has > \$2.5 million. Per service agreement, the budget must include 5% O&M charge for ERRF until the account reaches \$2.5 million

(3) Capital Reserve account is used to offset future capital expenditures.



**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2023/2024 Budget**

Proposed: Jan. 26, 2023

Approved: \_\_\_\_\_

Revised: \_\_\_\_\_

Revision Approved: \_\_\_\_\_

**Operations and Maintenance, Equipment Repair and Replacement Funds and Debt Service billing per July 2, 1996 Service Agreement**

**Operation and Maintenance, Section 10, Para. 2**

**Budget: \$7,081,397.50**

<b>Community</b>	<b>Petersburg</b>	<b>Colonial Heights</b>	<b>Chesterfield</b>	<b>Prince George</b>	<b>Dinwiddie</b>
% O&M (1)	61.312%	17.254%	8.179%	5.084%	8.171%
O&M	\$ 4,341,756.67	\$ 1,221,808.83	\$ 579,208.51	\$ 359,998.63	\$ 578,624.86

**Equipment Repair and Replacement Fund, Section 11, Para. E, 5% of O&M**

**Budget: \$ -**

%ERRF(2)	52.5%	20.0%	10.0%	7.5%	10.0%
ERRF	\$ -	\$ -	\$ -	\$ -	\$ -

**Debt Service, Section 11, Para. A.2**

**Budget: \$ -**

% Participation	52.50%	20.00%	10.00%	7.50%	10.00%
P&I Owed	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred	\$ -	\$ -	\$ -	\$ -	\$ -
Total P&I	\$ -	\$ -	\$ -	\$ -	\$ -

**Reserve Policy**

**Budget: 0**

% Participation (3)	52.5%	20.0%	10.0%	7.5%	10.0%
Reserve Policy	\$ -	\$ -	\$ -	\$ -	\$ -

**Capital Reserve Account (to offset future Capital Expenditures)**

**Budget: \$ 2,500,000.00**

% Participation	52.5%	20.0%	10.0%	7.5%	10.0%
Reserve Policy	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00

<b>Annual Total</b>	\$ <b>5,654,256.67</b>	\$ <b>1,721,808.83</b>	\$ <b>829,208.51</b>	\$ <b>547,498.63</b>	\$ <b>828,624.86</b>
O&M Due Monthly	\$ 361,813.06	\$ 101,817.40	\$ 48,267.38	\$ 29,999.89	\$ 48,218.74
ERRF Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve policy Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 109,375.00	\$ 41,666.67	\$ 20,833.33	\$ 15,625.00	\$ 20,833.33
P&I Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Due Monthly</b>	\$ <b>471,188.06</b>	\$ <b>143,484.07</b>	\$ <b>69,100.71</b>	\$ <b>45,624.89</b>	\$ <b>69,052.07</b>

Notes:

(1) Participation percentage based on flow data for period from FY17 to FY21

(2) Participation percentage based upon Section 6 of the Service Agreement

(3) A Reserve Policy of 50% O&M was adopted with the FY15/16 Budget to be funded initially over a 5 year term. Participation is based on Plant Allocation

**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2023/2024 Budget**

Proposed: Jan. 26, 2023

Approved: \_\_\_\_\_

Revised: \_\_\_\_\_

Revision Approved: \_\_\_\_\_

<u>Proposed Revenues</u>	<u>Petersburg</u>	<u>Colonial Heights</u>	<u>Chesterfield</u>	<u>Prince George</u>	<u>Dinwiddie</u>	<u>Total</u>
Estimated Share of Plant Flow	61.312%	17.254%	8.179%	5.084%	8.171%	100.000%
Estimated Share of Operations & Maintenance	\$ 4,341,756.67	\$ 1,221,808.83	\$ 579,208.51	\$ 359,998.63	\$ 578,624.86	\$ 7,081,397.50
Share of Plant Capacity (%)	52.50%	20.00%	10.00%	7.50%	10.00%	100.00%
Share of Equipment Replacement Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Policy - (50% O&M)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00	\$ 2,500,000.00
Share of Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Amount	\$ 471,188.06	\$ 143,484.07	\$ 69,100.71	\$ 45,624.89	\$ 69,052.07	\$ 798,449.79
Annual Total	\$ 5,654,256.67	\$ 1,721,808.83	\$ 829,208.51	\$ 547,498.63	\$ 828,624.86	\$ 9,581,397.50
Electrical Credit						\$ -
Miscellaneous Revenue - PROPOSE THIS REVENUE IS DEPOSITED TO A CAPITAL RESERVE FUND						\$ -
<b>Total Budget</b>						<b>\$ 9,581,397.50</b>

**Budget Comparison**

	<b>FY23/24 Budget</b>	<b>FY22/23 Budget</b>	<b>FY23/24 - FY22/23</b>	
<b>Locality</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Difference</b>	
City of Petersburg	\$ 5,654,257	\$ 5,245,251	\$ 409,006	7.80%
City of Colonial Heights	\$ 1,721,809	\$ 1,619,772	\$ 102,037	6.30%
Chesterfield County	\$ 829,209	\$ 784,944	\$ 44,265	5.64%
Prince George County	\$ 547,499	\$ 556,141	\$ (8,643)	-1.55%
Dinwiddie County	\$ 828,625	\$ 815,709	\$ 12,916	1.58%
Sub-totals	\$ 9,581,397	\$ 9,021,817	\$ 559,581	3.953%
<b>Total Budget</b>	<b>\$ 9,581,397.50</b>	<b>\$ 9,021,816.92</b>	<b>\$ 559,580.57</b>	

**50% Reserve Policy:**  
Reserve Policy Calculation

SCWWA O&M Budget	O&M Reserves on June 30, 2022	Recommended 50% O&M Reserves	Charges required to achieve 50% reserves	Annual Charge
\$7,081,397	\$3,916,414.45	\$3,540,698.75	-\$375,715.70	0

**South Central Wastewater Authority  
Operating Capital Outlay - 57000  
FY23/24**

Acct#	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
			24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
57010 - Machinery & Equipment	\$ 145,000	\$ 65,000	\$ 16,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57020 - Instrumentation	\$ 134,000	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57030 - SCADA	\$ -	\$ 85,000	\$ -	\$ 37,750	\$ -	\$ -	\$ 12,750	\$ -	\$ 20,000	\$ -	\$ -	\$ -
57040 - Computer Hardware & Software	\$ 20,000	\$ 15,000	\$ 23,250	\$ 5,500	\$ 5,800	\$ 31,000	\$ 31,400	\$ 6,720	\$ 7,000	\$ 7,300	\$ 39,800	\$ -
57050 - Motor Vehicles	\$ 35,000	\$ -	\$ 35,000	\$ 30,000	\$ 36,000	\$ 96,667	\$ 84,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -
57055 - Equipment	\$ 85,000	\$ -	\$ 75,000	\$ 75,000	\$ 160,000	\$ 90,000	\$ 155,000	\$ 110,000	\$ -	\$ -	\$ -	\$ -
57060 - Construction	\$ -	\$ -	\$ -	\$ 750,000	\$ 60,000	\$ 100,000	\$ 3,000,000	\$ -	\$ 2,750,000	\$ 10,000,000	\$ -	\$ -
57080 - Fixtures and Furniture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Totals</b>	<b>\$ 419,000</b>	<b>\$ 175,000</b>	<b>\$ 149,250</b>	<b>\$ 1,023,250</b>	<b>\$ 271,800</b>	<b>\$ 317,667</b>	<b>\$ 3,283,150</b>	<b>\$ 163,720</b>	<b>\$ 2,777,000</b>	<b>\$ 10,007,300</b>	<b>\$ 39,800</b>	<b>\$ -</b>

NOTE: FY 22/23 OPERATING CAPITAL OUTLAY TO BE APPROVED WITH BUDGET

**South Central Wastewater Authority  
Capital Budget  
FY23/24**

ITEM	Estimate	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
				24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
Nutrient Upgrade - Engineering (See Note 1.)	\$ 3,070,384	\$ 1,535,192	\$ -										
Nutrient Upgrade - Bond (See Notes 2. and 3.)	\$ 35,000,000	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	
Capital Reserve Account (See Notes 4. and 5.)		\$ 2,500,000	\$ 2,500,000										
<b>Totals</b>		<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	

NOTE:

- The purchase order has been issued for the Nutrient Upgrade - Engineering. This amount is funded and only illustrated for informational purposes. That is the reason it is not included in the "Totals"
- Bond Funding will be required for the Proposed Nutrient Upgrade Project. Debt service for the local share portion of the Nutrient upgrade was estimated at \$35 million over 20 years at 3%.
- The \$35 million is the proposed local share for the Nutrient project. The estimated total project cost including the local share is \$107.7 million.
- Nutrient Upgrade - Engineering for FY2021 and FY2022 is funded through the Capital Reserve Account as approved at the September 2020 Board meeting
- The Capital Reserve Account that is currently funding engineering for the Nutrient Project will end in FY21/22. The Nutrient Upgrade - Bond will be used to fund the local share debt service for the Nutrient Project.

Total Operating Capital Outlay and Construction Budget										
22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
\$ 2,919,000	\$ 2,675,000	\$ 2,649,250	\$ 3,523,250	\$ 2,771,800	\$ 2,817,667	\$ 5,783,150	\$ 2,663,720	\$ 5,277,000	\$ 12,507,300	\$ 2,539,800

**South Central Wastewater Authority  
Nutrient Credit Purchase - Acct # 58100  
FY23/24**

Acct# 58100 ITEM	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
			24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
Contract + contingency	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NOTE: FY 22/23 TO BE APPROVED WITH BUDGET

**SCWWA Budget comparisons**

Year	(1)		(2)		(3)		Total	Difference	% change	Comments
	O&M Expenses	Operating Capital Outlay	Nutrients	Debt Service	Reserve policy	ERRF				
22/23	\$ 5,915,316.92	\$ 419,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,021,816.92			
23/24	\$ 6,718,897.50	\$ 175,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,581,397.50	\$ 559,580.57	6%	
24/25	\$ 7,081,464.42	\$ 149,250.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,918,214.42	\$ 336,816.92	4%	added maint sup and mechanic + benefits
25/26	\$ 7,454,908.35	\$ 1,023,250.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 11,165,658.35	\$ 1,247,443.93	13%	should be last year purchasing credits
26/27	\$ 7,678,555.60	\$ 271,800.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 10,637,855.60	\$ (527,802.75)	-5%	
27/28	\$ 7,908,912.27	\$ 317,666.67	\$ -	\$ 2,500,000.00	\$ -	\$ -	\$ 10,726,578.94	\$ 88,723.33	1%	

Notes:

(1) Annual increase in operating expenses 3%

(2) Debt Service stays constant. Projections assume bond payments start in FY23 (shown in red)

(3) Equipment Replacement and Reserve Fund (currently fully funded at >\$2,500,000)

**SCWWA Projected Annual Cost**

**5 year projected annual cost per Participating Jurisdiction**

	Dinwiddie	Prince George	Colonial Heights	Chesterfield	Petersburg	total
5 year aver flows	8.171%	5.084%	17.254%	8.179%	61.312%	100.000%
Allocation	10.000%	7.500%	20.000%	10.000%	52.500%	100.000%
FY 23/24	\$ 828,625	\$ 547,499	\$ 1,721,809	\$ 829,209	\$ 5,654,257	\$ 9,581,397
FY 24/25	\$ 856,146	\$ 564,621	\$ 1,779,922	\$ 856,758	\$ 5,860,766	\$ 9,918,214
FY 25/26	\$ 958,076	\$ 628,038	\$ 1,995,154	\$ 958,790	\$ 6,625,601	\$ 11,165,658
FY 26/27	\$ 914,949	\$ 601,206	\$ 1,904,088	\$ 915,619	\$ 6,301,994	\$ 10,637,856
FY 27/28	\$ 922,198	\$ 605,716	\$ 1,919,396	\$ 922,876	\$ 6,356,392	\$ 10,726,579

Note: Budget % based on five year average flows (FY17/18 to FY21/22)

# Attachment #3

## Recommended FY23/24 Budget

**SOUTH CENTRAL WASTEWATER AUTHORITY**

FY 2023/2024 Budget

PROPOSED: January 26, 2023

APPROVED:

REVISED:

REVISION APPROVED:

Acct #	ITEM	Fiscal Year	Fiscal Year	FY22/23 to FY23/24	
		2022/2023 Budget	2023/2024 Budget	\$ Change	% Change
<b>51000</b>	<b>SALARY</b>	\$ 2,211,441	\$ 2,356,538	\$145,096	6.56%
<b>52000</b>	<b>EMPLOYEE BENEFITS</b>	\$ 903,376	\$ 999,660	\$96,284	10.66%
52100	Employer FICA	\$ 169,175	\$ 180,275	\$11,100	6.56%
52200	Virginia Retirement System	\$ 121,408	\$ 158,595	\$37,187	30.63%
52300	Hospitalization Insurance	\$ 572,322	\$ 617,712	\$45,390	7.93%
52400	Group Life	\$ 28,970	\$ 31,578	\$2,608	9.00%
52450	Supplemental Group Life	\$ 1,500	\$ 1,500	\$0	0.00%
52500	Health Insurance Credit	\$ -	\$ -	\$0	0.00%
52600	Workers Comp/Unemployment	\$ -	\$ -	\$0	0.00%
52700	Employee Promotions	\$ 10,000	\$ 10,000	\$0	0.00%
52900	OPEB Health Insuranc ARC Adj	\$ -	\$ -	\$0	0.00%
52952	Net Pension Adjustment	\$ -	\$ -	\$0	0.00%
<b>53000</b>	<b>Contractual Services</b>	\$ 309,000	\$ 327,200	\$18,200	5.89%
53121	Auditing Services	\$ 20,000	\$ 15,000	-\$5,000	-25.00%
53122	Accounting Services	\$ 12,000	\$ 12,000	\$0	0.00%
53123	Administrative Service	\$ -	\$ 38,000	\$38,000	0.00%
53124	Part-Time Summer Interns	\$ 5,000	\$ 5,000	\$0	0.00%
53140	Consults - Engineering	\$ 50,000	\$ 25,000	-\$25,000	-50.00%
53145	Consults - General	\$ -	\$ -	\$0	0.00%
53150	Legal Services	\$ 50,000	\$ 70,000	\$20,000	40.00%
53152	Software Support	\$ 60,000	\$ 50,000	-\$10,000	-16.67%
53160	Medical	\$ 5,000	\$ 5,000	\$0	0.00%
53162	Bank Service Charges	\$ -	\$ -	\$0	0.00%
53170	Payment in Lieu of Taxes (City of Petersburg)	\$ -	\$ -	\$0	0.00%
53190	Samples and Testing	\$ 52,000	\$ 57,200	\$5,200	10.00%
53220	VPDES Permit Fee	\$ 12,500	\$ 12,500	\$0	0.00%
53320	Maintenance Service Contracts	\$ 15,000	\$ 10,000	-\$5,000	-33.33%
53600	Grounds Maintenance	\$ 27,500	\$ 27,500	\$0	0.00%
<b>55000</b>	<b>Other Charges</b>	\$ 1,065,500	\$ 1,151,000	\$85,500	8.02%
55050	Advertising	\$ 5,000	\$ 4,000	-\$1,000	-20.00%
55110	Electricity	\$ 450,000	\$ 500,000	\$50,000	11.11%
55120	Natural Gas	\$ 15,000	\$ 7,500	-\$7,500	-50.00%
55130	Solid Waste	\$ 3,500	\$ 3,500	\$0	0.00%
55140	Water	\$ 10,000	\$ 10,000	\$0	0.00%
55150	Storm Water (City of Petersburg)	\$ 6,500	\$ 5,500	-\$1,000	-15.38%

55160	Biosolids Disposal	\$ 400,000	\$ 450,000	\$50,000	12.50%
55210	Postage and Freight	\$ 25,000	\$ 20,000	-\$5,000	-20.00%
55230	Telecommunications	\$ 17,500	\$ 17,500	\$0	0.00%
55308	General Liability Insurance	\$ 70,000	\$ 70,000	\$0	0.00%
55410	Lease/Rent of Equipment	\$ 11,000	\$ 11,000	\$0	0.00%
55530	Meals and Lodging	\$ 2,000	\$ 2,000	\$0	0.00%
55540	Education and Training	\$ 25,000	\$ 25,000	\$0	0.00%
55550	Safety Supplies	\$ 25,000	\$ 25,000	\$0	0.00%
55700	Grounds Maintenance			\$0	0.00%
<b>56000</b>	<b>Materials and Supplies</b>	<b>\$ 1,426,000</b>	<b>\$ 1,884,500</b>	<b>\$458,500</b>	<b>32.15%</b>
56001	Office Supplies	\$ 15,000	\$ 7,500	-\$7,500	-50.00%
56004	Laboratory Supplies	\$ 59,500	\$ 63,000	\$3,500	5.88%
56005	Process Chemicals	\$ 747,500	\$ 1,200,000	\$452,500	60.54%
56006	Repair and Maintenance Supplies - IT	\$ 30,000	\$ 30,000	\$0	0.00%
56007	Repair and Maintenance Supplies - Shop	\$ 465,000	\$ 475,000	\$10,000	2.15%
56008	Vehicle and Equipment Fuels	\$ 25,000	\$ 25,000	\$0	0.00%
56009	Inventory Purchases	\$ -	\$ -	\$0	0.00%
56010	Janitorial Supplies	\$ 10,000	\$ 10,000	\$0	0.00%
56011	Uniforms	\$ 24,000	\$ 24,000	\$0	0.00%
56012	Dues and Subscriptions	\$ 30,000	\$ 30,000	\$0	0.00%
56015	Small Equipment Purchases	\$ -	\$ -	\$0	0.00%
56016	Operation - Supplies - Maintenance	\$ 20,000	\$ 20,000	\$0	0.00%
<b>57000</b>	<b>Operating Capital Outlay</b>	<b>\$ 419,000</b>	<b>\$ 175,000</b>	<b>-\$244,000</b>	<b>-58.23%</b>
<b>58000</b>	<b>Nutrient Credit Purchases</b>	<b>\$ 187,500</b>	<b>\$ 187,500</b>	<b>\$0</b>	<b>0.00%</b>
<b>59000</b>	<b>Rate Stabilization Funds to be deposited to Capital Reserve Acct</b>			<b>\$0</b>	<b>0.00%</b>
	<b>Total(Operations &amp; Maintenance)</b>	<b>\$ 6,521,817</b>	<b>\$ 7,081,397</b>	<b>\$559,581</b>	<b>8.04%</b>
	<b>Reserve policy (50% O&amp;M) (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>ERRF (5% of Operations &amp; Maintenance) (2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Capital Reserve Account (3)</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	<b>0.00%</b>
	<b>Total</b>	<b>\$ 9,021,817</b>	<b>\$ 9,581,397</b>	<b>\$559,581</b>	<b>6.20%</b>

Notes

(1) Reserve Policy requirement is to maintain 50% O&M reserves. Reserve Policy account currently has 50% O&M

(2) Equipment Replacement and Reserve Fund (ERRF) has > \$2.5 million. Per service agreement, the budget must include 5% O&M charge for ERRF until the account reaches \$2.5 million

(3) Capital Reserve account is used to offset future capital expenditures.

**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2023/2024 Budget**

Proposed: Jan. 26, 2023

Approved: \_\_\_\_\_

Revised: \_\_\_\_\_

Revision Approved: \_\_\_\_\_

**Operations and Maintenance, Equipment Repair and Replacement Funds and Debt Service billing per July 2, 1996 Service Agreement**

**Operation and Maintenance, Section 10, Para. 2**

**Budget: \$7,081,397.50**

<b>Community</b>	<b>Petersburg</b>	<b>Colonial Heights</b>	<b>Chesterfield</b>	<b>Prince George</b>	<b>Dinwiddie</b>
% O&M (1)	61.312%	17.254%	8.179%	5.084%	8.171%
O&M	\$ 4,341,756.67	\$ 1,221,808.83	\$ 579,208.51	\$ 359,998.63	\$ 578,624.86

**Equipment Repair and Replacement Fund, Section 11, Para. E, 5% of O&M**

**Budget: \$ -**

%ERRF(2)	52.5%	20.0%	10.0%	7.5%	10.0%
ERRF	\$ -	\$ -	\$ -	\$ -	\$ -

**Debt Service, Section 11, Para. A.2**

**Budget: \$ -**

% Participation	52.50%	20.00%	10.00%	7.50%	10.00%
P&I Owed	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred	\$ -	\$ -	\$ -	\$ -	\$ -
Total P&I	\$ -	\$ -	\$ -	\$ -	\$ -

**Reserve Policy**

**Budget: 0**

% Participation (3)	52.5%	20.0%	10.0%	7.5%	10.0%
Reserve Policy	\$ -	\$ -	\$ -	\$ -	\$ -

**Capital Reserve Account (to offset future Capital Expenditures)**

**Budget: \$ 2,500,000.00**

% Participation	52.5%	20.0%	10.0%	7.5%	10.0%
Reserve Policy	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00

<b>Annual Total</b>	\$ <b>5,654,256.67</b>	\$ <b>1,721,808.83</b>	\$ <b>829,208.51</b>	\$ <b>547,498.63</b>	\$ <b>828,624.86</b>
O&M Due Monthly	\$ 361,813.06	\$ 101,817.40	\$ 48,267.38	\$ 29,999.89	\$ 48,218.74
ERRF Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve policy Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 109,375.00	\$ 41,666.67	\$ 20,833.33	\$ 15,625.00	\$ 20,833.33
P&I Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Due Monthly</b>	\$ <b>471,188.06</b>	\$ <b>143,484.07</b>	\$ <b>69,100.71</b>	\$ <b>45,624.89</b>	\$ <b>69,052.07</b>

Notes:

(1) Participation percentage based on flow data for period from FY17 to FY21

(2) Participation percentage based upon Section 6 of the Service Agreement

(3) A Reserve Policy of 50% O&M was adopted with the FY15/16 Budget to be funded initially over a 5 year term. Participation is based on Plant Allocation



**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2023/2024 Budget**

Proposed: Jan. 26, 2023

Approved: \_\_\_\_\_

Revised: \_\_\_\_\_

Revision Approved: \_\_\_\_\_

<u>Proposed Revenues</u>	<u>Petersburg</u>	<u>Colonial Heights</u>	<u>Chesterfield</u>	<u>Prince George</u>	<u>Dinwiddie</u>	<u>Total</u>
Estimated Share of Plant Flow	61.312%	17.254%	8.179%	5.084%	8.171%	100.000%
Estimated Share of Operations & Maintenance	\$ 4,341,756.67	\$ 1,221,808.83	\$ 579,208.51	\$ 359,998.63	\$ 578,624.86	\$ 7,081,397.50
Share of Plant Capacity (%)	52.50%	20.00%	10.00%	7.50%	10.00%	100.00%
Share of Equipment Replacement Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Policy - (50% O&M)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00	\$ 2,500,000.00
Share of Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Amount	\$ 471,188.06	\$ 143,484.07	\$ 69,100.71	\$ 45,624.89	\$ 69,052.07	\$ 798,449.79
Annual Total	\$ 5,654,256.67	\$ 1,721,808.83	\$ 829,208.51	\$ 547,498.63	\$ 828,624.86	\$ 9,581,397.50
Electrical Credit						\$ -
Miscellaneous Revenue - PROPOSE THIS REVENUE IS DEPOSITED TO A CAPITAL RESERVE FUND						\$ -
<b>Total Budget</b>						<b>\$ 9,581,397.50</b>

**Budget Comparison**

	<b>FY23/24 Budget</b>	<b>FY22/23 Budget</b>	<b>FY23/24 - FY22/23</b>	
<b>Locality</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Difference</b>	
City of Petersburg	\$ 5,654,257	\$ 5,245,251	\$ 409,006	7.80%
City of Colonial Heights	\$ 1,721,809	\$ 1,619,772	\$ 102,037	6.30%
Chesterfield County	\$ 829,209	\$ 784,944	\$ 44,265	5.64%
Prince George County	\$ 547,499	\$ 556,141	\$ (8,643)	-1.55%
Dinwiddie County	\$ 828,625	\$ 815,709	\$ 12,916	1.58%
Sub-totals	\$ 9,581,397	\$ 9,021,817	\$ 559,581	3.953%
<b>Total Budget</b>	<b>\$ 9,581,397.50</b>	<b>\$ 9,021,816.92</b>	<b>\$ 559,580.57</b>	

**50% Reserve Policy:**

Reserve Policy Calculation

	O&M Reserves on June 30, 2022	Recommended 50% O&M Reserves	Charges required to achieve 50% reserves	Annual Charge
SCWWA O&M Budget	\$7,081,397	\$3,916,414.45	\$3,540,698.75	-\$375,715.70
				0

**South Central Wastewater Authority  
Operating Capital Outlay - 57000  
FY23/24**

Acct#	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
			24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
57010 - Machinery & Equipment	\$ 145,000	\$ 65,000	\$ 16,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57020 - Instrumentation	\$ 134,000	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57030 - SCADA	\$ -	\$ 85,000	\$ -	\$ 37,750	\$ -	\$ -	\$ 12,750	\$ -	\$ 20,000	\$ -	\$ -	\$ -
57040 - Computer Hardware & Software	\$ 20,000	\$ 15,000	\$ 23,250	\$ 5,500	\$ 5,800	\$ 31,000	\$ 31,400	\$ 6,720	\$ 7,000	\$ 7,300	\$ 39,800	\$ -
57050 - Motor Vehicles	\$ 35,000	\$ -	\$ 35,000	\$ 30,000	\$ 36,000	\$ 96,667	\$ 84,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -
57055 - Equipment	\$ 85,000	\$ -	\$ 75,000	\$ 75,000	\$ 160,000	\$ 90,000	\$ 155,000	\$ 110,000	\$ -	\$ -	\$ -	\$ -
57060 - Construction	\$ -	\$ -	\$ -	\$ 750,000	\$ 60,000	\$ 100,000	\$ 3,000,000	\$ -	\$ 2,750,000	\$ 10,000,000	\$ -	\$ -
57080 - Fixtures and Furniture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Totals</b>	<b>\$ 419,000</b>	<b>\$ 175,000</b>	<b>\$ 149,250</b>	<b>\$ 1,023,250</b>	<b>\$ 271,800</b>	<b>\$ 317,667</b>	<b>\$ 3,283,150</b>	<b>\$ 163,720</b>	<b>\$ 2,777,000</b>	<b>\$ 10,007,300</b>	<b>\$ 39,800</b>	<b>\$ -</b>

NOTE: FY 22/23 OPERATING CAPITAL OUTLAY TO BE APPROVED WITH BUDGET

**South Central Wastewater Authority  
Capital Budget  
FY23/24**

ITEM	Estimate	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
				24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
Nutrient Upgrade - Engineering (See Note 1.)	\$ 3,070,384	\$ 1,535,192	\$ -										
Nutrient Upgrade - Bond (See Notes 2. and 3.)	\$ 35,000,000	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	
Capital Reserve Account (See Notes 4. and 5.)		\$ 2,500,000	\$ 2,500,000										
<b>Totals</b>		<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	

NOTE:

- The purchase order has been issued for the Nutrient Upgrade - Engineering. This amount is funded and only illustrated for informational purposes. That is the reason it is not included in the "Totals"
- Bond Funding will be required for the Proposed Nutrient Upgrade Project. Debt service for the local share portion of the Nutrient upgrade was estimated at \$35 million over 20 years at 3%.
- The \$35 million is the proposed local share for the Nutrient project. The estimated total project cost including the local share is \$107.7 million.
- Nutrient Upgrade - Engineering for FY2021 and FY2022 is funded through the Capital Reserve Account as approved at the September 2020 Board meeting
- The Capital Reserve Account that is currently funding engineering for the Nutrient Project will end in FY21/22. The Nutrient Upgrade - Bond will be used to fund the local share debt service for the Nutrient Project.

Total Operating Capital Outlay and Construction Budget										
22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
\$ 2,919,000	\$ 2,675,000	\$ 2,649,250	\$ 3,523,250	\$ 2,771,800	\$ 2,817,667	\$ 5,783,150	\$ 2,663,720	\$ 5,277,000	\$ 12,507,300	\$ 2,539,800

**South Central Wastewater Authority  
Nutrient Credit Purchase - Acct # 58100  
FY23/24**

Acct# 58100 ITEM	Budget 22/23	Proposed Budget 23/24	INFORMATIONAL & PLANNING									
			24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	
Contract + contingency	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NOTE: FY 22/23 TO BE APPROVED WITH BUDGET

**SCWWA Budget comparisons**

Year	(1)		(2)		(3)		Total	Difference	% change	Comments
	O&M Expenses	Operating Capital Outlay	Nutrients	Debt Service	Reserve policy	ERRF				
22/23	\$ 5,915,316.92	\$ 419,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,021,816.92			
23/24	\$ 6,718,897.50	\$ 175,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,581,397.50	\$ 559,580.57	6%	
24/25	\$ 7,081,464.42	\$ 149,250.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,918,214.42	\$ 336,816.92	4%	added maint sup and mechanic + benefits
25/26	\$ 7,454,908.35	\$ 1,023,250.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 11,165,658.35	\$ 1,247,443.93	13%	should be last year purchasing credits
26/27	\$ 7,678,555.60	\$ 271,800.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 10,637,855.60	\$ (527,802.75)	-5%	
27/28	\$ 7,908,912.27	\$ 317,666.67	\$ -	\$ 2,500,000.00	\$ -	\$ -	\$ 10,726,578.94	\$ 88,723.33	1%	

Notes:

(1) Annual increase in operating expenses 3%

(2) Debt Service stays constant. Projections assume bond payments start in FY23 (shown in red)

(3) Equipment Replacement and Reserve Fund (currently fully funded at >\$2,500,000)

**SCWWA Projected Annual Cost**

**5 year projected annual cost per Participating Jurisdiction**

	Dinwiddie	Prince George	Colonial Heights	Chesterfield	Petersburg	total
5 year aver flows	8.171%	5.084%	17.254%	8.179%	61.312%	100.000%
Allocation	10.000%	7.500%	20.000%	10.000%	52.500%	100.000%
FY 23/24	\$ 828,625	\$ 547,499	\$ 1,721,809	\$ 829,209	\$ 5,654,257	\$ 9,581,397
FY 24/25	\$ 856,146	\$ 564,621	\$ 1,779,922	\$ 856,758	\$ 5,860,766	\$ 9,918,214
FY 25/26	\$ 958,076	\$ 628,038	\$ 1,995,154	\$ 958,790	\$ 6,625,601	\$ 11,165,658
FY 26/27	\$ 914,949	\$ 601,206	\$ 1,904,088	\$ 915,619	\$ 6,301,994	\$ 10,637,856
FY 27/28	\$ 922,198	\$ 605,716	\$ 1,919,396	\$ 922,876	\$ 6,356,392	\$ 10,726,579

Note: Budget % based on five year average flows (FY17/18 to FY21/22)



900 Magazine Rd.  
Petersburg, VA 23803  
Office: (804) 861-0111  
Fax: (804) 861-3254

## Exhibit D

TO: South Central Wastewater Authority Board of Directors

FROM: Robert B. Wilson, Executive Director  
James C. Gordon, Assistant Executive Director

DATE: March 16, 2023

SUBJECT: Nutrient Reduction Project Update

At the January 26<sup>th</sup> meeting, the Authority selected an engineer to provide professional services to complete the Nutrient Reduction Project. The following tasks have been performed since the January 26<sup>th</sup> meeting:

- The shop drawings have been approved and released for the fabrication of the gravity belt thickeners (GBT's) and belt filter presses (BFP's).
- We have received the auxiliary equipment such as pumps and piping that will support the installation of the GBT's and BFP's.
- The access road across the EDA property has been advertised and the pre-bid conference held. Bids are scheduled to be opened on April 12<sup>th</sup>. We hope to be able to make a recommendation at the May 18<sup>th</sup> meeting. The Authority is paying for the entire cost of the road.
- The front-end documents for the GBT's and BFP's have been submitted to DEQ for review. There is a reimbursement component for these systems. Therefore, specific grant and WQIF wording is required in the front-end documents.
- Staff has developed the formal scope for the electrical improvements with the assistance of the Authority's third-party electrician. This is for the electrical distribution for the plant. A purchase order has been issued for \$205,000. The task orders for additional design are being managed through the annual professional services contract. This change in power distribution is estimated to save \$10 to \$15 million.
- The consultant is currently modeling the treatment process to determine if can change from a step feed/Bardenpho hybrid process to a straight five stage Bardenpho process. The current design has staff running two separate plants dependent on each other. The process being considered is a single plant that may tolerate extreme flow changes from wet weather events better.
- The two legislative bills, SB 963 (Senator Morrissey) and HB 1839 (Delegate Taylor), passed both houses. These sister bills extended the construction deadline from January 1, 2026, to January 1, 2030. They also instructed DEQ to make the necessary revisions to the VPDES permit and WQIF grant – new completion date. There are also some requirements to have a phasing plan and updated construction estimate to DEQ by August 1<sup>st</sup> and begin construction

by the end of the year. The Authority has satisfied the construction start requirement with the ordering of the solids handling equipment and advertising for the road.

- Legal staff is completing the lease agreement between the City of Petersburg and SCWWA. SCWWA will be the tenant for the site since the Authority is phasing the construction and there will be multiple phases and contractors.
- The executive director made presentations to both the City of Petersburg's City Council and EDA updating them on the status of the project and project schedule.
- Staff requested that the intermediate pump station and disk filters be redesigned to provide area for maintenance of the disk filters and change out the screw pumps to vertical turbines. Staff also requested the hydraulic grade line be verified and provisions be made for the installation of a flocculation tank to bring phosphorous down to 0.1 mg/l. W|W provided a proposal in the amount of \$275,000. The purchase order has been issued for task order #2.

At the January 26<sup>th</sup> meeting, staff requested an additional \$500,000 for design that would result from the cost/benefit analysis. Staff advised as additional task orders were issued the executive director would advise the members via email then provide additional updates at the following meeting.

- Task Order #1 was issued on February 23<sup>rd</sup> in the amount of \$205,000. An email was sent to members on February 24<sup>th</sup>.
- Task Order #2 was issued on March 7<sup>th</sup> in the amount of \$275,000. An email was sent to members on March 7<sup>th</sup>.
- Attachment #1 is a summary of the task orders to date with a running total. The current total is \$480,000 for two additional task orders.

Board Action Requested:

Staff requests the Board appropriate an additional \$500,000 for design task orders that will be identified through additional cost/benefit analysis.

# Attachment 1

NRP Task Order Tracking Spreadsheet  
 Limit \$500,000 (approved January 26, 2023)

3/7/2023

Task Order Number	Date	Vendor	Description	Cost	Purchase Order Number	Comments	WQIF Percent Eligible	95% Grant Remimbursement	Date Task Completed	Date Submitted to WQIF	Requisition Number	Date Reimbursement Received	Amount Received	
1	2/20/2023	Virginia A&E (electrical)	Verify electrical on solids conditioning. Move controls from lime silo #1 to solids MCC room.	\$ 16,000.00		proposal dated 2/20/2023 from VA A&E to W W								
		Virginia A&E (electrical)	Overall Power distribution for entire site, generators, removal of duct banks, coordination with VEPCO, new stamped drawings and specs, elimination of EB1	\$ 177,000.00		Projected \$10 million savings proposal dated 2/20/2023 from W W to RBW								
		W W	Project management and coordination	\$ 7,000.00										
		W W	NPW pump process design	\$ 5,000.00										
				<u>\$ 205,000.00</u>	5987	A/E Basic Fees	79.82%	\$ 155,451.86						
2	3/7/2023	W W	Redesign intermediate PS, provisions for new flocculation tank, maintenance area in disk filters, elimination of Junction Box #2, bypass between intermediate PS and filters.	\$ 275,000.00		A/E basic fees	79.82%	\$ 208,532.99						
Total				\$ 480,000.00				\$ 363,984.85						



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**Exhibit E**

TO: South Central Wastewater Authority Board of Directors

FROM: Robert B. Wilson, P.E., Executive Director  
 James C. Gordon, Assistant Executive Director

DATE: March 16, 2023

SUBJECT: Ongoing Projects\Operations

Operating Status Report

This report hits the highlights and does not cover the day-to-day maintenance or preventive maintenance summaries.

➤ General

- The next scheduled Board of Directors Meeting is Thursday, May 18, 2023, at the Appomattox River Water Authority at 2:00 pm.
- Proposed budget was advertised on the Authority website and two in the progress index. Advertisement dates February 22<sup>nd</sup> and March 1<sup>st</sup>.
- Reviewed the draft permit from DEQ and provided comments. Requested to delay advertising until after new Nutrient Reduction Project compliance language is included.
- Septage revenues were:

Month	Septage
January	\$17,198.62
February	\$14,216.96

- SCWWA’s annual total nitrogen (TN) waste load allocation (WLA) is 350,239 lbs. TN discharged through February 2023 was 59,652 lbs. We have a contract with Chesterfield to purchase 50,000 credits to cover any WLA overage.
- SCWWA’s annual total phosphorus (TP) WLA is 28,404 lbs. TP discharged through February 2023 was 4,446 lbs.
- In discussions with Chesterfield for nutrient credit purchases for compliance years 2025 – 2027.
- SCWWA participated in the Tornado drill on March 7<sup>th</sup>.

➤ Operations

- Plant effluent met all permit requirements for January and February 2023.
- Average daily effluent flows were:

Month	Average Effluent Flow (mgd)	Total Monthly Precipitation (inches)
January	12.890	3.25
February	12.641	1.92

- Tier II annual reporting submitted to EPCRA and Petersburg.
- EPA 503 biosolids reporting submitted.
- Worked with DEQ to host two training classes at SCWWA. DEQ 18 and DEQ 22 will be held on June 5<sup>th</sup> and June 6-7<sup>th</sup>. Several of our employees will participate and there will be a few spaces available for operators outside of the SCWWA. We hope to expand this to additional DEQ training events.
- Walter Gisewhite completed the advanced waste treatment course.
- Kendrick Robinson completed WEF wastewater.
- Cerrone Rainey Passed is Class 3 Wastewater License Exam
- Monthly eDMR submittals to DEQ for January and February.
- Cameron Meeks and Allan Billicki have been enrolled in Applied Math for Wastewater Operators course.
- The SCWWA hired two new operator trainees. Jacob Lawson started on March 6<sup>th</sup> and “Mo” Muhammad is starting on March 16<sup>th</sup>. The SCWWA is now fully staffed.

➤ Maintenance

- Replaced all remaining 4 check valves on the RAS pumps. Staff performed all work.
- Preparations and planning are ongoing for the Filtrate Pump Station Rebuild.
- Belt Filter Press (BFP) 2 had several bearings go out on the rollers that required replacing.
- Blower 3 was removed and sent out for repair. Staff removed and installed the blower and it is now in operation.
- Blower 2 was kicking the breaker out. A replacement breaker has been ordered and received. A shutdown of the aeration system will need to be scheduled for staff to install.
- Blower 1 has a bad bearing and is currently locked out and can only be used for emergencies. Once Blower 2 is repaired we will send out for repairs.

➤ IT

- SCWWA PLC4 upgrade is in development by contractor. Parts have been ordered.
- Converting the Authority Win911 system to a local cellular routing for text messages.
- Updating the current COGZ computerized maintenance management system to allow for IT work order request entries.
- In the process of obtaining proposals for outside IT services.
- Assisting with the design evaluation of the electrical and communication systems.

➤ Laboratory/Industrial Pretreatment

- Pretreatment annual report will be sent to DEQ by 1/31/23.
- Completed Whole Effluent Toxicity (WET) testing in February. No toxicity.
- Industrial Pretreatment Conference March 6<sup>th</sup> and 7<sup>th</sup>.
- Inspections at Boar’s Head (2/15), Wal-Mart DC (2/23), and International Paper (3/21)
- Pretreatment Annual Report issued to DEQ and members (Jan. 2023)
- Ongoing sampling of permitted industrial users.

➤ Drain Pump Station

- Project is complete

➤ Roofing Project

- Project is complete



- PB3 and PB5 MCC Replacement
  - Variable Frequency Drives (VFDs) have been received. A&R electric has inspected the drives.
  - Waiting for delivery of Motor Control Centers (MCCs) from Eaton. Estimated delivery is near the end of 2023.

# Attachment F

## South Central Wastewater Authority For Month Ending February 28, 2023

### Assets

#### Current Assets

Petty Cash	\$	500
Wells Fargo Operating Account	\$	2,674,891
Payments In-Transit To LGIP Fund	\$	(136,263)
<b>Total Unrestricted Cash</b>	<b>\$</b>	<b><u>2,539,127</u></b>

Wells Fargo Reserve	\$	3,916,414
LGIP-ERRF	\$	2,710,468
LGIP_Capital Improvements Reserve	\$	12,354,484
<b>Total Restricted Cash</b>	<b>\$</b>	<b><u>18,981,366</u></b>

**Total Checking/Savings** **\$ 21,520,493**

Accounts Receivable	\$	109,860
Accounts Receivable-DEQ	\$	480,837
Prepaid Expenses	\$	51,506

**Total Current Assets** **\$ 22,162,696**

#### Fixed Assets

Sewer System Plant	\$	34,217,318
Equipment & Vehicles	\$	2,573,463
Plant Machinery	\$	7,190,153
Construction in Progress	\$	3,673,306
Land	\$	92,968
Accumulated Depreciation	\$	(29,289,490)
<b>Total Fixed Assets</b>	<b>\$</b>	<b><u>18,457,718</u></b>

#### Other Assets

Inventory	\$	974,711
Def Out Res-Post ER Pension Con	\$	103,557
Deferred Outflows-GLI OPEB	\$	28,704
Deferred Outflows-Pension related	\$	89,715
Def Out Res-OPEB Assumptions	\$	7,500
Def Out Res-OPEB Experience	\$	31,499
Def Out Res-OPEB Contributions	\$	6,681
Right of Use Lease Assets	\$	10,643
Accum amort-right of use lease	\$	(2,970)
<b>Total Other Assets</b>	<b>\$</b>	<b><u>1,250,040</u></b>

**Total Assets** **\$ 41,870,454**

### Liabilities & Equity

#### Current Liabilities

Accounts Payable	\$	43,755
<b>Total Current Liabilities</b>	<b>\$</b>	<b><u>43,755</u></b>

#### Other Current Liabilities

Payroll Accruals	\$	248,935
Health Ins-ARWA	\$	(10,388)
Retainage Payable	\$	4,380
Accrued interest-GASB87	\$	17
Accrue for Nutrient Credit Purchases	\$	-
Lease Liability-Current	\$	2,939
Lease Liability- non-current	\$	4,819
Refunds Due Member Localities	\$	-
<b>Total Other Current Liabilities</b>	<b>\$</b>	<b><u>250,702</u></b>

#### Long Term Liabilities

Net OPEB Obligation	\$	151,497
Net OPEB Liability-GLI	\$	98,730
Def Infl-OPEB-Chg of Assumption	\$	-
Deferred Inflows-GLI OPEB	\$	44,308
Def Inf-Chg in Ex and Act	\$	8,248
Def Inf Res-Net Dif Pension Inv	\$	43,043
Def Inf Res-Pens Chg Assumption	\$	-
Def Inf Res-Pens Dif Proj/Act E	\$	667,889
Net Pension Liability	\$	(443,152)
<b>Total Long-Term Liabilities</b>	<b>\$</b>	<b><u>570,563</u></b>

**Total Liabilities** **\$ 865,020**

### Equity

Retained Earnings	\$	26,000,093
Initial Locality Contribution Cap.	\$	14,166,822

Net Income	\$	838,518
<b>Total Equity</b>	<b>\$</b>	<b><u>41,005,433</u></b>

**Total Liabilities & Equity** **\$ 41,870,454**

South Central Wastewater Authority  
YTD Income Statement for the period ending February 28, 2023

<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>YTD Budget</i>	<i>Variance</i>
<i>FY 22/23</i>	<i>Year-to-Date</i>	<i>Year-to-Date</i>	<i>vs. Actual</i>	<i>Percentage</i>

Wastewater Rate Center  
Revenues and Expenses Summary

**Operating Budget vs. Actual**

**Revenues**

Septage/Misc Revenue	\$ -	\$ -	\$ 112,185	\$ 112,185	#DIV/0!
O&M Revenue	\$ 6,521,817	\$ 4,347,878	\$ 4,347,878	\$ 0	0.00%
Capital Improvements Reserve	\$ 2,500,000	\$ 1,666,667	\$ 1,666,667	\$ (0)	0.00%
ER&RF Revenue	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Operating Revenues</b>	<b>\$ 9,021,817</b>	<b>\$ 6,014,545</b>	<b>\$ 6,126,729</b>	<b>\$ 112,185</b>	<b>1.87%</b>

**Expenses**

Personnel Cost	\$ 3,114,817	\$ 2,076,545	\$ 2,003,922	\$ (72,623)	-3.50%
Contractual/Professional Services	\$ 314,000	\$ 209,333	\$ 147,786	\$ (61,548)	-29.40%
Utilities	\$ 485,000	\$ 323,333	\$ 411,494	\$ 88,161	27.27%
Communication/Postage/Freight	\$ 42,500	\$ 28,333	\$ 24,169	\$ (4,164)	-14.70%
Office/Lab/Janitorial Supplies	\$ 84,500	\$ 56,333	\$ 38,206	\$ (18,127)	-32.18%
Insurance	\$ 70,000	\$ 70,000	\$ 71,233	\$ 1,233	1.76%
Lease/Rental Equipment	\$ 11,000	\$ 7,333	\$ 4,152	\$ (3,181)	-43.38%
Travel/Training/Dues	\$ 57,000	\$ 38,000	\$ 35,858	\$ (2,142)	-5.64%
Safety/Uniforms	\$ 49,000	\$ 32,667	\$ 42,988	\$ 10,321	31.59%
Chemicals/Sludge Disposal	\$ 1,147,500	\$ 765,000	\$ 742,779	\$ (22,221)	-2.90%
Repair/Maintenance Parts & Supplies/Purchases	\$ 540,000	\$ 360,000	\$ 495,886	\$ 135,886	37.75%
<b>Total Operating Expenses</b>	<b>\$ 5,915,317</b>	<b>\$ 3,966,878</b>	<b>\$ 4,018,473</b>	<b>\$ 51,595</b>	<b>1.30%</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$ 3,106,500</b>	<b>\$ 2,047,667</b>	<b>\$ 2,108,256</b>	<b>\$ 60,590</b>	<b>2.96%</b>

**Replacement Outlay Budget vs. Actual**

Machinery & Equipment	\$ 125,000	\$ 83,333	\$ 5,808	\$ (77,525)	-93.03%
Generator Radiator	\$ 20,000	\$ 13,333	\$ 22,572	\$ 9,239	69.29%
Instrumentation	\$ 134,000	\$ 89,333	\$ 43,460	\$ (45,873)	-51.35%
SCADA	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Computer Equipment	\$ 20,000	\$ 13,333	\$ -	\$ (13,333)	-100.00%
Motor Vehicles	\$ 35,000	\$ 23,333	\$ 7,500	\$ (15,833)	-67.86%
Plant Equipment	\$ 85,000	\$ 56,667	\$ 57,903	\$ 1,236	2.18%
Construction	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Roof Repairs	\$ -	\$ -	\$ 226,392	\$ 226,392	#DIV/0!
Upgrade Headworks Drain PS	\$ -	\$ -	\$ 56,805	\$ 56,805	#DIV/0!
Fixtures/Furniture	\$ -	\$ -	\$ 9,945	\$ 9,945	#DIV/0!
<b>Total Replacement Outlay</b>	<b>\$ 419,000</b>	<b>\$ 279,333</b>	<b>\$ 430,385</b>	<b>\$ 151,052</b>	<b>54.08%</b>

**Nutrient Upgrade Budget vs. Actual**

Nutrient Upgrade-Engineering	\$ -	\$ -	\$ 989,738	\$ 989,738	#DIV/0!
Nutrient Upgrade-Equipment	\$ -	\$ -	\$ 50,797	\$ 50,797	#DIV/0!
Nutrient Upgrade-Solids Handling	\$ -	\$ -	\$ 42,644	\$ 42,644	#DIV/0!

**Other Income/Expense Budget vs. Actual**

Nutrient Credit Purchases (Expense)	\$ 187,500	\$ 125,000	\$ 87,500	\$ (37,500)	-30.00%
Nutrient Reduction	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Interest-Income	\$ -	\$ -	\$ 331,326	\$ 331,326	#DIV/0!
Gain/Loss on Disposal	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Other Income-Other	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Alum Litigation Proceeds (Income)	\$ -	\$ -	\$ -	\$ -	#DIV/0!

South Central Wastewater Authority  
Executive Review  
Cash and Debt Highlights  
As of February 28, 2023

<b>Highlights: SCWWA Cash Positions</b>				<b>30-Jun-22</b>	<b>28-Feb-23</b>	<b>Change</b>	<b>Explanation</b>
Unrestricted Cash & Investments:							
	Petty Cash			\$ 250.00	\$ 500.00	\$ 250.00	On-Hand Petty Cash for incidental expenses
	Wells Fargo Operating Account			\$ 6,318,169.33	\$ 2,674,890.57	\$ (3,643,278.76)	Financial Policy: All incoming O & M charges under service agreement
	Wells Fargo Reserve Account			\$ 3,916,414.45	\$ 3,916,414.45	\$ -	Financial Policy: 50% of Authority's Annual O & M Budget
	Payments In-Transit to LGIP Fund (Performed Quarterly)			\$ 14,936.98	\$ (136,263.21)	\$ (151,200.19)	Incoming Leachate Revenues-Moved Quarterly to LGIP Account
Restricted Cash and Investments:							
	LGIP-ERRF			\$ 2,710,467.97	\$ 2,710,467.97	\$ -	Resolution adopted by BOD, January 2018
	LGIP-Capital Improvement Reserve			\$ 8,200,383.04	\$ 12,354,483.68	\$ 4,154,100.64	Resolution adopted by BOD, January 2018
<b>Total Cash and Investments</b>				<b>\$ 21,160,621.77</b>	<b>\$ 21,520,493.46</b>	<b>\$ 359,871.69</b>	